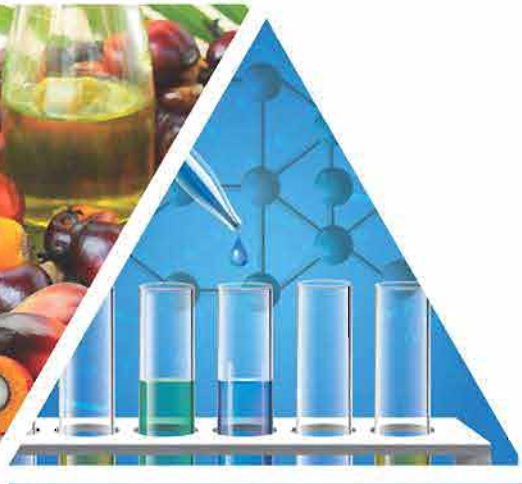
Godrej agrovet
brighter farming





ANNUAL REPORT 2018-19







Transforming **Lives** and Catalysing **Growth**

Transforming Lives And Catalysing Growth

Over three decades, one thing that has remained unchanged at Godrej Agrovet Limited is the active focus on transforming the lives of our consumers and farmers through innovative products and services. In line with this ethos, one of our recent launches – Jersey Thickshake addresses a mother's growing concern about nutritional intake by her children in-between meals. Similarly, Godrej Yummiez launched an assortment of premium products to meet the growing demand from homemakers to create restaurant-like snacks at home. Our innovation pipeline is not guided just by consumer delight but also by putting the farmer at the heart of everything we do. Thus, the new mobile application – Drishtikon was a result of the need to ensure timely availability of our agrochemical products for farmers across the country through seamless communications with the distributor network.

The intimate knowledge of consumers and farmers not only gives us an advantage in developing the right portfolio of technologies and products to serve their needs but also creates a path to catalyse growth. Manufacturing excellence and expansion have been the key drivers of growth last year. Our investment in Astec LifeSciences Limited (known for the triazole group of fungicides globally) for backward integration would reduce dependency on external suppliers and improve efficiency. The deployment of continuous sterilization, a first-of-its-kind technology in India - at new palm oil mill in Andhra Pradesh will help in improving the oil extraction ratio. In the processed food segment, the state-of-the-art food processing line in Ludhiana will allow us to develop a range of innovative vegetarian products under our brand Yummiez.

By improving the productivity of farmers and meeting the growing consumer demand for food, we are not only able to transform their lives but also able to catalyse growth for our stakeholders.

Green Initiative – Communication to Shareholders:

The Ministry of Corporate Affairs (MCA) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliance by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent through e-mail to the Shareholders. To support this green initiative of the Government in full measure, Shareholders who have not registered their e-mail addresses so far, are requested to register their e-mail addresses, in respect of electronic holdings, with the Depository through their concerned Depository Participants.

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THE GODREJ WAY

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

Our Values



Trust

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



Be Bold

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



Create Delight

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



Own It

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



Be Humble

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



Show Respect

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

BOARD OF **DIRECTORS**



Mr. Nadir B. Godrej
(Chairman)



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



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



Mr. Balram S. Yadav
(Managing Director)



Mr. Kavas N. Petigara
(Independent Director)



Dr. Ritu Anand
(Independent Director)



Ms. Aditi Kothari Desai
(Independent Director)



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



Ms. Nisaba Godrej
(Non-Independent Director)



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



Mr. Amit B. Choudhury
(Independent Director)



Dr. Raghunath A. Mashelkar
(Independent Director)



Ms. Roopa Purushothaman
(Independent Director)



Mr. Natarajan Srinivasan
(Independent Director)

CORPORATE INFORMATION

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

BOARD COMMITTEES :

Audit Committee :	Mr. K. N. Petigara (Chairman) Mr. B. S. Yadav Dr. Ritu Anand Ms. Aditi Kothari Desai
Nomination and Remuneration Committee :	Dr. Ritu Anand (Chairperson) Ms. Nisaba Godrej Ms. Roopa Purushothaman
Stakeholders' Relationship Committee :	Mr. N. B. Godrej (Chairman) Mr. B. S. Yadav Mr. A. B. Choudhury (resigned with effect from May 23, 2019)
Corporate Social Responsibility Committee :	Dr. Raghunath A. Mashelkar (Chairman) Mr. N. B. Godrej Mr. B. S. Yadav Ms. Roopa Purushothaman
Risk Management Committee :	Mr. N. B. Godrej (Chairman) Mr. B. S. Yadav Mr. A. B. Choudhury (resigned with effect from May 23, 2019) Mr. Natarajan Srinivasan (inducted with effect from June 17, 2019)
Managing Committee :	Mr. N. B. Godrej (Chairman) Ms. Nisaba Godrej Mr. Pirojsha Godrej (inducted with effect from November 5, 2018) Mr. B. S. Yadav
Chief Financial Officer :	Mr. S. Varadaraj
Company Secretary & Compliance Officer :	Mr. Vivek Raizada
Registrar and Share Transfer Agent :	Karvy Fintech Private Limited Karvy Selenium, Tower B, Plot No. 31 & 32, Gachibowli Financial District, Nanakramguda, Hyderabad - 500 032, Telangana Tel.: (91 40) 6716 2222 Fax: (91 40) 2343 1551 Investor Grievance E-mail: einward.ris@karvy.com

Registered Office :

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

Major Factories :

Animal Feed:
Khanna (Punjab)
Miraj (Maharashtra)
Sachin (Gujarat)
Kharagpur (West Bengal)
Kondapalli (Andhra Pradesh)
Tumkur (Karnataka)
Hajipur (Bihar)
Erode (Tamil Nadu)
Chandauli (Uttar Pradesh)
Khurda (Orissa)
Unnao (Uttar Pradesh)
Medchal (Andhra Pradesh)

Agri Inputs:
Jammu (Jammu & Kashmir)
Lote Parshuram (Maharashtra)

Aqua Feed:
Hanuman Junction (Andhra Pradesh)

Oil Palm:
Pothepally (Andhra Pradesh)
Chintampalli (Andhra Pradesh)
Seethanagaram (Andhra Pradesh)
Ariyalur (Tamil Nadu)
Valpoi (Goa)
Kolasib (Mizoram)

Research & Development Centres :

Vikhroli (Maharashtra)
Nashik (Maharashtra)

Bankers :

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

FROM THE DESK OF THE **CHAIRMAN**



Mr. N. B. Godrej
(Chairman)

Dear Shareholders,

In the Financial Year 2018-19, while India's Gross Domestic Product (GDP) is expected to grow at a lower rate of 6.8% as compared to 7.2% in the previous year, the agriculture and allied activities sector is expected to grow at a much lower rate of 2.9% vis-à-vis 5.0% in the previous year. This is because Indian agriculture is highly dependent on the monsoon which was lower than 'normal' this year and the rainfall distribution was erratic and patchy. Also, more than one-third of the districts in the country reported deficient rainfall with a few states being severely hit.

Despite a difficult environment, Godrej Agrovet was able to grow total income and maintain profitability levels during the Financial Year 2018-19, thanks to the diversified business portfolio of the Company. Consolidated total income (excluding non-recurring income) during the current year grew by 12.6% year-on-year. Revenue growth was supported by the animal feed, vegetable oil and crop protection businesses. Profit before tax

excluding non-recurring and exceptional items, was similar to the previous year as profitability was impacted by high raw material prices, mainly in the animal feed segment.

Godrej Agrovet has taken multiple steps in the current year to strengthen its market position and prepare itself for the long-term growth across businesses. In the Animal feed segment, focused efforts to increase market presence led to volume growth of 14.2%, which is the highest in the last 5 years. In the crop protection segment, your Company introduced new products with the objective of upgrading the product portfolio from solo products to ready mix products. In the food businesses, namely Dairy and Processed Chicken, new products were launched under the brands 'Jersey' and 'Yummiez', respectively, to increase the range of branded food products.

Your Company has been continuously investing in capacity addition and backward integration projects. In the current year, a few projects have become operational which will help us in capturing growth and in improving profitability. In our subsidiary, Astec LifeSciences Limited, a new plant has been set-up for backward integration which would reduce dependency of raw material on external suppliers and improve efficiency levels. Our new oil palm factory at Seethanagaram has the latest continuous sterilisation technology which will enable us to increase the oil extraction ratio. In the processed food segment, the state of the art plant being set up for the vegetarian product range in Ludhiana has become operational and we plan to offer new vegetarian ready to eat product range in the coming fiscal year.

For Financial Year 2019-20, the Indian Meteorological Department (IMD), in its recent monsoon forecast for the season, has predicted a normal monsoon. This is positive for the agriculture sector as a major portion of country's crop production is dependent on the monsoon. The government also places a lot of focus on the development of the agriculture sector and has announced multiple measures in the interim budget with the objective of boosting the farmer's income. These schemes and measures, if implemented well, can bring a lot of benefits to farmers and the agricultural economy in the long run. Your Company is also expected to benefit in the medium to long-term, given these great opportunities. The focus of the Company will continue to be on its strategies of increasing the market share in existing business verticals through investment in Research and Development and new technologies, expanding the product portfolio across verticals and looking for opportunities to inorganically grow the business offerings. Your Company remains encouraged and confident of achieving its long-term objectives of inclusive, sustainable and profitable growth over the medium-term.

In the end, I would like to take this opportunity to thank all our stakeholders for their interest in the Company. I would also like to extend my gratitude towards our business partners, associates and vendors for their sustained support. I would also like to express my sincere appreciation to all our employees for their contribution and support.

Yours sincerely,

Nadir Godrej
Chairman, Godrej Agrovet Limited

FINANCIAL HIGHLIGHTS

Financial Highlights for the previous three Financial Years

Standalone Financial Highlights

(₹ in Crore)

Particulars	2018-19	2017-18	2016-17
Revenue from Operations	4,286.41	3,691.73	3,617.85
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	388.09	366.52	377.54
Profit / (Loss) Before Exceptional Items and Tax	307.49	281.32	260.67
Profit / (Loss) Before Tax	307.49	281.32	280.67
Profit / (Loss) After Tax	207.88	190.86	207.97
Other Comprehensive Income (Net of Tax)	(1.21)	(4.22)	0.28
Total Comprehensive Income	206.67	186.64	208.25
Earnings Per Share – Basic (in ₹)	10.68	9.99	10.24
Earnings Per Share – Diluted (in ₹)	10.68	9.99	9.80
Total Equity	1,390.88	1,288.88	902.62
Total Debt	110.96	216.72	483.40
Proposed Dividend, subject to approval of the Shareholders at the ensuing 28th AGM (₹ 4.50 per Equity Share of Face Value of ₹ 10/- each) (in ₹)	4.50	4.50	4.50

Consolidated Financial Highlights:

(₹ in Crore)

Particulars	2018-19	2017-18	2016-17
Revenue from Operations	5,870.74	5,205.91	4,926.40
Earnings Before Interest, Tax, Depreciation and Amortisation (EBITDA)	508.95	474.84	497.01
Profit / (Loss) Before Exceptional Items and Tax	389.00	359.70	354.56
Profit / (Loss) Before Tax	477.30	371.75	374.56
Profit / (Loss) After Tax	349.33	251.04	272.92
Other Comprehensive Income (Net of Tax)	(1.02)	(6.79)	(0.61)
Total Comprehensive Income	348.31	244.25	272.31
Earnings Per Share - Basic (in ₹)	16.99	12.02	12.55
Earnings Per Share - Diluted (in ₹)	16.99	12.02	12.01
Total Equity	2,049.94	1,680.65	1,262.85
Total Debt	397.96	409.80	664.08

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

MANAGEMENT DISCUSSION AND ANALYSIS REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR (F.Y.) 2018-19

A. CAUTIONARY STATEMENT:

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

B. INDIAN ECONOMY & AGRICULTURE OVERVIEW:

Indian Gross Domestic Product (GDP) is expected to have grown at 6.8% for the Financial Year 2018-19 as compared to a growth rate of 7.2% in the previous Financial Year, as per the recent estimates from Central Statistical Organization (CSO). Despite a lower growth rate vis-à-vis previous year, India remains one of the fastest growing economies in the world. Growth was supported by sectors such as construction, financial services, real-estate and utility services. However, agriculture and mining grew at a much lower rate. Further, inflation remained within desirable limits and there was an uptick in the credit demand during the year. However, higher oil prices, currency depreciation in second half of the year led to increase in interest rates and higher-than-estimated current account deficit for the Finacial Year 2018-19.

India's GDP is forecasted to grow at healthy rate of 7.3% by International Monetary Fund for the next Financial Year 2019-20 driven by an increase in the private consumption and investments, as benefits of the recent policy reforms begin to materialize and credit rebounds. Also, strong domestic demand may widen the current account deficit and inflation is projected to rise marginally mainly owing to higher energy and food prices, but is expected to remain in the Reserve Bank of India (RBI) desirable limits. Further, continuation of the Government at the center will boost fund flows in the Indian markets. However, global slowdown coupled with any sharp increase in crude prices poses a risk to the domestic growth.

Agriculture Sector Overview

Financial Year 2018-19 was a tough year for the agriculture sector. Overall monsoon was lower than normal, being 9% lower the than long period average rainfall (LPA – measured for the trailing 10 year period). Rainfall distribution was erratic and patchy and more than one-third of the districts of the country reported deficient rainfall and states of Gujarat, Maharashtra, West Bengal, Jharkhand, were severely hit. Further, as per the latest estimates, agriculture and allied activities are

estimated to have grown at lower rate of 2.9% in the Financial Year 2018-19 compared to growth of 5% in the previous Financial Year. In terms of food grain production, for the Financial Year 2018-19 total production was estimated at 283.37 million tonnes which is lower than the previous year production of 285.01 million tonnes.

For the Financial Year 2019-20, the Indian Meteorological Department (IMD), in its recent monsoon forecast for the season, has predicted a normal monsoon with rainfall expected to be at 96% of the LPA (with a model error of +/- 4%). IMD expects country to have well-distributed rainfall and highlights that 'El Nino' conditions will remain weak during the monsoon in the current year. Chances of a good monsoon is positive for the agriculture sector as major portion of the country's crop production is dependent on monsoon.

Government has announced multiple measures in the interim budget with a purpose of boosting farmer's income. Interim Budget aimed at bringing stability to farm income and provide relief to small farmers. Under major agriculture and rural schemes, an amount of around ₹ 1.2 trillion has been allocated and an additional ₹1.6 trillion has been allocated for agriculture and animal husbandry sector. Increase in allocation over last year is mainly due to the large allocation made for income support scheme. These schemes and measures if implemented well, can bring lot of benefits to farmers and agriculture economy in the long run.

C. KEY BUSINESS SEGMENTS:

Your Company is a diversified, Research and Development (R&D) focused agri-business Company with operations across five business verticals: animal feed, crop protection, oil palm, dairy and poultry and processed foods. Your Company focuses on improving productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. Detailed information on the current performance and future strategy of five key business segments is as below:

Animal Feed Business

In the Animal Feed Business, your Company continues to focus on its strategy of increasing its market share across feed categories. In the Financial Year 2018-19, your Company achieved overall volume growth of around 14.2% year-on-year largely driven by layer feed. After arresting broiler feed volume de-growth last year, your Company was successful in growing double digit in the current year. This helped your Company increase penetration in its key markets and also expand presence in newer territories. However, cattle feed segment showed modest growth and aqua feed volumes declined due to challenges being faced by the shrimp feed industry.

Volume growth along with price increase, especially in the second half of the year, led to segment revenue growth of 18.3% year-on-year in Financial Year 2018-19. However, segment margins were adversely impacted by sharp increase in prices of

key raw materials such as maize, soybean, rice bran extraction, fish meal etc. Despite taking price hikes, the entire increase in raw material prices could not be passed on to the farmer which lowered the segment margins during the Finacial Year 2018-19 as compared to the previous Finacial Year. However, your Company focused on optimizing capital employed and significantly improved returns on capital employed in the segment. Performance of your Company's 50:50 Joint Venture with Advanced Chemical Industries Limited (ACI), Bangladesh named ACI Godrej Agrovet Private Limited was also adversely impacted by lower demand for feed and higher raw material prices in Bangladesh.

Going forward, your Company will continue to focus on its strategy of increasing the market share across product categories and of achieving cost leadership by improving the operational efficiency through R&D initiatives. The continuous emphasis on developing innovative livestock nutrition products gives your Company the product differentiation, and will help in improving the profit margins. These efforts are expected to start contributing to segment margins in the near- to medium term. Your Company will also continue to deepen its presence across regions through its 31 state-of-the-art manufacturing plants and network of more than 4200 distributors present across regions.



Crop Protection Business

Financial Year 2018-19 was a relatively difficult year for domestic crop protection companies due to erratic and patchy monsoon. Also, water levels in reservoirs in key states remained low which impacted the rabi season. Despite tough environment, your Company posted year-on-year segment revenue and segment result growth of 7.5% and 12.4%, respectively, in the standalone domestic business.

During the year under review, your Company has taken multiple steps to increase its product offering and increase connect with farmers and distributors. Your Company introduced products across categories (such as Reflex, Pixel, Annova, Beleaf, Czaar Green etc.) with the objective of upgrading product portfolio from solo to ready mix products. Marketing team also worked towards redesigning and standardizing product designs, templates and marketing collateral which helped increase the brand awareness. Your Company also launched a digital platform named – Drishtikon, to promote seamless communication with distributors and to promote transparency. The application was launched in November 2018 and stroked an immediate chord with the channel partners and witnessed high subscription from distributors. 'Drishtikon' is complementing the sales team by enabling them to meaningfully engage with distributors and farmers.

Your Company's subsidiary, Astec LifeSciences Limited ("Astec"), continues to maintain strong performance for the Financial Year 2018-19 as Total Income and Profit Before Tax excluding exceptional items grew by 16.7% and 8.4%, year-on-year, respectively. Astec has successfully commissioned a backward integration plant in December 2018 which will help reduce its



dependence on raw material imports to some extent.

In the medium-term, the structural growth story of the domestic crop protection market remains intact given the focus on increasing the yield per hectare, limited arable land, rising labour costs and increase in consumption of herbicides and fungicides. Further, opportunities are increasing in the overseas markets in terms of contract manufacturing and off-patented chemistries. In this light, your Company will continue to expand its product portfolio either through in-house developments or through in-licensing arrangements. Your Company also aims to increase R&D capacities and build piloting capabilities, which will enable it to become preferred partner for the contract manufacturing business. Further, in Astec the Management will continue to invest in expanding capacities and in backward integration projects, which will support growth and margins.

Oil Palm Business

During the Financial Year, your Company benefited from increase in the prices of Crude Palm Oil as segment revenues increased by 16.0% year-on-year. This was despite the fact that Fresh Fruit Bunches (FFBs) arrival remained flat vis-à-vis last year. However, segment margins were lower than previous year due to higher procurement prices being paid for FFBs to the farmers to prevent spillover of the FFBs to the neighboring state from Andhra Pradesh.

Your Company has increased its area under oil palm plantation to around 68,400 hectares in the current Financial Year from approximately 64,125 hectares in the previous Financial Year. Also, new palm oil mill which was being set up in Seethanagaram, Andhra Pradesh has become operational. The new mill has a capacity to process FFBs at 60 tonnes per hour and uses continuous



sterilization technology which is expected to help improve yield in the medium-term.

India continues to imports approximately 70% of the total edible oil requirement and palm oil forms a significant share in overall edible oil imports. As per the Commission for Agricultural Costs and Price's (CACP) latest recommendation report for oil palm plantation, India's import of edible oil have increased from 6.7 million tonnes in the Financial Year 2008-09 to about 16 million tonnes in the Financial Year 2018-19. Therefore, Government of India provides special impetus to the growth of domestic palm oil production which is also visible in high import duty of 40% currently being levied for crude palm oil import.

Your Company continues to focus on its strategy of growing presence in certain regions, creating additional revenue streams from oil palm biomass and investing in R&D to improve FFB yield. The focus will also be on developing 4 (four) mandals allotted last year in Chittoor district of Andhra Pradesh. In addition, your Company will opportunistically evaluate tenders issued under the Oil Palm Development Programme (OPDP) and apply for additional areas to increase the area under oil palm cultivation.

Dairy Business

In the dairy business, your Company's subsidiary, Creamline Dairy Products Limited (CDPL), launched new products in the Financial Year 2018-19 with purpose of increasing the product offering. New product launches included products like-thick milk shakes in different flavours, premium range of ice-creams and yogurts in different flavours. All new products received encouraging response from customers. CDPL has also set up a new Ultra-high temperature (UHT) milk processing facility in Hyderabad plant for supplying the UHT milk.

In the first half of the year, there was a milk supply glut which led to lower milk prices and sharp decline in the Skim Milk Powder (SMP) prices, thereby impacting volume growth and margins. CDPL had to create mark-to market provisions on the excess butter stock during the first half of the year. However, the situation improved in the second half which witnessed improvement in volumes and there was no provisioning requirements as SMP prices showed an increasing trend. Further, share of value added products also increased to around 27% from 24% in the previous year.

Opportunities in the Indian dairy segment for private players remains large given rising middle class and urban population, changing dietary patterns towards protein based foods and increasing population. Value added product sales are expected to grow faster than liquid milk and this will benefit private dairies as margins are higher. CDPL is working across the dairy value chain to capitalise on the opportunity. CDPL will continue to launch new products which increases salience of value added products. Focus will also be on increasing share of cow milk which has lower variability in milk supply and on increasing the share of direct procurement from farmers. CDPL is also working on strengthening existing relationships with milk farmers and vendors by providing farmers with cattle feed, assisting with veterinary health-care and vaccinations.

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JERSEY

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Poultry & Processed Foods Business

Your Company, has increased its stake in Godrej Tyson Foods Limited (GTFL) to 51% on March 27, 2019 and thereby the latter becomes a subsidiary from a Joint Venture earlier. The partner, Tyson India Holdings Limited, a subsidiary of Tyson Foods Inc., U.S.A, now holds 49% stake in GTFL from 51% held earlier. During the year, the business focussed on increasing the product portfolio in the 'Yummiez' product range and on growing the live bird business. As a result, GTFL's total income grew by 12.6% year-on-year for the Financial Year 2018-19. However, operating margins were impacted by sharp increase in raw material prices as compared to last year.

In the 'Yummiez' portfolio, GTFL launched the 'Royale' product range to include new chicken products in the portfolio. GTFL also focused on increasing brand visibility through outdoor advertising in key cities in which it operates.

In India's poultry market, the live poultry market constitutes 98% of total sales since most consumers prefer freshly culled chicken meat. Processed chicken meat production comprises 2% of total production, out of which only an estimated 1% undergoes processing into value added products that are ready-to-eat or ready-to-cook. The recent emergence of supermarkets and shopping malls has been supporting the growth in the retailing of chilled and frozen poultry products. GTFL will strategically continue to focus on growing the live bird business along with increasing the product portfolio and building brand in Yummiez and Real Good Chicken segments. Increasing distribution reach will also remain one of the key focus. Further, Ludhiana plant, which was set up for increasing vegetarian processed food product range is now ready and GTFL plans to launch to new vegetarian range in coming fiscal year.



D.COMPANY'S FINANCIAL AND OPERATIONAL PERFORMANCE:

Standalone Performance:

For the Financial Year 2018-19, your Company reported standalone total income of ₹ 4,344.60 Crore as compared to ₹ 3,719.35 Crore in the previous Financial Year. Profit before Exceptional Items and Tax rose to ₹ 307.49 Crore from ₹ 281.32 Crore reported last year.

The key highlights of Standalone Financial Statements for the Financial Year ended March 31, 2019 are as under:

Particulars	Amount (₹ in Crore)
Total Income	4,344.60
Earnings Before Interest, Tax, Depreciation and Amortisation	388.09
Reported Profit / (Loss) After Tax for the Year	207.88
Reported Total Comprehensive Income for the Year	206.67

Consolidated Performance:

For the Financial Year 2018-19, your Company reported consolidated total income of ₹ 5,923.85 Crore as compared to ₹ 5,237.72 Crore in the previous Financial Year. Profit before Exceptional Items and Tax was ₹ 389.00 Crore in Financial Year 2018-19 against ₹ 359.70 Crore in the previous Financial Year.

The key highlights of consolidated Financials for the Financial Year ended March 31, 2019 are as under:

Particulars	Amount (₹ in Crore)
Total Income	5,923.85
Earnings Before Interest, Tax, Depreciation and Amortization	508.95
Reported Profit / (Loss) After Tax for the Year	349.33
Reported Total Comprehensive Income for the Year	348.31

There is no significant change (i.e. change of 25% or more as compared to the immediately previous financial year) in the key financial ratios except in case of debt equity ratio and interest coverage ratio which have improved from 0.16 to 0.07 and from 9.83 to 14.99 respectively mainly on account of significantly lower borrowings.

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

(i) Opportunities and Strengths:

- **Increase market share in existing business verticals:** Several sectors in which your Company operates are largely unorganized, therefore, cost leadership will be a key enabler for your Company to increase the market share of its products in those segments. Company's ability to increase sales will be strengthened by continued focus on offering a wide range of innovative products across all business verticals which will help in gaining market share.
- **Pan-India presence with extensive supply and distribution network to benefit the Company in long-run:** Your Company has a pan-India presence and operations spanning across 5 (five) business verticals. Your Company has set up processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform

across key agriculture verticals. As a result of widespread network and significant operational experience, your Company is well placed to identify key market trends and introduce a range of innovative and value added products in the market to cater to the evolving needs of the customers. The nationwide footprint also allows your Company to leverage the competitive advantages of each location to enhance competitiveness and reduce geographic and political risks in businesses.

- **Diversified businesses with synergies in operations:** Segmental and geographical diversification across business verticals provides a hedge against the risks associated with any particular industry segment or geography while benefiting from the synergies of operating in diverse but related businesses. Synergies across diverse businesses provide ability to drive growth, optimize capital efficiency and maintain competitive advantage. Your Company also derive operational efficiencies by centralizing and sharing certain key functions across businesses such as finance, legal, information technology, strategy, procurement and human resources.
- **Strong Research & Development (R&D) Capabilities:** Your Company's emphasis on R&D has been critical to its success and a differentiating factor from competitors. Dedicated R&D is undertaken in existing products primarily with a focus to improve yields and process efficiencies. Your Company also focuses on R&D efforts in areas where there is a significant growth potential. Acquisition of Astec provided your Company access to strong R&D capabilities in the agrochemical active ingredients category. Investment is also being made in developing innovative technologies to further grow through product portfolio across businesses.
- **Focus on inorganically growing business offerings:** Your Company will evaluate inorganic growth opportunities, keeping with the strategy to grow and develop market share or to add new product categories. Your Company may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, amongst other things, they consolidate market position in existing business verticals or achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits. Your Company can also look at opportunities which strengthen and expand product portfolio and increase sales and distribution network.

(ii) Threats, Risks & Concerns:

- **Unfavorable local and global weather patterns may have an adverse effect on the business, results of operations**: As an agri-based Company, the businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. The availability of raw materials that required for operations and the demand for products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India. Occurrence of any unfavorable weather patterns may adversely affect business, results of operations and financial condition.
- **Availability of raw materials and arrangements with suppliers for raw materials:** Each of the businesses depend on the availability of reasonably priced, high quality raw materials in the quantities required by operations. The price and availability of such raw materials depend on several factors beyond your Company's control, including

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

- **Improper handling, processing or storage of raw materials or products:** The products that your Company manufactures or processes are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. Inherent business risks exist in form of product liability or recall claims in the event that products fail to meet the required quality standards or are alleged to result in harm to customers. Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. Although your Company has product liability insurance cover for domestic and international markets for businesses, it cannot assure that this insurance coverage is adequate or that any losses will be adequately compensated by the insurers in the event of a product liability claim.
- **Seasonal variations in our businesses:** Your Company's businesses are subject to seasonal variations that could result in fluctuations in performance. For example, in animal feed business, your Company sells lower volumes of cattle feed during the monsoon due to the availability of green fodder. In poultry and processed foods business, the demand for poultry products is higher in the second half of any Financial Year since the consumption of poultry meat and eggs is higher during winter months, while the sale of such products is lower during certain religious festivals. As a result of such seasonal fluctuations, sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of future performance.

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

F. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

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

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

The work force is a critical factor in maintaining

quality and safety, which strengthens the competitive position and the human resource policies focus on training and retaining of the employees of your Company. Your Company trains employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. Employees are offered performance-linked incentives and benefits and your Company conducts employee engagement programs from time to time. Your Company also hires contract labour at few facilities, from time to time. Employees at certain facilities have formed registered unions.

However, your Company believes it has good relations with the employees. As on March 31, 2019, the total number of permanent employees was 2,687.

Further, your Company would like to sincerely appreciate the valuable contribution and support of employees towards the performance and growth of your Company. The Management team comprises of professionals with proven track record. Your Company continues to remain focused and sensitive to the role of Human Resources in optimizing results in all its areas of working and its industrial relations also continue to be cordial.

GAVL has delivered strong performance over the years

Revenues from Operations (₹ Cr.)



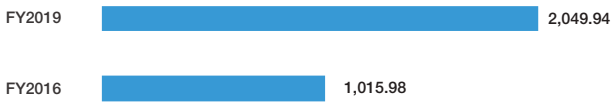
Earnings before interest, depreciation and tax (₹ Cr.)



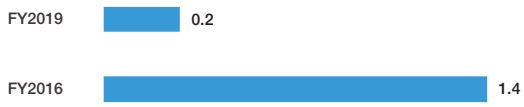
Profit before tax (₹ Cr.)



Total Equity (₹ Cr.)

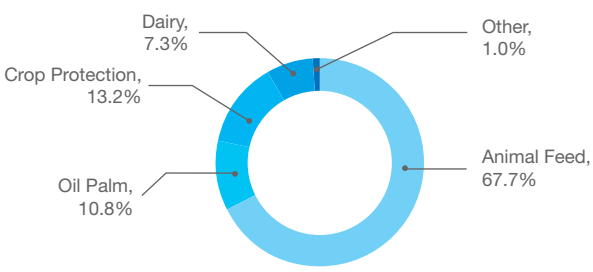


Net Debt to Total Equity (times)

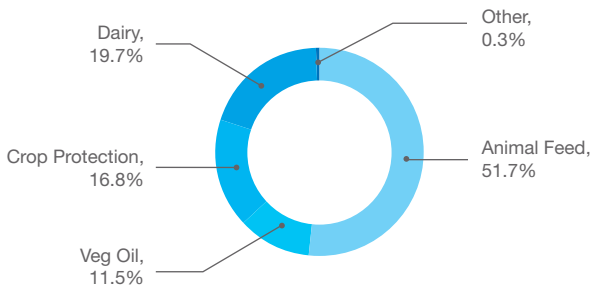


GAVL has diversified the product portfolio

Segmental Revenue Mix FY2016



Segmental Revenue Mix FY2019



BUSINESS RESPONSIBILITY REPORT

BUSINESS RESPONSIBILITY REPORT OF GODREJ AGROVET LIMITED

[Corporate Identity Number (CIN): L15410MH1991PLC135359]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

Godrej Agrovet Limited ("**the Company**") is pleased to present this Business Responsibility Report for the Financial Year (F.Y.) 2018-19, in accordance with sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, issued by the Securities and Exchange Board of India ("SEBI"), to describe the initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' ("NVGs") notified by the Ministry of Corporate Affairs ("MCA"), Government of India, in July 2011.

The Company recognizes the underlying idea of NVGs that a corporate needs to act as a 'Responsible Business' and ensure that its economic growth is socially and environmentally sustainable. The concept of parting with a portion of one's surplus wealth for the good of the society is a part of the Indian tradition over the centuries, prevalent in the business community as well. Further, there is an increasing concern from all stakeholders, who are demanding that businesses of all types and sizes should function with fairness and responsibility.

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



Principle 1

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

Principle 2

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

Principle 3

Businesses should promote the well-being of all employees.

Principle 4

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

Principle 5

Businesses should respect and promote human rights.

Principle 6

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

Principle 7

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

Principle 8

Businesses should support inclusive growth and equitable development.

Principle 9

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

ABOUT THE GODREJ GROUP & ITS PHILANTHROPIC EFFORTS:

The Company is a part of the "Godrej" Group, one of the largest professionally run private-sector groups in the country which has emerged as a major industrial and agricultural conglomerate acclaimed for the excellent quality of its products and services. "Godrej" Group has a well-established presence in varied businesses ranging from foods and consumer durables to chemicals and real estate. The Group has completed over 100 years of service to the nation and is amongst the admired business groups in India, delivering quality products and services to its customers at competitive costs, with highest international standards of customer care.

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

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

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

About 23% (twenty-three percent) of the Shares of the Godrej Group are held in trusts that invest back in initiatives that support the environment as well as improve the quality and availability of healthcare and education. Through investment and oversight by the trust, a large tract of mangrove forests in Mumbai (Maharashtra) have been protected, developed, and maintained for several years and serve as a second set of lungs for the city. The Godrej Group has continually supported education and supports the Udayachal pre-primary and primary school at Vikhroli, Mumbai, Maharashtra, which focus on the all-round development of children. The Udayachal High School has been accredited with the International School Award in recognition of the school incorporating global education into its curriculum and innovation into classroom teaching. In addition, the Godrej Group has supported initiatives in healthcare through the Godrej Memorial Hospital at Vikhroli, Mumbai (Maharashtra), which aims to provide quality healthcare at affordable costs. One such initiative is our partnership with 'Smile Train', a US-based NGO, which helps in performing corrective cleft lip and palate surgeries for children from low-income families. The Godrej Group offers surgery and hospitalization to the patients free of cost.

All the businesses in the Godrej Group are inspired by the Brighter Giving philosophy and have imbibed Godrej values. "Brighter Giving" is a structured, skill-based, long-term volunteering programme or platform through which the employees can offer their time, knowledge and skills in meaningful, volunteering projects. This programme has a long-term goal of seeking to enable and drive meaningful initiatives for the Godrej Group's



non-profit partners and/or their beneficiaries. It also serves as a channel through which the employees can connect with and learn more about "Good & Green". In conjunction with the Godrej Group's vision for "Brighter Giving" for all stakeholders, the Godrej Group has developed a long term vision of "Godrej Good & Green" for playing an active part in creating a more inclusive and greener India.

Operationalizing Good & Green is founded on shared value initiatives. The concept of "shared value" is defined as policies and operating practices that enhance the competitiveness of a company while simultaneously advancing the economic and social conditions in the communities in which it operates. As part of Good & Green, the Godrej Group aspires by 2020, to create a more employable Indian workforce, a greener India and innovate for good and green products.

Godrej Group-level ambitious targets or goals till the year 2020 are as follows:-

- Train 1 (One) Million rural and urban youth in skilled employment;
- Achieve zero waste to landfill, carbon neutrality, and a positive water balance along with reducing our specific energy consumption and increasing the proportion of renewable energy use; and
- Have 1/3rd (One-Third) of our portfolio revenues comprise good and/or green products and services, defined as products that are environmentally superior or address a critical social issue (e.g. health, sanitation, and disease prevention) for consumers at the bottom of the income pyramid.

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

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

The Company, as a part of the Godrej Group, shares the Group's vision and initiatives in creating a more employable Indian workforce, a greener India and innovating for good and green products by 2020.

The Company has a comprehensive Corporate Social Responsibility (CSR) Policy in place, which is posted on the Company's website www.godrejagrovet.com. The CSR Policy outlines programmes and projects which the Company undertakes to create a positive impact on its stakeholders. The CSR Committee reviews, monitors and provides strategic inputs for our sustainability efforts. Over the years, the Company has aligned its sustainability efforts with the priorities of the nation and the needs of local communities to deliver high-impact programmes that are easy to scale up.

ABOUT THIS BUSINESS RESPONSIBILITY REPORT:

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

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

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY:

1. **Corporate Identity Number (CIN):** L15410MH1991PLC135359
2. **Name of the Company:** GODREJ AGROVET LIMITED
3. **Registered Office Address :** Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400 079, Maharashtra, India.
4. **Website:** www.godrejagrovet.com
5. **E-mail ID:** gavlinvestors@godrejagrovet.com
6. **Financial Year reported:** From April 1, 2018 to March 31, 2019
7. **Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):**

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

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

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

Number of National Locations	The Company has plants at various locations across the country, including the following:- • **Animal Feed:** Khanna (Punjab), Miraj (Maharashtra), Sachin (Gujarat), Kharagpur (West Bengal), Kondapalli (Andhra Pradesh), Tumkur (Karnataka), Hajipur (Bihar), Erode (Tamil Nadu), Chandauli (Uttar Pradesh), Khurda (Orissa), Unnao (Uttar Pradesh), Medchal (Andhra Pradesh) • **Agri Inputs:** Jammu (Jammu & Kashmir), Lote Parshuram (Maharashtra) • **Aqua Feed:** Hanuman Junction (Andhra Pradesh) • **Oil Palm:** Pothepally (Andhra Pradesh), Chintampalli (Andhra Pradesh), Seethanagaram (Andhra Pradesh), Ariyalur (Tamil Nadu), Valpoi (Goa), Kolasib (Mizoram),
Number of International Locations	ACI Godrej Agrovet Private Limited, a Joint Venture of the Company, is a company incorporated and operating in Bangladesh.

9. **Markets served by the Company (Local / State / National / International):**

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

SECTION B:

FINANCIAL DETAILS OF THE COMPANY:

Financial Year (F.Y.) 2018-19	Amount
Paid-up Capital (in ₹)	1,92,02,87,390
Total Turnover (₹ in Crore)	4,344.60
Net Profit After Tax (₹ in Crore)	207.88
Total Spending on Corporate Social Responsibility (CSR) (₹ in Crore)	4.7

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

In compliance with the CSR norms as per Companies Act 2013 and the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has undertaken various projects in line with activities mentioned under Schedule VII to the Companies Act 2013, as follows:

- Rural development
- Livelihoods enhancement
- Water conservation
- Promotion of Agriculture & Animal husbandry
- Promotion of Education
- Promotion of Sports and games
- Environmental Sustainability
- Promotion of Sanitation, health and hygiene.

SECTION C:

OTHER DETAILS:

1. Subsidiary Companies:

The Company has 9 (nine) subsidiaries as on March 31, 2019, in or outside India, which includes 5 (five) direct subsidiaries and 4 (four) step down subsidiaries.

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

1. Godvet Agrochem Limited
2. Astec LifeSciences Limited
3. Behram Chemicals Private Limited (step down subsidiary - a subsidiary of Astec LifeSciences Limited)
4. Astec Europe Sprl (step down subsidiary - a subsidiary of Astec LifeSciences Limited)
5. Comercializadora Agricola Agroastrachem Cia Ltda (step down subsidiary - a subsidiary of Astec LifeSciences Limited)
6. Creamline Dairy Products Limited
7. Nagavalli Milkline Private Limited (step down subsidiary - a subsidiary of Creamline Dairy Products Limited)
8. Godrej Tyson Foods Limited (with effect from March 27, 2019)
9. Godrej Maxximilk Private Limited (with effect from March 27, 2019)

2. Participation of Subsidiary Companies in the Business Responsibility (BR) Initiatives of the Parent Company (GAVL):

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

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

of the Company:

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

SECTION D:

BUSINESS RESPONSIBILITY (BR) INFORMATION:

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

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, comprising of the following Directors as its Members (as on March 31, 2019):-

Sr. No.	Name	Position in the Committee	Director Identification Number (DIN)
1.	Dr. R. A. Mashelkar	Chairman (Non-Executive, Independent Director)	00074119
2.	Mr. N. B. Godrej Member	Member (Non-Executive, Non-Independent Director)	00066195
3.	Mr. B. S. Yadav	Member (Executive, Non-Independent Director)	00294803
4.	Ms. Roopa Purushoth-aman	Member (Non-Executive, Independent Director)	02846868

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

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

There were 2 (two) Meetings of the CSR Committee during the Financial Year 2018-19 (i.e., on May 14, 2018 and November 5, 2018).

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

Name : Mr. B. S. Yadav

Designation : Managing Director

Telephone : 022 – 2519 4437

Email id : bs.yadav@godrejagrovet.com

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

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

No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
		Business Ethics, Transparency & Accountability	Sustainability	Employees' Well-being	Stakeholders' Welfare	Human Rights	Environment	Influencing Regulatory Policy	Equitable Development	Customer Responsibility
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all stakeholders.								
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The Company's policies are aligned with the Godrej Group policies incorporating the global best practices.								
4	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner/CEO/Appropriate Board Director	Since all the policies are not required to be approved by the Board of Directors, the approval of the Board has been obtained wherever it is mandatory. Yes, however not all policies as it is not a mandatory requirement.								
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y

6	Indicate the link for the policy to be viewed online?	The policies formulated and adopted by the Company are available on the website of the Company www.godrejagrovet.com.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Internal stakeholders are made aware of the policies. External stakeholders are communicated to the extent applicable.								
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The working of all the policies is internally monitored. Audit / evaluation by external agencies is carried out wherever mandatory.								

3. Governance related to Business Responsibility (BR):

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

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

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

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

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

SECTION E:

PRINCIPLE-WISE PERFORMANCE:

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

PRINCIPLE 1:

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

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders, namely, shareholders, customers, employees, suppliers, regulatory authorities and general public.

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

Organization Structure:

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

i. Audit Committee;

ii. Nomination & Remuneration Committee;

iii. Stakeholders' Relationship Committee;

iv. Corporate Social Responsibility (CSR) Committee;

v. Risk Management Committee;

vi. Managing Committee;

vii. Strategy Committee.

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

Code of Conduct:

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An Annual Confirmation affirming compliance with the Code of Conduct from Board Members and Senior Management has been obtained for the Financial Year ended March 31, 2019.

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

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

Whistle Blower Policy & Mechanism:

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

There were no Stakeholders' Complaints outstanding at the beginning of the Financial Year (F.Y.) 2018-19.

205 Stakeholders' Complaints were received during the Financial Year (F.Y.) 2018-19. All the complaints have been resolved and no complaint remained outstanding as on March 31, 2019.

Dealings with Business Partners:

The Company encourages its business partners, viz., Group Companies, Joint Ventures, Suppliers, Distributors, Contractors, etc. to follow ethics, transparency and accountability in their dealings with the Company.

PRINCIPLE 2:

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

The Company believes that in order to function effectively and profitably, the Company needs to endeavor to improve the quality of life of people and to ensure this, the Company is required to thoroughly work upon all stages of the product life cycle, right from design to final disposal of the goods after use.

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

The Company aims to bring in world class farming practices and techniques to Indian farmers and to offer end-to-end solutions for issues faced by them, thereby enabling them to enhance their financial gains. The Company works closely with Indian farmers to develop over 61,700 hectares of small holder Oil Palm Plantations to bridge the demand and supply of edible oil. Innovation is a key driver of our strategy. The Company is constantly engaged in experimentation and looks for research-based solutions to improve farm productivity and thereby, the profitability of farmers.

The Company stays committed to making environmental sustainability a key part of its manufacturing processes. At the Company's factories, there is a relentless focus on productivity



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

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

PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

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

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

The details of the Company's workforce as on March 31, 2019 are given in the table below:-

Total number of permanent employees	2,687
Total number of employees hired on temporary / contractual / casual basis	3,482
Number of permanent women employees	125
Number of permanent employees with disabilities	-
Whether the Company has an employee association that is recognized by management	Yes
Percentage of permanent employees of the Company who are members of recognized employee association/s	482
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2018-19 and pending, as on the end of the said Financial Year, i.e., March 31, 2019	As regards complaints relating to child labour, forced labour, involuntary labour and discriminatory employment : No. Sexual Harassment: 2 (two) complaints were received and resolved.
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2018-19	66.31%

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

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

DIVERSITY AND EQUAL OPPORTUNITIES:

The Company values diversity and is committed to offering equal opportunities in employment. The Company does not discriminate against any team member or applicant for employment on the basis of nationality, race, colour, religion, caste, creed, gender, gender identity / expression, sexual orientation, disability, age, or marital status and always allows for equal opportunities for all team members. Diversity and inclusion initiatives are taken care of at the corporate level by the 'Diversity & Inclusion' team, and are supported by the Diversity Council comprising of business leaders and HR representatives from across businesses in the Godrej Industries Limited & Associated Companies (GILAC) Group.

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

- **Godrej Careers 2.0:**

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

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

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

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

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

- **Diversity Sensitization Workshops:**

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

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

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

HEALTH & SAFETY:

- **On-campus:**

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

- **Health Check-up:**

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

GOOD WORKING ENVIRONMENT:

- Progressive Human Resource (HR) Policies:

  The Company prides itself as a great place to work, a fact recognized and acknowledged externally as well. HR policies like flexible working hours, work from home arrangements, part-time work, leave and benefits, adoption leave and benefits, extended maternity leave and benefits, paternity leave and benefits – to name a few – go a long way in ensuring that the employees successfully strike a work-life balance.

- **Engagement Forums:**

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

PRINCIPLE 4:

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

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

The stakeholder engagement process consists of a variety of activities from stakeholder identification, consultation, prioritisation, collaboration and reporting. The identification of all relevant stakeholders and understanding their expectations is of high concern for the Company in its quest to be sustainable. The Company identifies key stakeholders on the basis of their influence on the Company's operations and the Company's impact on them. The Company has already identified and prioritized key stakeholders and continues its engagement with them through various mechanisms such as consultations with local communities, supplier / vendor meets, customer / employee satisfaction surveys, investor forums, etc.

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

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

- **Integrated Rural Livelihoods Programme:**

  The Company endeavors to build capacities of marginalised farmers in agriculture and livestock development along with enterprise management in the states of Maharashtra, Bihar, Andhra Pradesh, Chhattisgarh, West Bengal, Karnataka and Madhya Pradesh. The programme aims to work with primarily women and marginalized groups to diversify their income streams, enhance their access to government schemes and thereby help reduce their vulnerability to climate change. The programme is a long term participatory engagement with community non-profit partners and local communities to ensure local needs are addressed and indigenous knowledge is harnessed. The Company is actively engaged with 7,392 households across 51+ villages in 7 states and has trained 4,859 beneficiaries to introduce new farming techniques, package of practices and awareness and knowledge building for this program. The Company has engaged with 8+ credible and result oriented non-profit partners at the field to implement the program.

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

- **Integrated Watershed Management:**

  Around the world, climate change is affecting seasonal weather patterns, leading to either intense precipitation or drought-like events. In 2018-19, the Company initiated an integrated watershed management programme in the drought prone district, Magadi, Karnataka and Bharwani, Madhya Pradesh. The Company is working in partnership with NABARD to help restore the ecological balance of the region and mitigate the risk of climate change for the local farmers. The projects cover over 5,350 hectares of land and will aim to recharge groundwater and make more water available for irrigation. The Company is also working to support farmers in adopting sustainable farming practices, and mitigating the impact of climate change. It estimates that the project will offset Green House Gases (GHG) emissions to the tune of 35,000 tCO_2e and restore 2.5 million kL of water. The Company has reached out to 1,276 farmers across 15 villages in these two states.









- **Renewable energy for electrification:**

  For the last 60 years, Sophia College, Mumbai has been committed to responding to the changing needs of women in our society. These women are going to be the change for sustainable and inclusive development. In an effort to bring in sustainability to education institutes and optimize energy utility, the Company has installed a solar rooftop power plant with a capacity of 64.02 kW at Sophia College which is expected to generate around 1 lakh units of electricity per year. This will also reduce the GHG footprint of the college by 75 Tons of CO_2. This is not only going to reduce the amount spent on energy at Sophia College but is a step towards making the educational institute more environmental friendly.

- **Disaster Relief:**

  India saw one of the worst floods in August 2017 and the states of Assam and Gujarat were the most affected with thousands of homes destroyed and lakhs of people displaced from their habitat. The Company and its employees through a non-profit partner reached out to the affected people to provide relief and rehabilitation to the displaced citizens.

- **Agri-vocational training:**

  The agriculture sector in India today faces a major manpower / labour shortage. While the mouths to feed in the country are growing at a fast pace, the hands to work on farm lands are reducing drastically. The Company aspires to see

a change in the mindset of the young students towards farming and dairy management and for the said purpose has attempted to gather its expertise and knowledge of agriculture and animal husbandry in a curriculum and share it with 7,000 young students from 41 schools in Satara, Maharashtra and one block in Gujarat. The purpose is to acquaint 2,000+ students each year with the basic know how of agriculture and animal husbandry, by engaging them each year in various projects and building their knowledge and hands on learning on subjects like growing vegetables, milking animals, constructing small irrigation channels in the agricultural plots.

- **Future of Farming Conclave:**

  In December 2018, the Company hosted its first ever 'Future of Farming' conclave. The theme of the conclave was on shaping the future of Indian agriculture with a focus on doubling farmer income, women farmers, and the role of millets and proteins in nutrition and income generation. The Company hosted a series of exciting panels with speakers from agri business, government, non-profits, social enterprises, food industry, academia and media, with over 150 audience participants. In one of the sessions, we brought together women farmers to talk about whether it is even possible to double farmer income.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

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

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

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

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

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2018-19.

PRINCIPLE 6:

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

Godrej as a group believes in conserving the various resources of Mother Earth. As part of its Good & Green vision there is a specific commitment at Godrej Group to create a "Greener India". The details of the Company's strategy are available on www.godrejgoodandgreen.com.

The Company focuses on 5 (five) major areas related to climate change, i.e.:

- Energy Conservation
- Water Conservation

- Use of Renewable Energy
- GHG Mitigation
- Waste Minimization

A dedicated team, 'Good & Green' has been set up to identify the risks and opportunities for individual manufacturing facilities. After identifying the risks and opportunities, the team proposes necessary action to be taken. Several measures proposed by the 'Good & Green' team have been implemented which yielded excellent benefits.

Specific Energy Conservation:

At the Company's manufacturing plants there is a relentless focus on productivity and environmental sustainability. To strengthen its approach, the Company has invested in a robust technology solutions that has revolutionized the speed and accuracy of our data monitoring and work towards achieving our targets. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. The Company's efforts for energy conservation have resulted in reducing our specific energy consumption by 3% from last year. The Company identified high-energy consumption equipment and replaced them with cost effective energy efficient equipment. The Company monitored the operations and build capacity optimization of pumps, compressors, motors and other utilities. The Company implemented many innovative technologies like Continuous sterilizer, High Pressure condensate recovery, Pneumatic cooling and conveying system etc.

Oil Palm Business Steam Saving Initiative:

This year, the Company has implemented Continuous Sterilization technology in Oil Palm Processing Plant (in India for first time). Through this technology, the Company will save 6300 MT of steam per annum.

- **Increasing Use of Renewable Energy:**

  During Financial Year 2010-11 itself, the Management identified the need of mitigating the GHG emissions, and the Company agreed to off-set its emissions by 2020 and to become a carbon neutral Company. In line with this vision, every year the Company adopts various projects such as clean technologies, low carbon technology, and promoting renewable energy.

  Since last 3-4 years, the Company has been switching from fossil to renewable applications and high carbon to low carbon intensive initiatives. Renewable energy usage as a percentage of overall energy used has increased substantially over the years. During the Financial Year 2018-19, more than 65% of the total energy consumed by the Company was through renewable sources with businesses such as Oil Palm having 99.8% of its energy derived from renewable sources.

  Along with using renewable fuel like biomass briquette at Company's manufacturing plants, the Company has also started buying green power through open access and assessing the feasibility of solar roof top for various locations.

- **Becoming Carbon Neutral and Water Positive:**

  The Company's specific GHG emission has reduced substantially from the Financial Year 2010-11. The Company achieved this through



various environment friendly projects such as replacing of fossil fuel with biomass for boilers and buying green power. The Company has watershed projects which are going to be a carbon sink to make it water and carbon positive.

Water conservation project: The Company's subsidiary Creamline Dairy Products Limited (CDPL) has installed a boom tube technology water treatment plant.

CDPL is one of the Company's most water intensive businesses. While all CDPL plants have water treatment facility as per the regulatory requirement, CDPL will go a step further to keep our freshwater consumption as low as possible. CDPL is Keshvaram plant successfully commissioned Aquatron water treatment plant based on Boom Tube technology - a first of its kind instalment across GILAC. It works on the principle of 'high intensity shortwave resonance'. The 150 KLD capacity instalment will treat ETP water with a pulse fed through the Boom Tube Reactor, with a suitable pulsating pump. The Boon Tube reactor's continuous circular motion will cause flow turbulence. The treated water is drinkable as IS-10500 standard and will help CDPL reduce its freshwater intake.

CDPL's Keshvaram plant installed a 150 KLD capacity water treatment plant that will treat ETP water and make it drinkable.

- **Reducing Waste to Landfill:**

The Company segregates its waste at source and follows the 5R principle to minimize its waste. This year, the Company has also developed waste management policy and technical standard.

At Godrej, we believe that employee awareness and engagement is a key factor in driving sustainability. The Company has demonstrated employee engagement in the form of trainings, education, communication, activities and recognition. It has annual training plan for all the manufacturing plants. This annual plan includes training in each aspect of environment for all the categories. The Company also has specific training based on the requirement.



The Company also celebrates World Environment Day on 5th June and Energy Conservation week from 7th December to 14th December every year. This year, the Company celebrated the same across all our manufacturing plants. The Company organised various environmental sustainability related activities such as tree plantation, cleanliness drives at a beach in Mumbai and in communities around our plants, recycling workshops, and awareness sessions in schools.

Awards and Accolades:

This year, the Company's Oil Palm plant at Chintampalli was awarded 'Energy Efficient Unit' at the Confederation of Indian Industry's (CII) National Awards for Excellence in Energy Management 2018.

In addition, the Company's Subsidiary Astec LifeSciences Limited, Mahad Plant was awarded CII Environmental Best Practices Award 2018 in the category of Resource & Material Conservation. The project BacComber Cooling Tower - a chemical free system was recognised as an innovative project of the year.

PRINCIPLE 7:

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

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

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

PRINCIPLE 8:

BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

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

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

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

- 83% reported increase in milk production
- 75% reported cattle free from illness
- 16% reported increase in rate/litre (rate at which milk is sold seen to be static given market factors).

During the Financial Year 2018-19, the Company has trained more than 4,859 beneficieries in skills that will enhance their earning potential. Through the agri vocational skilling program, 7,000 students across 41 schools of Maharashtra and 10 schools in Gujarat have been trained.

Since the inception of these programmes, the Company today has trained over 38,000 plus farmers.

PRINCIPLE 9:

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

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

The Company continues to invest significantly in Research & Development (R&D) to develop newer products or variants to suit the needs of the customers at competitive prices. The Company is investing significantly in cutting-edge R&D to support our innovation pipeline. In 2015, the Company has set up the Nadir Godrej Centre for Animal Research and Development in Nashik, Maharashtra, a one-of-its-kind animal husbandry research centre in the private sector in India. The Company's focus will be to leverage capabilities at this centre, to develop cost effective solutions to improve animal productivity. There are no undisputed customer complaints pending as at the end of the Financial Year 2018-19.

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

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

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

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

N. B. Godrej
Chairman

(DIN: 00066195)
Mumbai, May 6, 2019

NOTICE OF ANNUAL GENERAL MEETING (AGM) & EXPLANATORY STATEMENT

NOTICE OF THE 28TH (TWENTY-EIGHTH) ANNUAL GENERAL MEETING

NOTICE is hereby given that the **28TH (TWENTY-EIGHTH) ANNUAL GENERAL MEETING** of the Members of **GODREJ AGROVET LIMITED** will be held on **Friday, August 2, 2019** at **3.30 p.m. (IST)** at Auditorium, "Godrej One" Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, to transact the following **BUSINESS:**

ORDINARY BUSINESS:

1. **To adopt Financial Statements for the Financial Year ended March 31, 2019.**

   To receive, consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year (F.Y.) ended March 31, 2019 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

2. **To declare Final Dividend on Equity Shares for the Financial Year ended March 31, 2019.**

   To declare Final Dividend on Equity Shares @ 45% [i.e., @ ₹ 4.50/- (Rupees Four and Paise Fifty Only) per Equity Share] for the Financial Year (F.Y.) 2018-19.

3. **To appoint a Director in place of Ms. Nisaba Godrej, Director (Non-Executive, Non-Independent) [Director Number (DIN): 00591503], who retires by rotation and being eligible, offers herself for re-appointment, as a Director of the Company.**

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

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Ms. Nisaba Godrej, Director [having Director Number (DIN): 00591503], who retires by rotation and being eligible, offers herself for re-appointment, be and is hereby re-appointed as a "Director" of the Company."

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

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

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. J. N. Godrej, Director [having Director Number (DIN): 00076250], who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a "Director" of the Company."

SPECIAL BUSINESS:

5. **To ratify remuneration to be paid to M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, to conduct an audit of the cost records of the Company for the Financial Year (F.Y.) ending on March 31, 2020.**

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

   "**RESOLVED THAT** pursuant to Section 148 and all applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory amendment(s) or re-enactment(s) thereof for the time being in force), the remuneration payable to M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012), appointed as the Cost Auditors of the Company, to conduct an audit of the cost records of the Company for the Financial Year ending on March 31, 2020, at ₹ 1,32,000/- (Rupees One Lakh Thirty Two Thousand Only) plus Goods and Service Tax and reimbursement

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

6. **To appoint Mr. Pirojsha Godrej [Director Number (DIN):00432983], as a Director (Non-Executive and Non-Independent) of the Company.**

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

   "**RESOLVED THAT** Mr. Pirojsha Godrej (DIN: 00432983), who was appointed as an Additional Director of the Company by the Board of Directors with effect from November 5, 2018 in terms of the provisions of Section 161 of the Companies Act, 2013 ("**the Act**") and who holds till the conclusion of the 28th (Twenty-Eighth) Annual General Meeting (AGM), be and is hereby appointed as a "Director" (Non-Executive, Non-Independent) of the Company, liable to retire by rotation, based on the recommendation of the Nomination and Remuneration Committee of the Board of Directors and approval of the Board of Directors pursuant to the provisions of Sections 149, 152,160 and other applicable provisions, if any, of the Act and the Rules framed thereunder (including any statutory or re-enactment(s) thereof for the time being in force) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) and subject to such other approval(s) as may be required."

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

7. To appoint Mr. Natarajan Srinivasan [Director Number (DIN): 00123338] as an "Independent Director" of the Company.

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with Schedule IV of the Act and the Companies (Appointment and of Directors) Rules, 2014 and such other Rules framed thereunder, as may be applicable (including any statutory amendment(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) ("**SEBI Listing Regulations**") and subject to such other approval(s) as may be required, Mr. Natarajan Srinivasan (DIN: 00123338), who was appointed by the Board of Directors as an "Additional Director" (Non-Executive, Independent Director) of the Company with effect from February 4, 2019, in terms of Section 161(1) of the Act and who meets the criteria for independence as provided in Section 149(6) of the Act along with the Rules framed thereunder, and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an "Independent Director" of the Company not liable to retire by rotation, for a period from February 4, 2019 upto July 17, 2022."

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

8. To appoint Mr. Kannan Sitaram [Director Number (DIN): 01038711], as an "Independent Director" of the Company:-

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

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") and read with Schedule IV to the Act and the Companies (Appointment and of Directors) Rules, 2014 and such other Rules framed thereunder, as may be applicable (including any statutory amendment(s) or re-enactment(s) thereof for the time being in force) and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as may be amended from time to time) ("**SEBI Listing Regulations**") and subject to such other approval(s) as may be required, Mr. Kannan Sitaram (DIN: 01038711), who was appointed by the Board of Directors as an "Additional Director" (Non-Executive, Independent Director) of the Company with effect from June 17, 2019, in terms of Section 161(1) of the Act and who meets the criteria for Independence as provided in Section 149(6) of the Act along with the Rules framed thereunder, and Regulation 16(1)(b) of the SEBI Listing Regulations and who has submitted a declaration to that effect, be and is hereby appointed as an "Independent Director" of the Company not liable to retire by rotation, for a period from June 17, 2019 upto July 17, 2022."

"**RESOLVED FURTHER THAT** any of the Director or the Chief Financial or the Company Secretary of the Company be and are hereby severally authorized to take such form(s) with the Ministry of Corporate Affairs (MCA), Mumbai and intimate the Stock Exchange(s) where the Shares of the Company are listed and to take all such steps, as may be necessary, proper or expedient, to give effect to this resolution and to do all such acts, deeds, matters and things as may be incidental thereto."

By Order of the Board of Directors
of Godrej Agrovet Limited

Vivek Raizada
Head – Legal & Company Secretary &

Mumbai, June 17, 2019

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

NOTES:

1. The relative Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 ("the Act"), setting out the material facts relating to special businesses to be transacted at the 28th (Twenty-Eighth) Annual General Meeting, as set out in this Notice is annexed hereto.

2. **A SHAREHOLDER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING ("AGM") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE AGM INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A SHAREHOLDER OF THE COMPANY.**

   Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of not more than 50 (Fifty) Shareholders and holding in aggregate, not more than 10% (Ten percent) of the total Share Capital of the Company. Shareholders holding more than 10% (Ten percent) of the total Share Capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other person / Shareholder. A proxy so appointed shall not have any right to speak at the Annual General Meeting. The instrument of Proxy, in order to be effective, should be deposited at the Registered of the Company, duly completed and signed, not later than 48 (Forty-Eight) hours before the commencement of the Annual General Meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority letter, as applicable issued on behalf of the nominating organization / authority.

3. Corporate Shareholders intending to send their authorized representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Company, a copy of the Board Resolution together with the respective specimen signature(s) of those representative(s) authorized under the said resolution to attend and vote on their behalf at the AGM.

4. During the period beginning 24 (Twenty-Four) hours before the time for the commencement of the AGM and ending with the conclusion of the AGM, a Shareholder would be entitled to inspect the proxies lodged with the Company at any time between the business hours at the Registered of the Company, provided that not less than 3 (Three) days' of notice in writing is given to the Company.

5. Shareholder(s) / Proxy(ies) / Authorised Representative(s) should bring / are requested to bring the duly in Attendance Slip enclosed herewith to the AGM mentioning therein details of DP ID and Client ID / Folio No.

6. The Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, will be available for inspection by the Shareholders at the AGM.

7. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available for inspection by the Shareholders during the AGM.

8. The Register of Members and Share Transfer Books of the Company will remain closed from **Saturday, July 27, 2019** to **Friday, August 2, 2019** (both days inclusive) for annual closing and determining the entitlement of the Shareholders to the Final Dividend for the Financial Year (F.Y.) 2018-19.

9. All documents in connection with the accompanying Notice are available for inspection at the Registered of the Company from 10.00 a.m. (IST) to 4.00 p.m. (IST) on all days except Saturdays, Sundays and Public Holidays, upto the date of the AGM.

10. Shareholders holding shares in dematerialised form are requested to direct changes, if any, pertaining to their name, email address, telephone / mobile numbers, address and bank account details including change in bank account number, IFSC, MICR Code, name of bank and branch details, to their respective Depository Participants.

11. Pursuant to Sections 101 and 136 of the Act read with relevant Rules framed thereunder, companies can serve Annual Reports and other communications through electronic mode to those Shareholders who have registered their e-mail address either with the Company or with the Depository Participant(s). Shareholders holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s). In case of any change, the Shareholders are requested to update their e-mail address with the Depository Participant(s) to enable the Company to send electronic communications.

12. Shareholders of the Company who have registered their e-mail address are also entitled to receive such communication in physical form, upon request. For Shareholders who have not registered their e-mail addresses, physical copies would be sent by the permitted mode.

13. Shareholders are requested to support the "***Green Initiative***" by registering / updating their e-mail address(es) with the Depository Participant(s) (in case of Shares held in dematerialised form) or with Karvy Fintech Private Limited, Registrar and Share Transfer Agent *(formerly known as Karvy Computershare Private Limited)* ("**RTA**" / "**Karvy**") (in case of Shares held in physical form).

    Members may also note that the Notice of 28th (Twenty-Eight) Annual General Meeting and the Annual Report for the Financial Year (F.Y.) 2018-19 will also be available on the Company's website www.godrejagrovet.com for download.

14. Unless the Shareholders have requested for hard copies of the same, the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent in electronic mode to Members whose email address(es) are registered with the Company or the Depository Participant(s). Physical copy of the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form are being sent to those Members who have not registered their e-mail address with the Company or Depository Participant(s). Shareholders who have received the Notice of AGM, Annual Report, Attendance Slip, Route Map for the AGM Venue and Proxy Form in electronic mode are requested to print the Attendance Slip and submit a duly in Attendance Slip at the registration counter at the AGM. Members are requested to furnish the printed Attendance Slip along with a valid identity proof such as PAN Card, Passport, Aadhaar Card or Driving License while entering the AGM hall.

15. The Final Dividend for the Financial Year (F.Y.) 2018-19, as recommended by the Board of Directors, if approved at the AGM, would be paid / dispatched by August 9, 2019, to those persons or their mandates:-

    (a) whose names appear as Owners as at the end of the business hours on Friday, July 26, 2019, in the list of Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of the shares held in electronic form; and

    (b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Karvy Fintech Private Limited, Registrar and Share Transfer Agent ("RTA" or "Karvy") on or before Friday, July 26, 2019.

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

17. Shareholders who have not encashed the dividend warrants for the previous year, are requested to make their claim with Karvy at Karvy Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032, Telangana. As per the provisions of Section 124 (2) of the Companies Act, 2013, the Company has also uploaded details of Unclaimed dividend amount(s) for the Financial Year 2017-18, lying with the Company as on date of Annual Report on the website of the Company i.e., www.godrejagrovet.com

18. Shareholders can avail of the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of Section 72 of the Act. Shareholders desiring to avail of this facility may send their nomination in the prescribed Form No. SH-13 duly in to RTA at the above mentioned address. Members holding shares in electronic form may contact their respective Depository Participants for availing this facility.

19. The Securities and Exchange Board of India ("SEBI") has made it mandatory for all listed companies to use the Bank Account details furnished by the Depositories and the Bank Account details maintained by the RTA for payment of Dividend through Electronic Clearing Service (ECS) to Shareholders wherever ECS and Bank details are available. In the absence of ECS facilities, the Company will print the Bank Account details, if available, on the payment instrument for distribution of Dividend. The Company will

not entertain any direct request from Shareholders holding shares in electronic mode for deletion of / change in such Bank Account details. Further, instructions if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in the electronic mode. Shareholders who wish to change such Bank Account details are, therefore, requested to advise their Depository Participant(s) about such change, with complete details of Bank Account.

20. Shareholders holding the shares in electronic mode may please note that their dividend would be paid through National Electronic Clearing System (NECS) or Electronic Clearing Services (ECS) at the available RBI locations or NEFT. The dividend would be credited to their bank account as per the mandate given by the Shareholders to their Depository Participant(s). In the absence of availability of NECS/ECS/NEFT facility, the dividend would be paid through warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable Regulations.

    Shareholders are requested to send their Bank Account particulars (viz. Account No., Name & Branch of the Bank and the MICR Code) to their Depository Participants (DPs) in case the shares are held in electronic mode or to the RTA in case the shares are held in physical mode for printing on dividend warrant to ensure that there is no fraudulent encashment of the warrants.

21. Shareholders holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. For the safety and interest of the Shareholders, it is important that bank account details are correctly provided to the Depository Participants and registered against their demat account.

22. Shareholders who have not provided the information regarding bank particulars, are requested to immediately notify the name of the bank and the branch, 9 digits MICR number, 11 digit IFSC and the nature of account along with a copy of cancelled cheque to Karvy, in respect of shares held in physical form and to their Depository Participant in case of shares held in electronic form.

23. SEBI had vide No. SEBI/LAD-NRO/ GN/2018/24 dated June 08, 2018 and SEBI/LAD-NRO/ GN/2018/49 dated November 30, 2018 read with BSE circular no. LIST/COMP/15/2018-19 dated July 05, 2018 and NSE circular no. NSE/CML/2018/26 dated July 09, 2018 and as per Regulation 40 of the Listing Regulations, as amended, directed that securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. However, Shareholders can continue to hold shares in physical form. Accordingly, Shareholders holding securities in physical form were separately communicated at their registered address by RTA vide three letters sent on August 28, 2018 (by Registered Post) , October 24, 2018 (by Registered Post) and November 26, 2018 (by Speed Post), to dematerialise their physical holding for any further transfer.

    In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, Shareholders holding shares in physical form are requested to consider converting their holdings to dematerialized form. Shareholders can contact the Company or RTA for assistance in this regard.

24. At the 26th (Twenty-Sixth) AGM held on August 4, 2017, the Shareholders approved appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration No. 101248W/W-100022) as Statutory Auditors of the Company to hold for a period of 5 years i.e., from the conclusion of the 26th (Twenty-Sixth) AGM till the conclusion of the 31st (Thirty-First) AGM, subject to of their appointment by Shareholders at every AGM. The requirement to place the matter relating to appointment of Auditors for by Shareholders at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for of appointment of Statutory Auditors at the 28th (Twenty-Eighth) AGM.

25. The details of the Directors seeking appointment and re-appointment under Item Nos. 3, 4, 6, 7 and 8 of the Notice is annexed hereto in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings issued by the Institute of Company Secretaries of India.

26. Shareholders are requested to send in their queries at least a week in advance to the Company Secretary at the Registered of

E-VOTING:

(a) In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and as per Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory amendment(s) / / re-enactment(s) thereto], your Company has provided to the Shareholders holding shares in physical and dematerialised form, the facility to cast their votes, electronically, through the remote electronic voting service facility arranged by RTA ("**Karvy**") on all resolutions set forth in this Notice.

    The Facility for voting through Electronic Ballot System ("Insta Poll") will also be made available at the AGM and the Shareholders attending the AGM, who have not already casted their votes by remote e-voting, they shall be able to exercise their voting right at the AGM through Insta Poll.

(b) The Shareholders who wish to cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again, and if casted again then the same will not be counted. During the voting period, Shareholders can login to Karvy's e-voting platform any number of times till they have voted on all the resolutions. Once the vote on a resolution is cast by a Shareholder, whether partially or otherwise, the Shareholder shall not be allowed to change it subsequently or cast the vote again.

(c) The remote e-voting period commences on **Monday, July 29, 2019 (at 9.00 a.m. IST)** and ends on **Thursday, August 1, 2019 (at 5.00 p.m. IST).** During this period, the Shareholder of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date, i.e., close of bussiness hours of **Friday, July 26, 2019,** may cast their votes by remote e-voting. The remote e-voting module shall be disabled by RTA for voting thereafter. Once the vote on a resolution is casted by the Shareholder, the Shareholder shall not be allowed to change it subsequently.

(d) In case of any query / grievance with respect to remote e-voting, please visit the "Help and FAQ's" section available on Karvy's website: https://evoting.karvy.com or send e-mail to einward.ris@karvy.com or call Karvy on toll free number 1800-3454-001 (from 9.00 a.m. IST to 6:00 p.m. IST) for

(e) Shareholders who have not registered their e-mail addresses are requested to register the same with the Company's Registrars and Transfer Agents / Depository Participant(s) for sending future communication(s) in electronic form.

(f) A Shareholder need not use all his / her / its votes nor does he / she / it need to cast all his / her / its votes in the same way.

(g) The Scrutinizer's decision on the validity of the Remote

INFORMATION AND INSTRUCTIONS RELATING TO REMOTE E-VOTING:

a. In case of Shareholders receiving an e-mail from Karvy Fintech Private Limited [for Shareholder whose e-mail addresses are registered with the Company / Depository Participant(s)]:

i. Shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. close of business hours of Friday, July 26, 2019, may cast their vote electronically.

ii. Launch an internet browser by typing the URL https:// evoting.karvy.com

iii. Enter the login credentials i.e. User ID and password, provided in the email received from Karvy Fintech Private Limited. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

iv. After entering the above details click on - LOGIN.

v. Password change menu will appear. Please change the password with a new password of your choice. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,$,etc.) The system will also prompt you to update your contact details like mobile number, email ID, etc. on login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password After changing the password, you need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the E-Voting EVEN (i.e. Electronic Voting Event Number).

vii. Select 'EVEN' of Godrej Agrovet Limited – AGM 2019 and click on – Submit.

viii. Now you are ready for e-voting as '*Ballot Form*' page opens.

ix. Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'OK' when prompted.

x. Upon the message 'Vote cast successfully' will be displayed.

xi. Please note that, once you have your vote on the resolution, you cannot modify your vote thereafter.

xii. The remote e-voting portal will remain open for voting from 9.00 a.m. (IST) on Monday, July 29, 2019 to 5.00 p.m. (IST) on Thursday, August 1, 2019.

xiii. Institutional Shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorized to vote, to the Scrutinizer by an e-mail at bn@bnpassociates.in or gavlinvestors@godrejagrovet.com

xiv. They may also upload the same in the e-voting module in their login. The scanned image of the above mentioned documents should be in the naming format "Corporate Name EVEN NO. 4680"

b. In case of Shareholders receiving Physical copy of Annual Report by post and opting for voting through Electronic means [for Shareholders whose e-mail addresses are not registered with the Company / Depository Participant(s)]:

i. Initial password is provided as below/at the bottom of the Attendance Slip for the AGM.

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD/ PIN
4680		

ii. Please follow all steps from Sr. No. (a)(ii) to Sr. No. (a)(ix) mentioned above, to cast vote.

iii. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'E-voting User Manual' available in downloads section of the e-voting website of Karvy Fintech Private Limited, viz., https://evoting.karvy.com.

iv. The voting rights shall be as per the number of Equity Shares held by the Shareholders(s) as on the cut-off date. i.e., close of business hours of Friday, July 26, 2019. Shareholders are eligible to cast vote electronically only if they are holding shares as on that date.

v. The results shall be declared not later than 48 (Forty-Eight) hours after the conclusion of the AGM. The results declared along with the report of the Scrutinizer shall be placed on the Notice Board at the Registered of the Company and also on the website of the Company, viz., www.godrejagrovet.com immediately after the declaration of result by the Chairman / Managing Director and on the website of Karvy, viz., https://karisma.karvy.com, and shall also be immediately forwarded to the National Stock Exchange of India Limited and BSE Limited.

vi. If you have forgotten your password, you can reset your password by using "Forgot Password" option available on https://evoting.karvy.com or contact Karvy Fintech Private Limited at toll free No. 1800-345-4001 or email at evoting.karvy.com. In case of any other queries/grievances connected with voting by electronic means, you may also contact Mr. Kishore B. V., Assistant Manager – Corporate Registry of Karvy Fintech Private Limited, at Telephone No. +91 40 6716 1585.

vii. In case of Joint Holders attending the AGM, the Shareholders whose name appears as the holder in the order of names as per the Register of Members of the Company, will be entitled to vote at the AGM.

viii. Shareholders may utilize the facility extended by the Registrar and Transfer Agent for redressal of queries. Shareholders may visit https://evoting.karvy.com and click on Members option for query registration through free identity registration process.

Other Instructions:

1. The voting rights of Shareholders shall be in proportion to the shares held by them in the Paid-up Equity Share Capital of the Company as on the cut-off date, i.e. close of business hours of Friday, July 26, 2019. The Registered Shareholder, whose name is recorded in the Register of Members or in the Register of Owners maintained by the depositories as on the cut-off date shall only be entitled to avail the facility of voting, either through remote e-voting or voting at the AGM through Insta-poll.

2. Any person, who acquires shares of the Company and becomes a Shareholder of the Company after dispatch of the Notice and is holding shares as of the cut-off date, i.e., close of business hours of Friday, July 26, 2019 may obtain the login ID and password by sending an e-mail request at einward.ris@karvy.com.

3. However, if you are already registered with Karvy for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details / Password" option available on https://evoting.karvy.com or contact Karvy at the toll free no.: 1800-345-4001.

4. Shareholders holding shares in physical form are requested to consider converting their holdings into dematerialized form to eliminate all risks associated with physical shares and for ease of Portfolio Management. Shareholders can contact the Company or Karvy for assistance in this regard. Shareholders holding shares in more than one folio in the same name(s) are requested to send the details of their folios along with share to Karvy so as to enable Karvy to consolidate their holding into one folio.

5. BNP & Associates, Company Secretaries (Firm Registration No. P2014MH037400) have been appointed as the Scrutinizer to scrutinize the remote e-voting process as well as the voting by Insta Poll, to be conducted at the AGM, in a fair and transparent manner.

6. A Shareholder can vote either by remote e-voting or through Insta Poll. In case a Shareholder votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM through Insta Poll shall be considered **"INVALID"**.

7. Subject to receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the Meeting, i.e. on Friday, August 2, 2019.

8. Route Map showing directions to reach to the venue of the AGM forms part of the Annual Report as per the requirement of the Secretarial Standard - 2 on "General Meetings."

By Order of the Board of Directors
of Godrej Agrovet Limited

Vivek Raizada
Head – Legal & Company Secretary &

Mumbai, June 17, 2019

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

ANNEXURE TO THE NOTICE OF THE 28TH (TWENTY EIGHTH) ANNUAL GENERAL MEETING (AGM) OF GODREJ AGROVET LIMITED

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

The following Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Special Business mentioned in the accompanying Notice for convening the 28th (Twenty Eighth) Annual General Meeting of Godrej Agrovet Limited on Friday, August 2, 2019 at 3.30 p.m. (IST): -

Item No. 5: To ratify remuneration to be paid to M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, to conduct an audit of the cost records of the Company for the Financial Year (F.Y.) ending on March 31, 2020.

The Board of Directors of the Company at its Meeting held on May 6, 2019, based on recommendations of the Audit Committee, has appointed M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration Number: 00012), as the "Cost Auditors" of the Company for the Financial Year (F.Y.) 2019-20, pursuant to Section 148 and other applicable provisions of the Act, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014.

Pursuant to Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration of ₹ 1,32,000/- (Rupees One Lakh Thirty Two Thousand Only) per annum, exclusive of applicable tax(es) and reimbursement of out-of-pocket expenses, if any, payable to the Cost Auditors, as recommended by the Audit Committee and approved by the Board of

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

i. the Cost Auditors do not suffer from any as

ii. their appointment is in accordance with the limits in Section 141(3)(g) of the Act;

iii. none of their Partners is in the Whole-time employment of any Company; and

iv. they are an independent Firm of Cost Accountants holding valid of practice and are at arm's length relationship with the Company, pursuant to Section 144 of the Act.

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

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

Item No. 6: To appoint Mr. Pirojsha Godrej [Director Number (DIN): 00432983], as a Director (Non - Executive and Non-Independent) of the Company.

The Board of Directors of the Company, based on recommendation of the Nomination and Remuneration Committee, has appointed Mr. Pirojsha Godrej [Director Number (DIN): 00432983)] as an "Additional Director" (Non-Executive, Non-Independent) of the Company at its Meeting held on November 5, 2018, in terms of provisions of Section 161 of the Companies Act, 2013, who holds till the date of the 28th (Twenty-Eighth) Annual General Meeting (AGM) of the Company to be held on August 2, 2019.

In terms of the provisions of Section 160 of the Companies Act, 2013, a person other than a retiring Director shall be eligible for appointment to

The brief of Mr. Pirojsha Godrej in terms of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015, is a annexed hereto.

None of the Directors / Key Managerial Personnel of the Company / their relatives except, Ms. Tanya Dubash, Director, Ms. Nisaba Godrej, Director and Mr. Pirojsha Godrej himself, in any way, are concerned or interested, or otherwise, in the proposed Resolution set out in Item No. 6.

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

Item No. 7: To appoint Mr. Natarajan Srinivasan [Director Number (DIN): 00123338] as an "Independent Director" of the Company.

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

The Board of Directors, at its Meeting held on February 4, 2019, approved the appointment of Mr. Natarajan Srinivasan, as an "Additional Director" (Non-Executive & Independent Director), on the Board of the Company with effect from February 4, 2019 upto July 17, 2022, subject to approval of Shareholders.

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

In the opinion of the Board of Directors, Mr. Natarajan Srinivasan, the criteria of Independence as under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

The brief of Mr. Natarajan Srinivasan in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is annexed hereto.

The terms and conditions of his appointment shall be open for inspection by the Members at the Registered of the Company during the normal business hours on any working day (except Saturdays, Sundays and Public Holidays) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Other than Mr. Natarajan Srinivasan and his relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, or otherwise, in the proposed Resolution set out in Item No. 7.

The Board recommends the **Ordinary Resolution** set forth in Item No. 7 for approval of the Shareholders.

Item No. 8: To appoint Mr. Kannan Sitaram [Director Number (DIN): 01038711] as an "Independent Director" of the Company.

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

The Board of Directors, at its Meeting held on June 17, 2019, approved the appointment of Mr. Kannan Sitaram, as an "Additional Director" (Non-Executive & Independent Director), on the Board of the Company with effect from June 17, 2019 upto July 17, 2022, subject to approval of Shareholders.

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

In the opinion of the Board of Directors, Mr. Kannan Sitaram, the criteria of Independence as under Section 149 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as may be amended from time to time.

The brief of Mr. Kannan Sitaram in terms of Regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, is annexed hereto.

The terms and conditions of his appointment shall be open for inspection by the Members at the Registered of the Company during the normal business hours on any working day (except Saturdays, Sundays and Public Holidays) and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Other than Mr. Kannan Sitaram and his relatives, none of the Directors / Key Managerial Personnel of the Company / their relatives is, in any way, concerned or interested, or otherwise, in the proposed Resolution set out in Item No. 8.

The Board recommends the **Ordinary Resolution** set forth in Item No. 8 for approval of the Shareholders.

By Order of the Board of Directors
of Godrej Agrovet Limited

Vivek Raizada
Head – Legal & Company Secretary &

Mumbai, June 17, 2019

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

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BRIEF RESUME OF DIRECTOR(S) APPOINTMENT / RE-APPOINTMENT AT THE 28TH ANNUAL GENERAL MEETING OF THE COMPANY

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

Name of the Director	Mr. J. N. Godrej	Ms. Nisaba Godrej	Mr. Pirojsha Godrej	Mr. Natarajan Srinivasan	Mr. Kannan Sitaram
Director Number (DIN)	00076250	00591503	00432983	00123338	01038711
Date of Birth	January 24, 1949	February 12, 1978	October 27, 1980	October 6, 1957	May 21, 1957
Age (in Years)	70 years	41 years	38 years	61 years	62 years
Nationality	Indian	Indian	Indian	Indian	Indian
Date of Appointment (DD/MM/YYYY)	August 24, 1992	July 24, 2006	November 5, 2018	February 4, 2019	June 17, 2019
	Bachelor's Degree in Mechanical Engineering from Illinois Institute of Technology, USA	• Bachelor's Degree of Science in Economics from the University of Pennsylvania • MBA from Harvard University	• Bachelors' Degree in Economics, Wharton School, University of Pennsylvania • Master's Degree in International Affairs, Columbia University's School of International & Public Affairs • MBA, Columbia Business School, USA	• Bachelors' Degree in Commerce • Chartered Accountant • Company Secretary	• B. Tech from IIT, Madras • MBA- IIM Ahmedabad
Nature of expertise in areas	Engineering and Management	Management	Management	Corporate , Finance, Legal, Projects and General Management.	Engineering and Management
Number of Equity Shares held in the Company					
By Self:	Nil	34 Equity Shares	34 Equity Shares	Nil	Nil
Owner of:	3 Equity Shares (as Trustee of Raika Godrej Family Trust)	• 13,82,018 Equity Shares (as Trustee of NG Family Trust) • 13,82,018 Equity Shares (as Trustee of PG Family Trust)	• 13,82,018 Equity Shares (as Trustee of PG Family Trust) • 13,82,018 Equity Shares (as Trustee of NG Family Trust) • 13,82,018 Equity Shares (as Trustee of TAD Family Trust)	Nil	Nil
Number of Board Meetings attended during the Financial Year 2018-19	4 (four)		1 (one)	1 (one)	Not Applicable (appointed as an Additional Director at the Board Meeting held on June 17, 2019)

Name of the Director	Mr. J. N. Godrej	Ms. Nisaba Godrej	Mr. Pirojsha Godrej	Mr. Natarajan Srinivasan	Mr. Kannan Sitaram
Directorships held in other Companies (excluding Foreign Companies and Section 8 Companies)	**Listed Companies:** • Godrej Industries Limited • Godrej Consumer Products Limited • Godrej Properties Limited **Unlisted Public Companies:** • Godrej & Boyce Manufacturing Company Limited **Private Companies:** • Illinois Institute of Technology (India) Private Limited • Godrej UEP Private Limited	**Listed Companies:** • Godrej Consumer Products Limited • VIP Industries Limited **Unlisted Public Companies:** • Godrej Seeds & Genetics Limited **Private Companies:** • Innovia Multiventures Private Limited	**Listed Companies:** • Godrej Consumer Products Limited • Godrej Properties Limited **Unlisted Public Companies:** • Godrej Housing Finance Limited **Private Companies:** • Godrej Investment Advisers Private Limited • Godrej One Premises Management Private Limited • Praviz Developers Private Limited • Karukahal Developers Private Limited • Eranthus Developers Private Limited • Swaddle Projects Private Limited	**Listed Companies:** • Infrastructure Leasing and Financial Services Limited **Unlisted Public Companies:** • IL & FS Financial Services Limited • India First Life Insurance Company Limited • Tamil Nadu Water Investment Company Limited • IL&FS Tamil Nadu Power Company Limited • New Tirupur Area Development Corporation Limited. **Private Companies:** -	**Listed Companies:** - **Unlisted Public Companies:** - **Private Companies:** • Ankasummor Foods Private Limited • Sproutlife Foods Private Limited • Adret Retail Private Limited • Visage Lines Personal Care Private Limited • Learning Solutions Private Limited • Honasa Consumer Private Limited
Chairmanships of Committees in other companies	None	None	**Godrej Properties Limited:** • Chairman of Corporate Social Responsibility Committee • Chairman of Allotment Committee	**IL & FS Financial Services Limited:** Chairman of Audit Committee	None
Memberships of Committees in other companies	**Godrej & Boyce Manufacturing Company Limited:** • Member of Corporate Social Responsibility Committee **Godrej Consumer Products Limited:** • Member of Stakeholders' Relationship Committee	**Godrej Consumer Products Limited:** • Member of Corporate Social Responsibility Committee • Member of Risk Management Committee **Godrej Seeds & Genetics Limited:** • Member of Corporate Social Responsibility Committee	**Godrej Properties Limited:** • Member of Stakeholders' Relationship Committee • Member of Management Committee • Member of Risk Management Committee	**Infrastructure Leasing and Financial Services Limited:** Member of Audit Committee	None

Name of the Director	Mr. J. N. Godrej	Ms. Nisaba Godrej	Mr. Pirojsha Godrej	Mr. Natarajan Srinivasan	Mr. Kannan Sitaram
Relationships between directors *inter-se*	None	Sister of Ms. Tanya A. Dubash and Mr. Pirojsha Godrej	Brother of Ms. Tanya A. Dubash and Ms. Nisaba Godrej	None	None
Terms and conditions of appointment / re-appointment along with details of remuneration sought to be paid and remuneration last drawn by such person.	• Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.godrejagrovet.com • Entitled to Commission on Executive Director	• Terms and conditions of re-appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.godrejagrovet.com • Entitled to Commission Executive Director	• Terms and conditions of appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.godrejagrovet.com • Entitled to Commission on Director	• Terms and conditions of appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website , i.e., www.godrejagrovet.com • Entitled to Commission on as a Non-Executive Director • Details of Sitting Fees paid during the Financial Year 2018-19 is provided in the Corporate Governance Report.	• Terms and conditions of appointment are as per the Nomination and Remuneration Policy of the Company as displayed on the Company's website, i.e., www.godrejagrovet.com • Entitled to Commission on Director • No Sitting Fees & Commission is paid during the Financial Year 2018-19

DIRECTORS' REPORT AND ANNEXURES

DIRECTORS' REPORT OF GODREJ AGROVET LIMITED

[Corporate Identity Number (CIN): L15410MH1991PLC135359]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

TO THE MEMBERS:

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year (F.Y.) 2018-19.

1. FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year (F.Y.) 2018-19 as compared with that of the previous Financial Year (F.Y.) 2017-18 is summarized below:-

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Total Income	4,344.60	3,719.35	5,923.85	5,237.72
	307.49	281.32	389.00	359.70
Add: Exceptional Items	-	-	88.30	12.05
	307.49	281.32	477.30	371.75
Less : Provision for Taxation	99.61	90.46	127.97	120.71
	207.88	190.86	349.33	251.04

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

Review of Operations / State of Affairs of the Company:

There has been no change in the nature of business of your Company during the Financial Year (F.Y.) 2018-19.

Businesses of the Company:

Animal Feed:

Volume growth at 14.2% remained strong for the Animal Feed business during the Financial Year 2018-19, mainly driven by robust growth in the layer feed segment. Broiler feed and feed segments also posted double digit volume growth. However, cattle feed volume growth remained low and volumes in the shrimp feed saw a decline as compared to previous year. Animal Feed segment sales grew by 18.3% year-on-year to ₹ 3,046.47 Crore in the current Financial Year supported by volume growth and price increase taken by the Company during the second half of the year. However, segment results were impacted by sharp increase in the raw material prices.

Crop Protection:

At a standalone level, Crop Protection segment sales and segment result grew by 7.5% and 12.4%, respectively, during the Financial Year 2018-19. The Company introduced multiple new products across categories to increase the product offering. Your Company continues to focus on introducing more innovative products which will help in increasing penetration both in the strategic crops and in the new geographies.

Vegetable Oil:

The sales of the Vegetable Oil segment increased to ₹ 679.30 Crore in the Financial Year 2018-19, a growth of 16.0% driven by increase in price of crude palm oil. Segment was ₹ 113.45 Crore in the current year compared to ₹ 112.26 Crore reported last year. New plant which was being set up in Seethanagaram, Andhra Pradesh became operational during the Financial Year 2018-19.

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 Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the statements of our Subsidiaries, Associates and Joint Ventures in the Form AOC-1 is annexed and form part of the Financial Statement. The statement provides the details of performance and position of each of the Subsidiaries, Associates and Joint Ventures. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the consolidated statements, audited accounts of all the Subsidiaries and other documents attached thereto are available on your Company's website: www.godrejagrovet.com.

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

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 2018-19, Godvet recorded Before Tax of ₹ 0.632 Crore as compared to before Tax of ₹ 0.627 Crore in the Financial Year 2017-18.

2. **Astec LifeSciences Limited & Its Subsidiaries:**

Astec LifeSciences Limited ("**Astec**") manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 24 countries. During the Financial Year 2018-19, the Astec's performance remained strong as it posted total income of ₹ 442.06 Crore, a growth of 16.7% over the previous Financial Year. Before Exceptional Items and Tax also increased to ₹ 55.90 Crore during Financial Year 2018-19 as compared to ₹ 51.56 Crore during the Financial Year 2017-18.

Subsidiaries of Astec LifeSciences Limited:

Astec LifeSciences Limited had the following 3 (three) subsidiaries during the Financial Year (F.Y.) 2018-19:

(i) **Behram Chemicals Private Limited:**

During the Financial Year 2018-19, Behram Chemicals Private Limited reported Before Tax of ₹ 0.10 Crore as compared to Before Tax of ₹ 0.07 Crore during the last year.

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

For the year ended March 31, 2019, Comercializadora Agricola Agroastrachem Cia Ltda reported Loss Before Tax of (₹ 0.00) **Crore, as compared to Loss Before Tax of (₹ 0.01) Crore reported during the corresponding period last year.

** The amount as "0.00" in results are value with less One Lakh.

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

During the year ended March 31, 2019, Astec Europe Sprl reported Before Tax of ₹ 0.01 Crore, as compared to Loss Before Tax of (₹ 0.02) Crore reported during the corresponding period last year.

3. **Creamline Dairy Products Limited & Its Subsidiary:**

Creamline Dairy Products Limited (**"CDPL"**) is one of the leading private sector dairy companies in Southern India and its products are sold under the brand name 'Jersey'. During the Financial Year 2018-19, CDPL recorded total income of ₹ 1,163.94 Crore as compared to ₹ 1,160.25 Crore reported in the previous Financial Year. Before Tax for the current year increased to ₹ 20.03 Crore from ₹ 14.17 Crore in the previous Financial Year.

Subsidiary of Creamline Dairy Products Limited:

(i) **Nagavalli Milkline Private Limited**: Nagavalli Milkline Private Limited ("**Nagavalli**") has been a wholly-owned subsidiary of CDPL during the Financial Year 2018-19. The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. As a part of a reorganization strategy, the Board of Directors of CDPL and Nagavalli have in their respective Board Meetings held on May 2, 2018, unanimously approved the proposal for the amalgamation of Nagavalli with CDPL, subject to the necessary statutory / regulatory approvals. Accordingly, a Scheme of Amalgamation has been with the Hon'ble National Company Law Tribunal ('NCLT'), Hyderabad Bench under Sections 230 to 232 of the Companies Act, 2013 and the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 with Appointed Date of April 1, 2018. Pending approval of NCLT, no effect of the scheme has been given in the Financial Statements. The Appointed Date has been changed to April 1, 2019 basis approval granted by the Board of Directors of CDPL on April 22, 2019 and Nagavalli on April 29, 2019.

4. **Godrej Tyson Foods Limited:**

Godrej Tyson Foods Limited ("**GTFL**") has become a Subsidiary of your Company with effect from March 27, 2019. Your Company has acquired an additional 1.1 % of the Paid-up Equity Share Capital of its Joint Venture GTFL, increasing its total shareholding in GTFL from 49.9% to 51.0%. GTFL is engaged in the manufacturing of processed poultry and vegetarian products through its brands 'Real Good Chicken' and 'Yummiez' respectively. During Financial Year 2018-19, GTFL recorded total income of ₹.489.07 Crore representing year-on-year growth of 12.6%.

5. **Godrej Maxximilk Private Limited:**

With effect from March 27, 2019, Godrej Maxximilk Private Limited ("**GMPL**") has become a Subsidiary of your Company. Your Company has acquired additional 2.16% of the Paid-up Equity Share Capital of GMPL, increasing its total shareholding in GMPL from 49.9% to 52.06%. GMPL is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing

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

(i) **ACI Godrej Agrovet Private Limited, Bangladesh:**

ACI Godrej Agrovet Private Limited recorded revenues of ₹ 654.86 Crore during Financial Year 2018-19 as compared to revenues of ₹ 675.35 Crore during Financial Year 2017-18. The Joint Venture continues to remain among top players in all the feed categories it operates in Bangladesh.

(ii) **Omnivore India Capital Trust:**

The Company has investment in the units of Omnivore India Capital Trust, a venture capital organization that invests in Indian startups 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):**

Godrej Agrovet Limited currently has a 24.0% stake in the associate (with a 33.33% share in The investment in this company appears as part of current investment in the current Financial Year.

3. FINANCE:

Your Company continues to manage its treasury operations and has been able to borrow funds for its operations at competitive rates. During the Financial Year under review, the credit rating granted by ICRA Limited to your Company has been at "[ICRA]AA" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+" with respect to Short Term Fund Based facilities (including for Commercial Paper).

4. INFORMATION SYSTEMS:

During the Financial Year under review, your Company has initiated the following digital automation measures for itself and its Subsidiaries, Associate & Joint Venture Company to automate and improve upon business functions and processes;

- Provided Mobile Apps to the distributors to provide timely service and bring in more transparency in business transactions.
- Implemented digital expense management system to simplify and improve employee reimbursement processes.
- Strengthened Core ERP infrastructure for its Subsidiary GTFL, for business continuity and implemented mobile and web based applications to capture data at source to improve decision making.
- Initiated sales force automation and digitizing level activities to enhance Sales team capability.
- Implemented IT Security process across businesses to secure & protect business data.

5. MANUFACTURING FACILITIES:

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

Animal Feed : Khanna (Punjab), Miraj (Maharashtra), Sachin (Gujarat), Kharagpur (West Bengal), Kondapalli (Andhra Pradesh), Tumkur (Karnataka), Hajipur (Bihar), Erode (Tamil Nadu), Chandauli (Uttar Pradesh), Khurda (Orissa), Unnao (Uttar Pradesh), Medchal (Andhra Pradesh)

Agri Inputs : Jammu (Jammu & Kashmir), Lote Parshuram (Maharashtra)

Oil Palm : Pothepally (Andhra Pradesh), Chintampally (Andhra Pradesh), Ariyalur (Tamil Nadu), Valpoi (Goa), Kolasib (Mizoram), Medchal, Andhra Pradesh, Seethanagaram (Andhra Pradesh)

Aqua Feed: Hanuman Junction (Andhra Pradesh)

6. HUMAN RESOURCES:

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

During Financial Year (F.Y.) 2018-19, the Company drove interventions to enhance the workforce productivity in the business. These included revisiting the current manning structures, optimizing the manpower wherever required. The Company also rolled out a Voluntary Retirement Scheme (VRS) during the year under review at its Khanna factory. 29 workmen availed of the VRS.

There were various initiatives undertaken to improve the employee engagement and connect. The Company measures employee engagement through an independent external agency every two years. During the survey conducted in Financial Year 2018-19, most of the Company's businesses recorded improvement in the employee engagement level. The engagement levels in your Company are in the top quartile in the industry.

Your Company constantly makes concerted efforts towards creating learning and development opportunities on a non-discriminatory basis, that continually enhance the employee value in line with the organizational objectives. During the Financial Year 2018-19, learning interventions such as Sales Capability Building, Enterprise Leadership Program for P&L Leaders, and Management Development Program (MDP) for select assistant managers etc. were implemented. In most of our businesses, the attrition stayed at / below the industry level.

Your Company is committed to build and maintain a safe and healthy workplace. There are several policies formulated for the of employees, which promote gender diversity, equal opportunity, prevention of sexual harassment, safety and health of employees. During the Financial Year 2018-19, there was improvement in the woman representation at all levels.

As on March 31, 2019, the total number of permanent employees were 2,687.

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

There have been no material changes and commitments affecting the position of your Company which have occurred between March 31, 2019, and the date of this Directors' Report.

8. DIVIDEND:

The Board of Directors of your Company recommend a Final Dividend for the Financial Year 2018-19 at the rate of ***45***% (Forty-Five per cent) i.e., ₹ ***4.50*** (Rupees Four and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each, subject to approval of the Members at the ensuing 28th (Twenty Eighth) Annual General Meeting.

The Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on July 26, 2019 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)

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

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

9. TRANSFER TO RESERVE:

Your Directors do not propose to transfer any amount to any reserve during the Financial Year ended March 31, 2019.

10. SHARE CAPITAL:

Your Company's Equity Share Capital position as at the beginning of the Financial Year 2018-19 (i.e., as on April 1, 2018) and as at the end of the said Financial Year (i.e., as on March 31, 2019) is 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, 2018:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,28,739	10	1,92,02,87,390
Preference	6,000	10	60,000	-	-	-
TOTAL	**22,50,00,000**		**2,25,00,00,000**	**19,20,28,739**		**1,92,02,87,390**
As on March 31, 2019:						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,28,739	10	1,92,02,87,390
Preference	6,000	10	60,000	-	-	-
TOTAL	**22,50,00,000**		**2,25,00,00,000**	**19,20,28,739**		**1,92,02,87,390**

11. EMPLOYEES STOCK GRANT SCHEME:

During the Financial Year 2018-19, your Company implemented the Employees Stock Grant Scheme, 2018 ("ESGS 2018"), pursuant to the approval granted by the Board of Directors (based on the recommendation made by the Nomination and Remuneration Committee) at its Meeting held on May 14, 2018 and by the Shareholders through Postal Ballot, the results of which were declared on June 20, 2018.

Eligible employees of the Company were given stock options under ESGS 2018, subject to the provisions of the Securities and Exchange Board ₹ 10/- (Rupees Ten Only) per option.

Each stock option entitles the holder to apply for 1 (one) Equity Share of the Company of Face Value of ₹10/- (Rupees Ten Only) each.

The options shall vest over a period of 3 (three) years and are exercisable within 1 (one) month from the date of vesting or such other period as may be determined by the Nomination and Remuneration Committee of the Board of Directors of the Company. The options granted are governed as per ESGS 2018, which is submitted to the Stock Exchanges at the time of obtaining in-principle approval.

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2018. Your Company has received a from the Statutory Auditors of the Company that ESGS 2018 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee 2014 and the resolution passed by the Shareholders through Postal Ballot in this behalf. The said would be kept open for inspection by the Shareholders at the ensuing 28th (Twenty Eighth) Annual General Meeting.

The Shareholder(s) approval was sought by way of Special Resolution at the 27th (Twenty-Seventh) Annual General Meeting held on August 9, 2018 to make suitable changes in the ESGS 2018, as suggested by National Stock Exchange of India Limited ("**NSE**") and BSE Limited ("**BSE**"), subject to which the Company had received in-principle approvals from BSE dated June 28, 2018 and NSE dated July 2, 2018.

The ESGS 2018 is in compliance with the applicable provisions of the Securities and Exchange Board of India (Share Based Employee Regulations, 2014 and such other law(s) and regulation(s), as may be applicable for time being in force.

The details of all the Employee Stock Options Scheme(s) implemented during the Financial Year 2018-19 is as under:

Sr. No.	Particulars	Remark
(a)	Options granted	43,599 Options
(b)	Options vested	Nil
(c)	Options exercised	Nil
(d)	the total number of shares arising as a result of exercise of options	Not Applicable
(e)	Options lapsed;	894 Options
(f)	the exercise price;	₹ 10/- (Rupees Ten Only)
(g)	Variation in terms of options	Nil
(h)	Money realized by exercise of options	Not Applicable
(i)	Total number of options in force	42,705 Options
(j)	Employee wise details of options granted to:	
	(i) Key Managerial Personnel;	17,760 Options
	(ii) any other employee who receives a grant of options in any one year of options amounting to percent or more of total options granted during that year;	Nil
	(iii) iden granted options, during any one year, equal to or exceeding one percent of the issued capital, excluding outstanding warrants and conversions, of the company at the time of grant.	Nil

The Disclosures as per Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Regulations, 2014, have been made available on the website of the Company, viz., www.godrejagrovet.com

12. DEPOSITS:

The details of 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 2018-19 are as follows:-

Sr. No.	Particulars	Remarks
(i)	Deposits accepted during the year:	Nil
(ii)	Deposits remained unpaid or unclaimed during the year:	Nil
(iii)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved:	
	a. At the beginning of the year:	Nil
	b. Maximum during the year:	Nil
	c. At the end of the year:	Nil
(iv)	Details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013:	Nil

13. HOLDING COMPANIES:

Your Company continues to be a subsidiary of Godrej Industries Limited ("**GIL**") as under Section 2(87) of the Companies Act, 2013. As on March 31, 2019, the shareholding of Godrej Industries Limited in the Company was 11,16,66,300 Equity Shares of Face Value of ₹. 10/- (Rupees Ten Only) each] aggregating to 58.15% of the Paid-up Equity Share Capital of the Company.

GIL was a subsidiary of Vora Soaps Limited ("**VSL**"), the Ultimate Holding Company of your Company upto December 23, 2018.

The Hon'ble National Company Law Tribunal, Mumbai Bench had sanctioned the Scheme of Amalgamation of VSL with GIL vide its Order dated December 14, 2018. The said Scheme became effective on December 24, 2018. Pursuant to this, VSL stands amalgamated with GIL and ceased to be the Ultimate Holding Company of your Company.

14. SUBSIDIARY COMPANIES:

Your Company had the following subsidiaries [as under Section 2(87) of the Companies Act, 2013] during the Financial Year 2018-19:-

1. Godvet Agrochem Limited:

   (A Wholly-Owned Subsidiary of your Company throughout the Financial Year 2018-19)

2. Astec LifeSciences Limited:

   (A subsidiary of your Company throughout the Financial Year 2018-19, in which your Company holds 57.67% of the Equity Share Capital as on March 31, 2019)

3. Behram Chemicals Private Limited:

   (Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2018-19, in which Astec LifeSciences Limited holds 65.63% as on March 31, 2019)

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

   (A Wholly-Owned Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2018-19)

5. Astec Europe Sprl (Belgium, Europe):

   (Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2018-19, in which Astec LifeSciences Limited holds 50.10% as on March 31, 2019)

6. Creamline Dairy Products Limited:

   (Subsidiary of your Company throughout the Financial Year 2018-19, in which your Company holds 51.91% as on March 31, 2019).

   Creamline Dairy Products Limited is a Material Subsidiary of your Company as on March 31, 2019.

7. Nagavalli Milkline Private Limited:

   (A Wholly-Owned Subsidiary of Creamline Dairy Products Limited throughout the Financial Year 2018-19.)

8. Godrej Tyson Foods Limited:

   (Subsidiary of your Company with effect from March 27, 2019, in which your Company holds 51.00% as on March 31, 2019).

9. Godrej Maxximilk Private Limited:

   (Subsidiary of your Company with effect from March 27, 2019, in which your Company holds 62.97% as on March 31, 2019).

   On March 27, 2019, your Company acquired 2.16% of the Paid-up Equity Share Capital of Godrej Maxximilk Private Limited, increasing its Equity Stake from 49.9% to 52.06%.

   Further on March 30, 2019, your Company further acquired 10.91% of Paid-up Equity Share Capital of Godrej Maxximilk Private Limited, increasing its Equity Stake in Godrej Maxximilk Private Limited from 52.06 % to 62.97%.

15. ASSOCIATE COMPANIES:

Your Company holds 50% Equity Stake 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 Equity Stake in ACI GAVPL is held by Advanced Chemical Industries (ACI) Limited, Bangladesh, pursuant to a Joint Venture arrangement.

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

16. SCHEME OF AMALGAMATION:

During the year under review, the Board of Directors of your Company at its Meeting held on September 14, 2018 had approved the Scheme of Amalgamation of Astec LifeSciences Limited, a listed subsidiary with your Company. The scheme was expected to ensure utilization of resources, streamlined group structure, reduce multiple compliances, reduction of cost, combine synergies, eliminated duplicative communication and ensure administrative & operation convenience.

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

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

Sr. No.	Particulars		Remarks
1.	**Change in Nature of Business, if any**		**None**
2.	Details of Directors / Key Managerial Personnel (KMP) who were appointed or have resigned during the Financial Year 2018-19		
	Sr. No	**Name of Director**	**Date of Appointment / Resignation**
	a)	Mr. A. B. Godrej	Resigned as a Director of the Company with effect from November 5, 2018.
	b)	Mr. Pirojsha Godrej	Appointed as a Director of the Company with effect from November 5, 2018.
	c)	Dr. S. L. Anaokar	Resigned as an Independent Director of the Company with effect from February 4, 2019.
	d)	Mr. Natarajan Srinivasan	Appointed as an Independent Director of the Company with effect from February 4, 2019.
3.	Names of Companies which have become or have ceased to be its Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2018-19		During the year under review, Godrej Maxximilk Private Limited and Godrej Tyson Foods Limited have become subsidiaries of your Company with effect from March 27, 2019.
4.	Details of Deposits covered under Chapter V of the Companies Act, 2013		(i) Accepted during the year: Nil (ii) Remained unpaid or unclaimed during the year: Nil (iii) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved: a. At the beginning of the year : Nil b. Maximum during the year : Nil c. At the end of the year : Nil (iv) Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013: None
5.	Details of and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future		No cant and material orders have been passed by the regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
6.	Details in respect of Adequacy of Internal Financial Controls with reference to the Financial Statement		Adequate internal control checks are available in the opinion of the Board of Directors.

18. ANNUAL RETURN:

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

19. DIRECTORS:

The Board of Directors of your Company, as on the date of this Directors' Report comprises of the following Directors:

1.	Mr. N. B. Godrej	(Chairman)
2.	Mr. J. N. Godrej	(Director)
3.	Mr. V. M. Crishna	(Director)
4.	Ms. Tanya A. Dubash	(Director)
5.	Ms. Nisaba Godrej	(Director)
6.	Mr. Pirojsha Godrej	(Director)
7.	Mr. B. S. Yadav	(Managing Director)
8.	Mr. K. N. Petigara	(Independent Director)
9.	Mr. A. B. Choudhury	(Independent Director)
10.	Dr. Raghunath A. Mashelkar	(Independent Director)
11.	Dr. Ritu Anand	(Independent Director)
12.	Ms. Aditi Kothari Desai	(Independent Director)
13.	Ms. Roopa Purushothaman	(Independent Director)
14.	Mr. Natarajan Srinivasan	(Independent Director)

Mr. A. B. Godrej, resigned from the directorship of the Company w.e.f. November 5, 2018. Dr. S. L. Anaokar, Independent Director of the Company resigned from the directorship of the Company w.e.f. February 4, 2019, in terms of the provisions of Section 168 of the Companies Act, 2013.

Mr. Pirojsha Godrej has been appointed as a Director (Additional, Non-Executive – Non Independent) with effect from November 5, 2019.

Mr. Natarajan Srinivasan has been appointed as an "Additional Director" (Non-Executive, Independent Director) of the Company, for a period from February 4, 2019 upto July 17, 2022, subject to approval of the Shareholders.

Mr. J. N. Godrej (Director) and Ms. Nisaba Godrej (Director) shall retire by rotation at the ensuing 28th (Twenty-Eighth) 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.

20. 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 2018-19:-

1. Mr. B. S. Yadav, Managing Director
2. Mr. S. Varadaraj, Head – Finance, Systems & Legal (Chief
3. Mr. Vivek Raizada, Head – Legal & Company Secretary &

21. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

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

The Nomination and Remuneration Policy of your Company have been made available on the website of the Company i.e., http://www.godrejagrovet.com

The criteria for determining positive attributes and Independence of Directors is given in ***"ANNEXURE 'B'"*** to this Directors' Report.

22. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

As on March 31, 2019, the following Directors on your Board were Independent:

Mr. K. N. Petigara	(Independent Director)
Mr. Amit B. Choudhury	(Independent Director)
Dr. Raghunath A. Mashelkar	(Independent Director)
Dr. Ritu Anand	(Independent Director)
Ms. Aditi Kothari Desai	(Independent Director)
Ms. Roopa Purushothaman	(Independent Director)
Mr. Natarajan Srinivasan	(Independent Director)

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / of independence from all the 7 (seven) Independent Directors, of the Company pursuant to Section 149(6) of the Companies Act, 2013, as may amended from time to time, after undertaking due assessment of the veracity of the same and the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The of Independence received from all the Independent Directors have been duly noted by the Board.

Pursuant to Section 149(10) and Section 152 of the Companies, Act, 2013, Mr. Kavas N. Petigara, Independent Director was re-appointed for second term with effect from April 1, 2019 upto March 31, 2022.

23. 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 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 resolutions through circulation.

There were 5 Meetings of the Board of Directors held during the Financial Year (F.Y.) 2018-19, (i.e., May 14, 2018, August 9, 2018, September 14, 2018, November 5, 2018 and February 4, 2019).

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

24. AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(8) 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 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors.

The Audit Committee comprises of the following Members:-

1.	Mr. K. N. Petigara	(Chairman - Non-Executive,Independent Director)
2.	Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)
3.	Dr. Ritu Anand	(Member - Non-Executive, Independent Director)
4.	Ms. Aditi Kothari Desai	(Member - Non-Executive, Independent Director)

The Statutory Auditors, Internal Auditors and Chief Financial attend the Audit Committee Meetings as Invitees. The Company Secretary and Compliance acts as Secretary to the Audit Committee. The Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board.

During the Financial Year 2018-19, 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.

25. 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 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee comprises of the following Members:-

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 2018-19 (i.e., on May 14, 2018, November 5, 2018 and February 4, 2019).

26. 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 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members as on March 31, 2019:-

1.	Mr. N. B. Godrej	(Chairman - Non-Executive, Non-Independent Director)
2.	Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)
3.	Mr. A. B. Choudhury	(Member - Non-Executive, Independent Director)

During the Financial Year 2018-19, 1 (one) Meeting of the Stakeholders' Relationship Committee was held, i.e., on November 5, 2018.

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

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

The CSR Committee comprises of the following Members:-

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

There were two Meetings of the CSR Committee during the Financial Year 2018-19 (i.e., on May 14, 2018 and November 5, 2018).

Areas of CSR Expenditure:

A brief outline of your Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy is as under:

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

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

Amount of CSR Spending:

During the Financial Year 2018-19, your Company was required to spend ₹4.70 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.

Annual Report on CSR Activities:

The Annual Report on CSR Activities of your Company for the Financial Year 2018-19, is annexed herewith as "***Annexure –'C'***".

28. RISK MANAGEMENT COMMITTEE:

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

1.	Mr. N. B. Godrej	(Chairman - Non-Executive, Non-Independent Director)
2.	Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)
3.	Mr. A. B. Choudhury	(Member - Non-Executive, Independent Director)

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

During the Financial Year 2018-19, 1 (one) Meeting of the Risk Management Committee was held, i.e., on May 14, 2018.

The Company has developed and implemented a risk management policy and in the opinion of the Board of Directors, no risks have

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

Your Company endeavors to become aware of different kinds of business risks and bring together elements of best practices for risk management in relation to existing and emerging risks. Rather

than eliminating these risks, the decision-making process at your Company considers it appropriate to take fair and reasonable risk which also enables the 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 all over the country and its competitive position is by the economic, regulatory and political situations and actions of the competitors.

29. MANAGING COMMITTEE :

Your Company has constituted the Managing Committee of the Board of Directors consisting of the following Directors as on April 1, 2018, pursuant to Article 144 of the Articles of Association of the Company:-

1.	Mr. N. B. Godrej	(Chairman - Non-Executive, Non-Independent Director)
2.	Mr. A. B. Godrej*	(Member - Non-Executive, Non-Independent Director)
3.	Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)
4.	Ms. Nisaba Godrej	(Member - Non-Executive, Non-Independent Director)
5.	Dr. S. L. Anaokar#	(Member - Non-Executive, Independent Director)

*Mr. A. B. Godrej has resigned from the Directorship of the Company with effect from November 5, 2018.

#Dr. S. L. Anaokar has resigned from the Directorship of the Company with effect from February 4, 2019.

The Managing Committee of the Board of Directors was re-constituted on November 5, 2018, constituting of the following Members:

1.	Mr. N. 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. B. S. Yadav	(Member - Executive, Non-Independent Director)

The Managing Committee met 11 (eleven) times during the Financial Year 2018-19.

30. INITIAL PUBLIC OFFER (IPO) COMMITTEE:

In order to facilitate compliance with the statutory and regulatory requirements in connection with the Initial Public Offer (IPO) made by the Company during the Financial Year 2017-18, the Board of Directors had constituted IPO Committee of the Board of Directors on July 18, 2017, which was dissolved on November 5, 2018.

31. STRATEGY COMMITTEE:

The Company has been looking forward for organic as well as inorganic growth for strengthening its footsteps in the businesses in which the Company and/or any of its subsidiaries or associates operate and hence intends to explore strategic options for its growth. Keeping this objective in mind and to streamline the process for evaluating any proposals for strategic acquisitions, collaborations or joint ventures, a Strategy Committee of the Board of Directors was constituted with effect from September 14, 2018, comprising of the following Members:

1.	Mr. N. B. Godrej	(Chairman - Non-Executive, Non-Independent Director)
2.	Mr. K. N. Petigara	Member (Non-Executive, Independent Director)
3.	Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)

32. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2018-19, i.e., on May 14, 2018.

The Meeting of the Independent Directors was conducted in an informal manner without the presence of the Chairman, Managing Director, Non-Executive Directors, Chief Financial and the

33. VIGIL MECHANISM:

Your Company has adopted a Whistle Blower 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 organisation without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation. This Policy is also applicable to the Directors and Employees of the Company. Mr. V Swaminathan, Head Corporate Audit & Assurance, has been appointed as the 'Whistle Blowing and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman /Members of the Audit Committee, as stated in the Policy. The Policy is available on the internal employee portal and the website of the Company. On a quarterly basis, the Audit Committee reviews reports made under this policy and implements corrective actions, wherever necessary.

34. PERFORMANCE EVALUATION:

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

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

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

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

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

The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head 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 ICC at the Head level consists of the following Members as on March 31, 2019:

1. Ms. Sanjivani Sadani (Chairperson)
2. Mr. S. Varadaraj (Member)
3. Mr. Salil Chinchore (Member)
4. Ms. Megha Goel (Member)
5. Ms. Sharmila Kher (External Member)

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

There were 2 (two) complaints of sexual harassment received and resolved by the ICC during the Financial Year 2018-19.

36. SIGNIFICANT REGULATORY OR COURT ORDERS:

During the Financial Year 2018-19, there were no and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

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

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by the Company under the aforesaid provisions during the Financial Year (F.Y.) 2018-19, have been provided in the Notes to the Standalone Financial Statement.

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

All Related Party Transactions entered into by your Company during the Financial Year 2018-19, were on arm's length basis and in the ordinary course of business. There were no material Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential with the interest of the Company. Requisite prior approval of the Audit Committee of the Board of Directors was obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties set out in Note No. 61 of the Standalone Financial Statements, forming part of the Annual Report. None of the Directors have any pecuniary relationships or transactions *vis-à-vis* the Company.

39. FRAUD REPORTING:

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.

40. INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:

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

Further, the internal controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively.

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

The Company's Corporate Audit & Assurance Department which is ISO 9001: 2008 issues well documented operating procedures and authorities, with adequate built-in 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 and other records are reliable for preparing information and other data and for maintaining accountability of assets.

There were 5 Meetings of the Audit Committee of the Board of Directors held during the Financial Year (F.Y.) 2018-19, (i.e., May 14, 2018, August 9, 2018, September 14, 2018, November 5, 2018 and February 4, 2019).The Statutory Auditors and the Internal Auditors were, *inter alia,* invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. The Board of Directors noted the observations and accepted the recommendations of the Audit Committee.

41. CREDIT RATING:

During the Financial Year (F.Y.) 2018-19, the Credit Rating granted by ICRA Limited to your Company has been at "[ICRA] AA" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+" with respect to Short Term Fund Based facilities (including for Commercial Paper).

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

Transactions with persons or entities belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company have been disclosed in the accompanying Financial Statements.

43. DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) in the preparation of the Annual Accounts for the Financial Year (F.Y.) 2018-19, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2019) and of the and loss of the Company for that period (i.e., the Financial Year 2018-19);

c) the Directors have taken proper and 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) the Directors have prepared the Annual Accounts on a going concern basis;

e) the Directors had laid down internal controls to be followed by the Company and that such internal controls are adequate and were operating effectively; and

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

44. CORPORATE GOVERNANCE:

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

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

45. STATUTORY AUDITORS:

M/s. B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) have been appointed as the Statutory Auditors of the Company at the 26th (Twenty Sixth) Annual General Meeting (AGM) of the Shareholders 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 years, to hold from the conclusion of the 26th (Twenty Sixth) AGM, till the conclusion of the 31st (Thirty First) AGM.

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking of the Members for the appointment of the Statutory Auditors was withdrawn from the statute. In view of the same, the Members of the Company at the 26th (Twenty Sixth) AGM held on August 4, 2017, had approved of appointment of M/s. BSR & Co. LLP as the Statutory Auditors of the Company for the remaining period, i.e. from the conclusion of the 26th (Twenty Sixth) AGM, till the conclusion of the 31st (Thirty First) AGM. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought.

The Statutory Auditors' Report on the Financial Statements for the Financial Year ended on March 31, 2019, does not contain any

46. COST AUDITORS:

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) have been appointed by the Board of Directors as the Cost Auditors of the Company for all the applicable products pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year (F.Y.) 2019-20. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

The Company has made and maintained cost accounts and records as by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year (F.Y.) 2018-19.

47. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company appointed BNP & Associates, Company Secretaries (Firm Registration No.:P2014MH037400) as the Secretarial Auditors of the Company for the conduct of Secretarial Audit for the Financial Year 2019-20, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report submitted by the Secretarial Auditor is annexed as ***"ANNEXURE –'D'"*** to this Board's Report.

Further, pursuant to provisions of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations"), Creamline Dairy Products Limited ("CDPL") is a Material subsidiary of your Company in terms of Regulation 16(1)(c) of the Listing Regulations. The Secretarial Audit Report submitted by the Secretarial Auditors of CDPL is also annexed herewith as ***"ANNEXURE- 'E'"***to this Board's Report.

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

There are no reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year (F.Y.) 2018-19.

There are no reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year (F.Y.) 2018-19.

49. LISTING FEES:

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

50. DEPOSITORY SYSTEM:

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

51. RESEARCH AND DEVELOPMENT (R&D):

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

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

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

53. POLICIES OF THE COMPANY:

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") have mandated the formulation of certain policies for all listed companies. All the Policies are available on the Company's website, www.godrejagrovet.com.

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

Sr. No.	Name of the Policy	Brief Particulars of the Policy
1.	Risk Management Policy	The Company has in place, a Risk Management Policy which was framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate Risk Management infrastructure capable of addressing these risks. The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.
2.	Corporate Social Responsibility Policy	The Corporate Social Responsibility Committee has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board. This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to education, sanitation, environment, etc.
3.	Policy for determining Material Subsidiaries	This Policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. As on March 31, 2019, Creamline Dairy Products Limited is a material unlisted Subsidiary of your Company.
4.	Nomination and Remuneration Policy	This Policy formulates the criteria for determining 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.	Policy to promote Board Diversity	This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness
6.	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.
7.	Whistle Blower Policy / Vigil Mechanism	Your Company has a Vigil Mechanism / Whistle Blower Policy. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to Mr. K. N. Petigara, Chairman of the Audit Committee, in appropriate or exceptional cases.
8.	Human Rights Policy	Your Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.

9.	Policy on Prevention of Sexual Harassment at Workplace	Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.
10.	Policy on Related Party Transactions	This Policy regulates all transactions between the Company and its Related Parties.
11.	Code of Conduct for the Board of Directors and Senior Management Personnel	Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code as mentioned hereinabove.
12.	Code of Conduct for Insider Trading	This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.
13.	Policy on Criteria for determining Materiality of Events	This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015, as amended from time to time.
14.	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 mentioned under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
15.	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 years and thereafter in terms of the Policy.
16.	Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015. The focus of the Company is to have a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.
17.	Policy for Inquiry in case of Leak of Unpublished Price Sensitive Information ("UPSI")	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018. The focus of the Company is to have a Policy in place to strengthen the Internal Control System and prevent Leak of Unpublished Price Sensitive Information ("UPSI"). This policy also aims to have a uniform code to curb unethical practices of sharing UPSI by insiders, employees and designated persons with any other person without a legitimate purpose.
18	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")	The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

54. SECRETARIAL STANDARDS:

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

55. BUSINESS RESPONSIBILITY REPORT:

The Company has prepared its Business Responsibility Report for the Financial Year (F.Y.) 2018-19, in accordance with sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), to describe the initiatives taken by the Company from an environmental, social and governance perspective. The said Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and forms part of the Annual Report.

56. MANAGERIAL REMUNERATION:

The remuneration paid to Directors and Key Managerial Personnel of the Company during the Financial Year 2018-19 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 appended as "**ANNEXURE-G**'" to this Report.

57. PARTICULARS OF EMPLOYEES:

The disclosure as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders at the Registered of your Company during business hours on working days of the Company upto the date of the ensuing 28th (Twenty Eighth) Annual General Meeting. If any Shareholder is interested in obtaining a copy thereof, such Shareholder may write to the Company Secretary, whereupon a copy would be sent.

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

58. ADDITIONAL INFORMATION:

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

The Consolidated Financial Statements of your Company form part of this Annual Report. Accordingly, this Annual Report of your Company does not contain the Financial Statements of its Subsidiaries. The Audited Annual Accounts and related information of the Company's subsidiaries will be made available upon request. These documents will also be available for inspection during all days except Saturdays, Sundays and public holidays from 10.00 a.m. (IST) to 4.00 p.m. (IST) at the Company's Registered
The subsidiary companies' Audited Accounts are also available on the Company's website www.godrejgrovet.com

59. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

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

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

60. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

61. 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 the Company's operations, inter alia, include global and domestic demand and supply conditions affecting selling prices of goods, input availability and prices, changes in government regulations, tax laws, economic, political developments within the country and other factors such as litigations and industrial relations.

62. APPRECIATION:

Your Directors wish to place on record sincere appreciation for the support and co-operation received from various Central and State Government Departments, organizations and agencies. The Directors also gratefully acknowledge all stakeholders of your Company, viz., Shareholders, customers, dealers, vendors, banks and other business partners for excellent support received from them during the Financial Year under review. Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of the Company.

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

N. B. Godrej
Chairman
(DIN: 00066195)

Date: May 6, 2019
Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

DIVIDEND DISTRIBUTION POLICY

(In terms of Regulation 43A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

1. OBJECTIVE

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

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

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

a) Appropriate reward to Shareholders through dividends and

b) Ploughing back earnings to support sustained growth.

2. BACKGROUND

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

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

3. DIVIDEND DISTRIBUTION PHILOSOPHY

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

4. LEGAL PROVISIONS REGARDING PAYMENT OF DIVIDEND

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

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

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

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

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

a) Whenever it undertakes or proposes to undertake a t expansion project requiring higher allocation of capital;

b) antly higher working capital requirements adversely

c) Whenever it undertakes any acquisitions or joint ventures capital

d) In the event of inadequacy of or whenever the Company has incurred losses;

e) Whenever it proposes to utilize surplus cash for buy-back of securities; or

f) In the event of inadequacy of or whenever the Company has incurred losses.

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

➢ **FINANCIAL PARAMETERS / INTERNAL FACTORS :**

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

- Stipulations/ Covenants of loan agreements;
- contingencies;
- Macroeconomic and business conditions in general;
- Any other relevant factors that the Board of Directors Dividend.

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

➢ **EXTERNAL FACTORS:**

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

7. UTILISATION OF RETAINED EARNINGS

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

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

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

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

9. MANNER OF DIVIDEND PAYOUT

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

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

i. The Board shall recommend dividend to the Shareholders, which shall be paid subject to approval of the Shareholders at Annual General Meetings of the Company.

ii. Dividends shall be paid only out of Current or past after providing for depreciation and setting off losses, if any.

iii. The amount of the dividend shall be deposited in a scheduled bank in separate account within 5 days from the declaration of dividend.

iv. The payment of dividend shall be made within 30 (thirty) days from the date of declaration to the Shareholders entitled to receive the dividend on the record date as per the applicable law.

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

i. Interim dividend, if any, shall be declared by the Board.

ii. Before declaring Interim dividend, the Board shall consider the position of the Company that allows the payment of such dividend.

iii. In case no Final dividend is declared at the Annual General Meeting, Interim dividend will be considered as the Final dividend of the Company.

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

C. **Payment mode**

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

10. CONCLUSION

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

11. REVIEW AND AMENDMENT OF POLICY

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

12. DISCLAIMER

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

13. ADOPTION OF POLICY BY THE BOARD OF DIRECTORS :

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

ANNEXURE 'B' TO THE DIRECTORS' REPORT

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

As at the Financial Year ended March 31, 2019

1. s of Independent Director:

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

2. Positive Attributes of Independent Directors:

An Independent Director shall be a person who shall:

i. uphold ethical standards of integrity and probity;

ii. act objectively and constructively while exercising his duties;

iii. exercise his responsibilities in a bona manner in the interest of the Company;

iv. devote time and attention to his professional obligations for informed and balanced decision making;

v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;

vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

vii. refrain from any action that would lead to loss of his independence;

viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;

ix. assist the Company in implementing the best corporate governance practices.

3. Independence of Independent Directors:

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

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

N. B. Godrej
Chairman
(DIN: 00066195)

Date: May 6, 2019
Place: Mumbai

ANNEXURE 'C' TO THE DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

of GODREJ AGROVET LIMITED

As at the Financial Year ended March 31, 2019

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

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

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

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

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

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

2. Composition of the CSR Committee

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

The Composition of the CSR Committee during the F.Y. 2018-19 was as follows:-

Name	Designation
Dr. R. A. Mashelkar	(Chairman - Non-Executive, Independent Director)
Mr. N. B. Godrej	(Member - Non-Executive, Non-Independent Director)
Mr. B. S. Yadav	(Member - Executive, Non-Independent Director)
Ms. Roopa Purushothaman	(Member - Non-Executive, Independent Director)

3.

Financial Year (as per Section 198)	**2015-16**	**2016-17**	**2017-18**
₹ in Crore)	₹ 183.34	₹ 234.59	₹ 286.67

any for last three Financials Years: ₹ **234.87 Crore**

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

- **₹ 4.70 Crore**

5. Details of CSR Spend during the Financial Year

- Total amount spen **₹ 4.80 Crore**
- Amount unspent, if any: ₹ **NIL**

- Manne detailed below (all numbers are in ₹):

Sr. No	CSR Project or	Sector in which the Project is covered	Project/ Programme: 1.Local area or other 2.Specify the State and district where the projects or programs were undertaken	Amount outlay (budget) project or programs wise (in ₹ Crores)	Amount spent on projects 1. Direct expenditure 2. Overheads (in ₹ Crores)	Cumulative expenditure up to the reporting period (in ₹ Crores)	Amount spent direct or through the implementing agency (Implementing agency name; Legal structure of the agency; Year of establishment of implementing agency)
1.	Integrated rural livelihoods program aimed at increasing household incomes for smallholder farmers by strengthening agriculture, animal husbandry and allied activities through training and capacity building. The program aims to empower women farmers and tribal households.	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Agriculture & animal husbandry	1. (a)Local 2.Locations a. Nashik, Maharashtra b. Lote Parshuram, Maharashtra c. Tilda, Chattisghar d. Hajipur, Bihar e. Seethanagaram, Andhra Pradesh **1. (b)** Other 2. Locations f. Coochbehar West Bengal g. Dewas, Madhya Pradesh h. Mhaswad, Maharashtra	2.05	Direct expenditure – **2.18** Overheads – NIL	**2.18** a. 0.38 b. 0.28 c. 0.28 d. 0.18 e. 0.22 f. 0.25 g. 0.33 h. 0.15 i. 0.10 j. *0.00 *(less than One Lakh)	Implementing Agency: a. Sampada Trust, Registered Trust 1950 Year of establishment: 2002 b. Parivartan Trust, Registered Trust, 1950 Year of establishment:1995 c. Ambuja Cement Foundation, Registered Section 25 Company, 1993 Year of establishment: 1993 d. Aga Khan Rural Support Programme India, Registered Section 8 Company, 2013 Year of establishment: 1983 e. Evangelical Social Action Forum, Registered Society 1955 Year of establishment: 1992 f. Satmile Satish Club, Registered Society 2001 Year of establishment: 1974 g. JK Trust; Registered Trust; 1950 Year of establishment: 1945 h. Mann Deshi Foundation Mhaswad Registered Trust Year of establishment: 1997 i. Crystal Hues Private Limited Ltd. j. Access Livelihoods Consulting India
2.	Community development initiatives focusing on infrastructure needs for holistic education, sanitation and clean drinking water needs in schools and anganwadis. Along with building health awareness and environmental sustainability with stakeholders across manufacturing sites and societal well being	Schedule (VII) (ii) Promoting Education (i) Sanitation, health and hygiene (vii) Promotion of sports and games	1. Local Area 2. Factory locations a. Samba, Jammu b. Tumkur, Chitradurga, Karnataka c. Chandauli, Uttar Pradesh Erode, d. Chintampalley, e. Pothepalli, f. Hanuman Junction, g. Erode, h. Vijaymanaglam i. Kondapali Andhra Pradesh j. Baramati, Miraj, Maharashtra k. Sachin, Gujrat	0.55	1. Direct expenditure – **0.52** a. 0.39 b. 0.03 c. 0.10 2. Overheads – NIL	**2.70**	a. Direct Implementation b Junior Red Cross c. Phill & Mary Clubwala Jhadav Trust

Sr. No	CSR Project or	Sector in which the Project is covered	Project/ Programme: 1.Local area or other 2.Specify the State and district where the projects or programs were undertaken	Amount outlay (budget) project or programs wise (in ₹ Crores)	Amount spent on projects 1. Direct expenditure 2. Overheads (in ₹ Crores)	Cumulative expenditure up to the reporting period (in ₹ Crores)	Amount spent direct or through the implementing agency (Implementing agency name; Legal structure of the agency; Year of establishment of implementing agency)
3.	Integrated watershed management	Schedule (VII) (x) Rural development (ii) Livelihoods enhancement (iv) Water Conservation	1. Other 2. Locations a. Magadi (Karnataka) b. Bhirwani (Madhya Pradesh)	1.00	1. Direct expenditure – **1.00** a. 0.81 b. 0.20 2. Overheads – NIL	**3.71**	Implementing Agency: a. IRIDS (Indian Rural Integrated Development Society); Registered Society; Karnataka; Year of establishment: 1960 b. Aga Khan Rural Support Programme India, Registered Section 8 Company, 2013 Year of establishment: 1983
4.	Promotion of Agriculture and animal husbandry trainings for vocational skills of students	Schedule (VII) (ii) promoting education (x) Rural development	1. Other 2. Locations a. Pune, Maharashtra	0.51	1. Direct expenditure – **0.50** 2. Overheads - NIL	**4.21**	Implementing Agency: a. Gandhi Research Foundation; Section 25 Company; Year of establishment:2006
5.	Donation for promotion of renewable energy: Sophia's College	Schedule (VII) (i) Promotion of education (iv) Environmental sustainability	1.Other 2. Mumbai (Maharashtra)	0.35	1. Direct expenditure – **0.35** 2. Overheads - NIL	**4.56**	Direct Implementation
6.	Overheads			0.24		**0.24**	Direct Expenses
	TOTAL			**4.70**		**4.80**	

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

During the Financial Year 2018 –19, the Company has spent ₹ 4.80 Crore of the required prescribed expenditure for CSR. During this year, the Company has collaborated with implementing agencies of repute and has committed to incur expenditure for CSR initiatives in the coming years through structured programs and projects. These projects and programs are ongoing and have a longer socio economic development agenda aimed at both qualitative and qualitative long-term development for the GAVL has met the required expenditure for Financial Year 2018-19 and stays committed to its social responsibilities towards society. GAVL intends to continuously create a holistic impact through its CSR initiatives undertaken.

The Company makes concerted efforts to spend the prescribed CSR amount in each year. The excess CSR spending during the current year, will help to adjust the short spent made by the Company during the Financial Year 2015-16.

7. Responsibility Statement of the CSR Committee:

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

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

B. S. Yadav
Managing Director &
Member of CSR Committee
(DIN: 00294803)

Roopa Purushothaman
Independent Director &
Member of CSR Committee
(DIN: 02846868)

Mumbai, May 6, 2019

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

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

To,
The Members,
Godrej Agrovet Limited,
Godrej One, 3rd Floor,
Pirojshanagar Eastern Express Highway,
Vikhroli (East),
Mumbai- 400079
Maharashtra

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Agrovet Limited (hereinafter called the 'Company') for the audit period from April 1, 2018 to March 31, 2019 ("the Audit Period"). 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 of the Company's books, papers, minute books, forms and returns and other records maintained by the Company and also the information provided by the Company, its agents and Authorized Representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the Audit Period, 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 and other records maintained by the Company for the Audit Period according to the provisions of:

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

ii. The Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of equity shares of the Company kept in demat/fungible form;

iv. 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

   c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

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

   e) The Securities and Exchange Board of India (Share Based

v. cable to the Company:

   a) The Insecticides Act, 1968; and Rules framed thereunder and

   b) The Andhra Pradesh Oil Palm (Regulation of Production and Processing) Act, 1993.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute Company Secretaries of India.

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

During the Audit Period under review, provisions of the following Act/ Regulations were not applicable to the Company: -

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

b) The following Regulations and Guidelines prescribed under the SEBI Act: -

   i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

   iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and

   iv. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2009 and / or the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulation, 2018, as may be applicable.

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. There was change in the composition of the Board of Directors that took place during the Audit Period.

Adequate notice is given to all the directors to schedule the Board Meetings. Agenda and detailed notes on Agenda were sent at least 7

(seven) days in advance, and in case where the Meetings were held at a shorter notice (i.e., notice was given less than 7 (Seven) days), proper consent thereof were obtained. There exists a system for seeking and obtaining further information and on the Agenda items before the Meeting and for meaningful participation at the Meeting.

Majority decision is carried through and there was no instance of any of the Directors expressing dissent on any of the items placed before it.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the Audit Period the Company has following

1. On May 14, 2018, the Board of Directors approved increase in investment in Astec LifeSciences Limited upto 74%.
2. On May 14, 2018, the Board of Directors approved acquisition of additional 1.1% of Equity Shares in Godrej Tyson Foods Limited, further on March 27, 2019, the Company increased its holding in the said Company by 1.1% increasing its total Shareholding in Godrej Tyson Foods Limited 51%
3. On September 14,2018, the Board of Directors approved Scheme of Amalgamation of Astec LifeSciences Limited with the company.
4. On March 27, 2019, the Company acquired additional 2.16% of equity shares of Godrej Maxximilk Private Limited increasing its total shareholding in the company to 52.06% and on March 30, 2019, the Company acquired 10.91% of the equity shares of this Company further increasing in total shareholding in the Company to 62.97%.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

B Narasimhan
Partner
FCS No.: 1303
C P No.: 10440

Date: May 6, 2019
Place: Mumbai

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 Secretarial Audit Report

To,

The Members,
Godrej Agrovet Limited

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

1. The compliance of provisions of all laws, rules, regulations, standards applicable to Godrej Agrovet Limited (the 'Company') is the responsibility of the Management of the Company. Our examination was limited to the of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the Management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The was done on test check basis to ensure that correct facts as in secretarial and other records produced to us. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. ial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and major events during the Audit Period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the or effectiveness with which the Management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

B Narasimhan
Partner
FCS No.: 1303
C P No.: 10440

Date: May 6, 2019
Place: Mumbai

ANNEXURE 'E' TO THE DIRECTORS' REPORT

The Securities and Exchange Board of India ("**SEBI**") vide SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 inserted Regulation 24A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which requires every listed entitiy to annex in its Annual Report, a Secretarial Audit Report of its Unlisted Material Subsidairy incorporate in India.

Creamline Dairy Products Limited ("**CDPL**") is an Unlisted Material Subsidairy of your Company in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In compliance with the abovementioned requirement of law, the Secretarial Audit Report of CDPL for the Financial Year ended March 31, 2019 is reproduced below.

SECRETARIAL AUDIT REPORT OF CREAMLINE DAIRY PRODUCTS LIMITED

For the Financial Year ended March 31, 2019

(Pursuant to Regulation 24A in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members,

CREAMLINE DAIRY PRODUCTS LIMITED

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

Hyderabad - 510 082

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 of the Company's books, papers, minutes books, forms and returns and other records maintained by the Company and also the information provided by the Company, its 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 year ended on 31st March, 2019 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 and other records maintained by **CREAMLINE DAIRY PRODUCTS LIMITED**("the Company")for the year ended on 31st March, 2019, as made available to us, according to the provisions of:

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

ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under **– Not Applicable**

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings **– (Not applicable to the Company during the Audit Period**)

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') (**Not Applicable)**

   (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2009

   (d) The Securities and Exchange Board of India (Share Based

   (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008

   (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009

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

   (h) The Securities and Exchange Board of India (Buyback of Securities), Regulations 1998 and

vi. s to the company:

- Food Safety and Standards Act, 2006
- The Legal Metrology Act, 2009
- Boilers Act, 1923
- 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) issued by The Institute of Company Secretaries of India.

ii. The Company, being an unlisted Public Limited company, has not entered into any Listing Agreement and hence the same is not commented upon.

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

- There were few typographical errors in Form AOC-2 and MGT- 9 forming part of Director's Report for the F.Y. 2017-18.
- An application for obtaining for use of Boiler in one of the
- The inspecting under Water Act, 1974 and Air Act, 1981, had made certain observations at one of the Company's plants, to which the Company has replied as required under Section 134 of the Companies Act, 2013

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

We further report that:

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

Adequate notice is given to all the directors to schedule the Board Meetings. We have been informed that agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and 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 unanimously 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, duly taken on record by the Board of Directors of the Company, 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 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 Company has undertaken the process of merger of Nagavallli Milkline Private Limited, its wholly owned subsidiary, with itself. The Scheme of Amalgamation, Subsequent upon approvals of the Board of Directors, Shareholders and creditors has been with the Hon'ble National Company Law Tribunal, Hyderabad Bench and is pending for its approval.

For P S Rao & Associates
Company Secretaries

Vikas Sirohiya
M. No. 15116
CPNo. 5246

Place: Hyderabad
Date : April 28, 2019

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

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

2. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial Records. The was done on random basis to ensure that correct facts are in secretarial records. We believe that the processes and practises we followed provide a reasonable basis for our opinion.

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

4. 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.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

6. We have not the correctness and appropriateness of

Disclaimer

7. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the or effectiveness with which the management has conducted the affairs of the Company.

For P S Rao & Associates
Company Secretaries

Vikas Sirohiya
M. No. 15116
CPNo. 5246

Place: Hyderabad
Date: April 28, 2019

ANNEXURE 'F' TO THE DIRECTORS' REPORT

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

As at the Financial Year ended March 31, 2019

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

A. Conservation of Energy:

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

1. Investment in robust technology solutions that have revolutionized the speed and accuracy of data monitoring.
2. of high-energy consumption equipment and
3. Monitoring operations and build capacity optimization of pumps, compressors, motors and other utilities.
4. Diversion from fossil based fuel to renewable biomass
5. Reduction of dependency on grid by switching to renewable electricity via solar rooftop and open access

The adoption of above energy conservation measures has resulted

a) Direct decrease in the levels of energy consumption

b) Reduction in water consumption level

c) Reduction in process losses and storage losses

d) Reduction in idle time running of machines

e) Increase in the useful life of plant and machinery

The capital investment on energy conservation equipments made during the Financial Year 2018-19 is approximately ₹ 6.76 Crore.

B. Technology Absorption, Adaptation and Innovation:

Your Company endeavors to implement various technological upgradations in order to obtain improved quality output at a reduced cost.

During the Financial Year under review, your Company has taken following initiatives to demonstrate its commitment towards sustainable growth through Technology Absorption, Adaptation & Innovation;

1) Methods/ Measures adopted / Efforts made:

a) Implementation of Continuous Sterilization technology

b) Co-generation technology

c) Multiple Effect Evaporation (MEE) and Paddle Dryer Technology:

2) derived as a result of such measures / methods / efforts (e.g., product improvement / development, cost reduction, import substitution, etc.):

I) Implementation of Continuous Sterilization

a) Continuous Sterilizer:

- Steam venting losses have reduced by approximately by 1.5 to 2 ton per hour because of continuous operation whereas in batch type operation steam venting is inevitable during the operations i.e. loading / removing the sterilized new batch.
- generation have been minimized as compared to other conventional batch type or vertical type sterilizers. This has resulted in load reduction on ETP and also reduces green belt requirement which ultimately saved the excessive cost on green belt.
- OPEX like Manpower deployment is less compared to conventional technology.

b) Environmental Friendly:

- Steam and power demand by the Continuous Sterilization process is constant.
- No surges in steam and power demand from the boiler and turbines respectively.
- Boiler operating under constant load and black smoke emission is rarely seen except during furnace cleaning.
- It avoids steam vent in atmosphere
- Continuous Sterilization produces less condensate with lower oil loss
- Fuel saving - 36 Mt steam per day.

c) Small foot print:

- Reduces manpower, machinery replacement and maintenance:
- Elimination of horizontal sterilizers, cages, skid-steer loaders, railway tracks, cage transfer carriages, cage tippers
- The Continuous Sterilizer is not a pressure

vessel and is easy to automate the whole process from the fresh fruit bunches reception station to the pressing station

- Not necessary for annual shutdown for inspection and by the Department of Boiler .
- Better Safety Working Environment
- No fruit spillages, no oil drippings on the
- No unpleasant and noisy steam exhausts.

II) Co-generation technology

a) Pusher Grate Technology:

- Boiler pusher grate technology is designed for maximum utilization of shredded Empty bunch (55% consumption in overall fuel requirement) where as in existing both boilers maximum utilization is 30% only. By using this shredded in boiler resulted saving of high value fuels like nut

b) Condensate Cum Extraction Turbine:

- steam consumption is less as compared to other technology like back pressure turbine steam consumption in CCE is 11.5Kgs/KWH where as in Back pressure turbine steam consumption 13.7 Kgs/KWH). Total saving 2.2 Kgs per 1 KWH generation.

c) RO Reject Recycling System:

- RO reject recycling system -recycling the RO reject water and produce permeate water same water reusing in RO plant inlet in place of ground water, which saves 25% of ground water in overall raw water consumption and also reduces the waste water generation.

III) Multiple Effect Evaporation (MEE) and Paddle Dryer Technology

- Multiple effect evaporation system evaporates raw water and produces clear condensate water.
- MEE outlet concentrate and decanter outlet sludge directly feed to paddle dryer for drying the powder. Outlet powder have commercial value.

a.

Out let dry powder have good protein value, same material we may use as Aqua feed/ organic manure – trials under progress

b. Future plan of action

Establishment of market for MEE dry powder

3) Research & Development (R&D) activities –

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

In case of imported technology (imported during the last three years, i.e., during Financial Year 2016-17, 2017-18 & 2018-19), the required details are as under:-

- Details of Technology imported: Continuous Sterilization
- Year of import : 2017-18
- Whether the technology has been fully absorbed? : Yes
- If not fully absorbed, areas where absorption has not taken place, reasons therefor and future plans of action : Not Applicable

  Note: Your Company is the only Company in India which has imported the aforementioned technology.

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

		Current Year (2018- 19) ₹ in Crore	Previous Year (2017- 18) ₹ in Crore
a)	Capital	***0.26***	0.48
b)	Recurring	***13.08***	11.75
c)	Total	***13.34***	12.23
d)	Total R&D expenditure as a Percentage of total turnover	***0.31%***	0.33%

C. Foreign Exchange Earnings and Outgo:

The details of Foreign Exchange earnings and outgo of the Company during the Year under review are as follows:-

	Current Year (2018-19) ₹ in Crore	Previous Year (2017-18) ₹ in Crore
A. Foreign Exchange Earned	5.61	11.55
B. Foreign Exchange Used	117.05	71.48

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

N. B. Godrej
Chairman
(DIN: 00066195)

Date: May 6, 2019
Place: Mumbai

ANNEXURE 'G' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF REMUNERATION OF GODREJ AGROVET LIMITED

As at the Financial Year ended on March 31, 2019

Disclosure as per provisions of Section 197 of the Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial and Company Secretary during the Financial Year (F.Y.) 2018-19 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year (F.Y.) 2018-19 is as under:

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	Remuneration of Director / KMP for the Financial Year 2018-19 (in ₹)	% Increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Mr. N. B. Godrej (*)	Chairman – Promoter, Non-Executive, Non-Independent Director	7,50,000	N.A.	1.83:1
2	Mr. A. B. Godrej (*) (Upto November 5, 2018)	Promoter, Non-Executive, Non-Independent Director	7,50,000	N.A.	1.83:1
3	Mr. J. N. Godrej (*)	Non-Executive, Non-Independent Director	7,50,000	N.A.	1.83:1
4	Mr. V. M. Crishna (*)	Non-Executive, Non-Independent Director	7,50,000	N.A.	1.83:1
5	Ms. Tanya A. Dubash (*)	Non-Executive, Non-Independent Director	7,50,000	N.A.	1.83:1
6	Ms. Nisaba Godrej (*)	Non-Executive, Non-Independent, Director	7,50,000	N.A.	1.83:1
7.	Mr. Pirojsha Godrej (with effect from November 5, 2018)	Non-Executive, Non-Independent, Director	N.A.	N.A.	N.A.
8	Mr. B. S. Yadav	Managing Director - Executive, Non-Independent Director	4,67,23,986	(19.95)	114.20:1
9	Mr. K. N. Petigara (*)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1
10	Mr. A. B. Choudhury	Non- Executive, Independent Director	7,50,000	N.A.	1.83:1
11	Dr. S. L. Anaokar (*) (Upto February 4, 2019)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1
11	Dr. Raghunath A. Mashelkar (*)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1
12	Dr. Ritu Anand (*)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	Remuneration of Director / KMP for the Financial Year 2018-19 (in ₹)	% Increase in Remuneration in the Financial Year 2018-19	Ratio of Remuneration of each Director to Median Remuneration of Employees
13	Ms. Aditi Kothari Desai (*)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1
14	Ms. Roopa Purushothaman (*)	Non-Executive, Independent Director	7,50,000	N.A.	1.83:1
15	Mr. Natarajan Srinivasan (with effect from February 4, 2019)	Non-Executive, Non-Independent Director	N.A.	N.A.	N.A.
16	Mr. S. Varadaraj		1,41,44,185	(2.67)	N.A.
17	Mr. Vivek Raizada	Company Secretary	70,34,285	6.50	N.A.
	(*) - All Non-Executive Directors have been paid commission (for the Financial Year 2017-18) during the Financial Year 2018-19 and sitting fees have been paid to eligible Directors during the Financial Year (F.Y.) 2018-19.				

(ii)	The percentage increase in the median remuneration of employees in the Financial Year	14.57%
(iii)	The number of permanent employees on the rolls of Company	2,687 as on March 31, 2019
(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 thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase in remuneration of employees during the Financial Year (F.Y.) 2018-19 was 11.68% as compared to average percentile increase in remuneration of managerial personnel which was (14.60%).

The Remuneration paid is in terms of the Nomination and Remuneration Policy of the Company.

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

N. B. Godrej
Chairman
(DIN: 00066195)

Date: May 6, 2019
Place: Mumbai

CORPORATE GOVERNANCE REPORT OF GODREJ AGROVET LIMITED

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**the Listing Regulations**"), the Directors of Godrej Agrovet Limited ("**the Company**" / "**GAVL**") have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year (F.Y.) ended March 31, 2019.

1. Company's Philosophy on Code of Corporate Governance:

The Securities and Exchange Board of India ("**SEBI**") has introduced a Code of Corporate Governance for a Listed Company, which is implemented through the Listing Regulations. Corporate Governance is a set of systems and practices to ensure that the affairs of a Company are being managed in a manner which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet the aspirations and expectations of the Stakeholders' and the society as a whole. Corporate Governance refers to the framework of rules and practices by which the Company ensures ethical and integral relation with all its Stakeholders. Corporate Governance necessitates professionals to raise their competency and capability levels and upgrade systems and processes to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics.

Effective Corporate Governance practices and strong foundation of Godrej values have been GAVL's hallmark. The Company is a part of the *120 plus years-old* Godrej Group which has an established reputation of honesty, integrity and sound governance since inception. Your Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, Employees, Regulators, Customers, Suppliers, Lenders and Other Stakeholders. The Company strongly believes that good Corporate Governance and fairness in actions, words and deeds will form the base of the Company's Corporate Governance philosophy.

At GAVL, we believe that Corporate Governance is a pre-requisite for meeting the needs and aspirations of the Stakeholders'. Corporate Governance is journey which leads to corporate growth and long term gain in shareholders' value.

Your Company is the compliance with the requirements of Corporate Governance stipulated under the Listing Regulations.

2. Board of Directors:

a. Board Structure:

The Company has an active, well experienced and a well-informed Board with an optimum mix of Executive, Non-Executive and Independent Directors, which is headed by Mr. Nadir B. Godrej, Chairman (Non-Executive, Non-Independent Director).The Company has a right blend of Directors on the Board who possess the requisite competence, expertise and practical knowledge in general Management, Finance, Human Resources, Compliances, Legal, Corporate Social Activities, Research and other allied activities connected to the area of operation of the Company which enables the Board to function smoothly.

The Board provides and evaluates the Company's strategic decisions, management policies and their effectiveness, which shapes the Corporate Governance practices of the Company and ensures that Shareholders' long-term interests are being served. Mr. B. S. Yadav, Managing Director, is assisted by Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board of Directors of your Company comprises of 14 (fourteen) Directors as on March 31, 2019. Detailed of the Directors is available on the Company's website at the link http://www.godrejagrovet.com/board-of-directors.aspx

The composition of the Board of Directors is summarized below :-

Category	No. of Directors on Board as on March 31, 2019	No. of Directors as on the date of this Report
Chairman (Non-Executive, Non-Independent Director)	1	1
Managing Director (Executive, Non-Independent Director)	1	1
Non-Executive, Non-Independent Directors (Excluding Women Directors)	3	3
Non-Executive, Non-Independent Directors (Women Directors)	2	2
Non-Executive, Independent Directors	4	4
Non-Executive, Independent Directors (Women Directors)	3	3
Total	**14**	**14**

b. Board Training and Induction:

At the time of appointing a Director, a formal Letter of Appointment is given to him / her, which *inter alia* explains the role, function, duties and responsibilities of a Director of the Company. The Director is also explained in detail the compliances required from him / her under the Companies Act, 2013 and the Listing Regulations and other relevant Regulations and his / her is taken with respect to the same.

c. Familiarization Programmes for Independent Directors:

The Directors are provided with the requisite documents and reports to enable them to familiarize with the Company's performance and practices. Periodic presentations are made at the Meetings of the Board and Committees thereof, on the business and performance of the Company. Quarterly updates on relevant statutory changes covering important applicable laws are discussed at the Meetings of the Board.

The details of familiarization programme conducted for Independent Directors have been disclosed on the Company's website at the link http://www.godrejagrovet.com/codes-and-policies.aspx

d. Board Procedure and Meetings:

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

The Board of Directors meets at regular intervals to discuss and decide on business strategies / polices and reviews the and operational performance of the Company and its Subsidiaries. In case of business exigencies, the Board's approval is taken through Resolutions by way of Circulation. The Resolutions by Circulation are noted at the subsequent Board Meetings.

The Agenda for the Meetings of the Board and its Committees are circulated in advance as per the provisions of the Companies Act, 2013 and the Rules framed thereunder and Secretarial Standard – 1 (SS-1) on "Board Meetings" issued by the Institute of Company Secretaries of India (ICSI) to the Directors to ensure that time is provided to Directors to prepare for the Meetings. The Board meets at least once in a quarter to, *inter alia*, review, approve and take note of quarterly Standalone and Consolidated Financial Results of the Company, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meeting(s) of the Board and its Committees and those of its Subsidiary Companies, transactions entered into with Related Parties and note compliances with other law(s) as applicable to the Company and the Listing Regulations. The Company also provides Video Conferencing (VC) facility to its Directors to enable their participation so that they can contribute in the discussions at the Meetings.

The Board has unrestricted access to all the Company-related information which includes information mentioned under Regulation 17 read with Schedule II (A) of the Listing Regulations.

In the path of digitization and with a view to ensure its commitment to "*Go-Green*" Initiative of the Government and the Godrej Group, respectively, the Company has started circulating to its Directors, Agenda, Notices and other relevant notes & documents for the Board / Committee Meetings

The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

The Company Secretary attends all the Meetings of the Board and its Committees and is, *inter alia*, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meetings of the Board and its Committees are sent to the Members for their comments in accordance with the Secretarial Standards and then, the Minutes are entered in the Minutes Book within 30 (thirty) days of the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors.

The Meetings of the Board of Directors and its Committees are generally held at the Registered of the Company at Godrej One, Vikhroli, Mumbai.

During the Financial Year (F.Y.) 2018-19, 5 (Five) Board Meetings were held i.e., on May 14, 2018, August 9, 2018, September 14, 2018, November 5, 2018 and February 4, 2019 and the maximum interval between any 2 (two) consecutive Board Meetings was well within the maximum allowed gap of 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

The details of composition of the Board, Directors' attendance at the Board Meetings and at the last Annual General Meeting ("AGM"), are given hereunder:-

Sr. No.	Name of the Director	Category of Director	*Inter-se* Relationship amongst Directors	Appointment / Cessation during the Financial Year 2018-19	No. of Board Meetings attended during the Financial Year 2018-19	Whether attended last AGM held on August 9, 2018 (Present / Absent)	Directorships held in other public Companies incorporated in India as on March 31, 2019 *	Number of Chairmanship/ Membership in Board Committees in other companies as on March 31, 2019 #	
								Chairmanship (excluding Membership of Committees)	Membership
1.	Mr. N. B. Godrej (Chairman) (DIN: 00066195)	Promoter, Non-Executive, Non-Independent	Brother of Mr. A. B. Godrej (Godrej Group Chairman)	Reappointed as Director liable to retire by rotation with effect from August 9, 2018	5/5	Yes	9	2	3
2.	Mr. A. B. Godrej (DIN: 00065964)	Promoter, Non-Executive, Non-Independent	1. Brother of Mr. N. B. Godrej 2. Father of Ms. Tanya A. Dubash 3. Father of Ms. Nisaba Godrej 4. Father of Mr. Pirojsha Godrej	Resigned from Directorship with effect from November 5, 2018	4/4	Yes	Not Applicable	Not Applicable	Not Applicable
3.	Mr. J. N. Godrej (DIN: 00076250)	Non-Executive, Non-Independent	-	-	4/5	Yes	4	Nil	1
4.	Mr. V. M. Crishna (DIN: 00066267)	Non-Executive, Non-Independent	-	-	5/5	Yes	3	Nil	1
5.	Ms. Tanya A. Dubash (DIN: 00026028)	Non-Executive, Non-Independent	1. Daughter of Mr. A B. Godrej 2. Sister of Ms. Nisaba Godrej 3. Sister of Mr. Pirojsha Godrej	Reappointed as Director liable to retire by rotation with effect from August 9, 2018	5/5	Yes	6	1	1
6.	Ms. Nisaba Godrej (DIN: 00591503)	Non-Executive, Non-Independent	1. Daughter of Mr. A B. Godrej 2. Sister of Ms. Tanya A. Dubash 3. Sister of Mr. Pirojsha Godrej	-	5/5	Yes	2	Nil	Nil
7.	Mr. Pirojsha Godrej (DIN: 00432983)	Non-Executive, Non-Independent (Additional Director)	1. Son of Mr. A B. Godrej 2. Brother of Ms. Tanya A. Dubash 3. Brother of Ms. Nisaba Godrej	Appointed as an Additional Director with effect from November 5, 2018	1/2	Not Applicable	3	Nil	1
8.	Mr. B. S. Yadav (Managing Director) (DIN: 00294803)	Executive, Non-Independent	-	-	5/5	Yes	6	1	2
9.	Mr. K. N. Petigara (DIN: 00066162)	Non-Executive, Independent	-	-	5/5	Yes	3	1	2
10.	Mr. A. B. Choudhury (DIN: 00557547)	Non-Executive, Independent	-	-	5/5	Yes	3	2	2
11.	Dr. S. L. Anaokar (DIN: 00236819)	Non-Executive, Independent	-	Resigned from Directorship with effect from February 4, 2019	1/4	No	Not Applicable	Not Applicable	Not Applicable
12.	Dr. R. A. Mashelkar (DIN: 00074119)	Non-Executive, Independent	-	-	5/5	Yes	3	Nil	2

Sr. No.	Name of the Director	Category of Director	*Inter-se* Relationship amongst Directors	Appointment / Cessation during the Financial Year 2018-19	No. of Board Meetings attended during the Financial Year 2018-19	Whether attended last AGM held on August 9, 2018 (Present / Absent)	Directorships held in other public Companies incorporated in India as on March 31, 2019 *	Number of Chairmanship/ Membership in Board Committees in other companies as on March 31, 2019 #	
								Chairmanship (excluding Membership of Committees)	Membership
13.	Dr. Ritu Anand (DIN: 00363699)	Non-Executive, Independent	-	-	4/5	Yes	1	Nil	Nil
14.	Ms. Aditi Kothari Desai (DIN: 00426799)	Non-Executive, Independent	-	-	5/5	Yes	-	Nil	Nil
15.	Ms. Roopa Purushothaman (DIN: 02846868)	Non-Executive, Independent	-	-	5/5	Yes	-	Nil	Nil
16.	Mr. Natarajan Srinivasan (DIN: 00123338) (With effect from February 4, 2019)	Non-Executive, Independent (Additional Director)	-	Appointed as an Independent Director (Additional Director) with effect from February 4, 2019	1/1	Not Applicable	6	1	1

(*) - Alternate directorships and directorships in private Companies, Companies governed by Section 8 of the Companies Act, 2013 and foreign companies have been excluded.

(#) - In accordance with Regulation 26 of the Listing Regulations, Membership(s) / Chairmanship(s) of only Audit Committees and Stakeholders' Relationship Committees in all public limited companies (excluding Godrej Agrovet Limited) have been considered.

Details of Directorship of Directors in other Listed Entities and the category of their Directorship as on March 31, 2019:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1	Mr. N. B. Godrej	Godrej Industries Limited	Managing Director
		Godrej Consumer Products Limited	Director
		Mahindra and Mahindra Limited	Independent Director
		Godrej Properties Limited	Director
		The Indian Hotels Company Limited	Independent Director
		Astec LifeSciences Limited	Director
2	Mr. Jamshyd N. Godrej	Godrej Industries Limited	Director
		Godrej Consumer Products Limited	Director
		Godrej Properties Limited	Director
3	Mr. Vijay Mohan Crishna	Godrej Industries Limited	Director
		Precision Wires India Limited	Independent Director
4	Ms. Tanya Dubash	Britannia Industries Limited	Additional Director
		Godrej Industries Limited	Whole-time Director
		Godrej Consumer Products Limited	Director
5	Ms. Nisaba Godrej	Godrej Consumer Products Limited	Whole Time Director
6	Mr. Pirojsha Adi Godrej	Godrej Consumer Products Limited	Director
		Godrej Properties Limited	Whole Time Director
7	Mr. Balram Singh Yadav	Astec Lifesciences Limited	Director
8	Mr. Kavas Petigara	Godrej Properties Limited	Independent Director

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
9	Dr. Raghunath Mashelkar	Reliance Industries Limited	Independent Director
		Piramal Enterprises Limited	Independent Director
10	Mr. Amit B. Choudhury	Godrej Industries Limited	Independent Director
11	Dr. Ritu Anand	Tata Petrodyne Limited	Director
12	Ms. Aditi Kothari Desai	-	-
13	Ms. Roopa Purushothaman	-	-
14	Mr. Natarajan Srinivasan	Infrastructure Leasing And Financial Services Limited	Director

Note:

1. None of the Directors of the Company as mentioned above is:

   (a) a Director in more than 10 (ten) Public Limited Companies - As per Section 165 of the Companies Act, 2013;

   (b) a Director in more than 8 (eight) Listed Companies- As per Regulation 17(A) of the Listing Regulations

   (c) an Independent Director in more than 7 (seven) Listed Companies or 3 (three) Listed Companies (in case he / she serves as a Whole Time Director in any listed Company - As per Regulation 17 of the Listing Regulations;

   (d) a Member of more than 10 (ten) Committees and Chairman of more than 5 Committees across all the Indian Public Limited Companies in which he / she is a Director - As per Regulation 26 of the Listing Regulations.

e. Number of Equity Shares held by the Directors of the Company and the Dividend paid to them during the Financial Year 2018-19:-

Sr. No	Name of Director	Shares held as on March 31, 2019	Dividend paid during the Financial Year 2018-19 (in ₹)
1.	Mr. N. B. Godrej	102	74,22,759.00
2.	Mr. A. B. Godrej (Resigned w.e.f. November 5, 2018)	5,096	22,932.00
3.	Mr. J. N. Godrej[$]	3	13.50
4.	Mr. V. M. Crishna	Nil	Nil
5.	Ms. Tanya A. Dubash	34	24,74,253.00
6.	Ms. Nisaba Godrej	34	24,74,253.00
7.	Mr. Pirojsha Godrej	34	24,74,253.00
8.	Mr. B. S. Yadav	42,67,732	1,92,04,794.00
9.	Mr. K. N. Petigara	Nil	Nil
10.	Mr. A. B. Choudhury	Nil	Nil
11.	Dr. S. L. Anaokar (Resigned w.e.f. February 4, 2019)	480	2,160.00
12.	Dr. R. A. Mashelkar	Nil	Nil
13.	Dr. Ritu Anand	100	Nil
14.	Ms. Aditi Kothari Desai	Nil	Nil
15.	Ms. Roopa Purushothaman	992	4,464.00
16.	Mr. Natarajan Srinivasan	Nil	Nil

Note:

[$] Shares held by Mr. J. N. Godrej are jointly with Mrs. Pheroza Godrej and Mr. Navroze Godrej (as Trustees of Raika Godrej Family Trust) holding in their own name (individual capacity only) and doesn't include Shares held through Trusts.

f. Employee Stock Grants to Directors:

Mr. B. S. Yadav, Managing Director was granted 12,108 (Twelve Thousand One Hundred and Eight) Stock Grants under Employees Stock Grant Scheme, 2018 of the Company (ESGS 2018) on July 2, 2018 and are yet to be vested and exercised.

g. Directors seeking Appointment / Re-appointment:

- Upon recommendation by the Nomination and Remuneration Committee and as approved by Board of Directors at their respective Meetings held on November 5, 2018, Mr. Pirojsha Godrej has been appointed as an "Additional Director" of the Company upto the conclusion of the 28th (Twenty-Eighth) Annual General Meeting.

Mr. Pirojsha Godrej is the Executive Chairman of Godrej Properties Limited (GPL). In the years that he has led GPL, it has become one of the fastest growing Real Estate Developers in India and for the time in the Financial Year 2016, GPL emerged as India's largest publically listed Real Estate Developer by sales. He is the recipient of several recognitions in recent years including the "Emergent Leader of the Year for showcasing extraordinary leadership, delivering growth / handling big challanges" at the CEO Awards, 2018, "Green Champion Award from the Indian Green Council" in 2016, "Best CEO of the Year at the Construction Times Awards" in 2015, and "Best People CEO Award" by the National Human Resources Development Network in 2014 and "Person of the Year" at the GIREM Leadership Awards in 2013.

Pirojsha Godrej holds a Bachelor's Degree in Economics from the Wharton School at the University of Pennsylvania, a Master Degree in International Affairs from School of International Public Affairs (SIPA) at Colombia University's and a Master's degree in Business Administration (MBA) from Colombia Business School, U.S.A.

- Upon recommendation by the Nomination and Remuneration Committee and as approved by Board of Directors at their respective Meetings held on February 4, 2019, Mr. Natarajan Srinivasan has been appointed as an Independent Director of the Company for a period from February 4, 2019 upto July 17, 2022, subject to approval of the Members of the Company at the ensuing 28th (Twenty-Eight) Annual General Meeting.

  Mr. Natarajan Srinivasan is a Commerce Graduate and a Member of the Institute of Chartered Accountants of India and the Institute of Company Secretaries of India. He has more than 35 years of corporate work experience spanning across Finance, Legal, Projects and General Management functions. His last 15 years of service has been with the Murugappa Group, where he held several positions as Member of the Murugappa Corporate Board, Group Finance Director, Lead Director for the Financial Services Business and as Executive Vice Chairman and Managing Director of Cholamandalam Investments and Finance Company Limited. He also served the Boards of Tube Investments of India Limited, Cholamandalam MS General Insurance Limited, TI Financial Holdings Limited. Recently, the Government of India appointed him to the Board of Infrastructure & Leasing Financial Services Limited.

- Mr. J. N. Godrej and Ms. Nisaba Godrej Non-Executive, Non-Independent Director of the Company are liable to retire by rotation at the ensuing 28th (Twenty Eighth) AGM of your Company and being eligible, have offered themselves for re-appointment.

  Mr. J. N. Godrej is the Chairman and Managing Director of Godrej and Boyce Manufacturing Company Limited. He has a Bachelor's degree in Mechanical Engineering from Illinois Institute of Technology, USA. He has been a Director of our Company since August 24, 1992.

  Godrej and Boyce Manufacturing Company Limited manufactures and markets refrigerators; washing machines; air conditioners; furniture; home furniture; security equipment for banks (such as safes, strong room doors, bank lockers, etc.) and for commercial establishments and homes; locks and latches, forklift trucks and warehousing equipment; process equipment for chemical,

  The President of India conferred on Mr. J. N. Godrej the "Padma Bhushan" on April 3, 2003.

  Ms. Nisaba Godrej is the Executive Chairperson of Godrej Consumer Products Limited. She has been a key architect of GCPL's strategy and transformation in the last decade. In 2007, she initiated and led Project Leapfrog, which created a playbook for GCPL to accelerate domestic organic growth through innovation and consolidation, and to become a more global company by investing in emerging markets outside of India. Over the last ten years, GCPL's market capitalisation has increased twenty-fold - from ₹ 3,000 Crore to ₹ 60,000 Crore. Under Nisaba's leadership, GCPL has developed a very strong, engaged and ambitious team, and is consistently ranked as a great place to work. She has also institutionalised design driven thinking and directly leads product development. She is passionate about identifying and developing the talent required for the Godrej Group's future growth. Through her oversight of the Group HR function for Godrej Industries and associate companies, she has made Godrej a more meritocratic and highly performance driven organisation, while keeping the Group's values front and center. She has also spearheaded the Group's Good & Green agenda to drive more inclusive and sustainable growth. Her previous assignments within the Godrej Group have included the successful turnaround of Godrej Agrovet and the creation of a Group strategy function to oversee the Group's portfolio.

  Nisaba has a BSC degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School.

3. Committees of the Board of Directors– Composition and Terms of Reference:

A. Composition of the Committees:

The composition of various Committees constituted by the Board of Directors during the Financial Year 2018-19 is summarized below:-

Name of the Director	Independent / Non-Independent	Position in the Committee (whether Chairperson / Member)						
		Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility (CSR) Committee	Risk Management Committee	Managing Committee	Strategy Committee
Mr. N. B. Godrej	Non-Independent	N/A	N/A	Chairman	Member	Chairman	Chairman	Chairman (w.e.f. September 14, 2018)
Mr. A. B. Godrej* (Directorship ceased with effect from November 5, 2018)	Non-Independent	N/A	N/A	N/A	N/A	N/A	Member (upto November 5, 2018)	N/A
Mr. J. N. Godrej	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Mr. V. M. Crishna	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms. Tanya A. Dubash	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ms. Nisaba Godrej	Non-Independent	N/A	Member	N/A	N/A	N/A	Member	N/A
Mr. Pirojsha Godrej	Non-Independent (Additional Director)	N/A	N/A	N/A	N/A	N/A	Member (with effect from November 5, 2018)	N/A
Mr. B. S. Yadav	Non-Independent	Member	N/A	Member	Member	Member	Member	Member (w.e.f. September 14, 2018)
Mr. K. N. Petigara	Independent	Chairman	N/A	N/A	N/A	N/A	N/A	Member (w.e.f. September 14, 2018)
Mr. A. B. Choudhury	Independent	N/A	N/A	Member	N/A	Member	N/A	N/A
Dr. S. L. Anaokar (Directorship ceased with effect from February 4, 2019)	Independent	N/A	N/A	N/A	N/A	N/A	Member (upto February 4, 2019)	N/A
Dr. R. A. Mashelkar	Independent	N/A	N/A	N/A	Chairman	N/A	N/A	N/A
Dr. Ritu Anand	Independent	Member	Chairperson	N/A	N/A	N/A	N/A	N/A
Ms. Aditi Kothari Desai	Independent	Member	N/A	N/A	N/A	N/A	N/A	N/A
Ms. Roopa Purushothaman	Independent	N/A	Member	N/A	Member	N/A	N/A	N/A
Mr. Natarajan Srinivasan (Appointed with effect from February 4, 2019)	Independent (Additional Director)	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Note: "N/A" denotes "Not Applicable" as not being a Chairperson / Member of the Committee.

Mr. Vivek Raizada, Comp acts as the Secretary to the Committees.

The **IPO Committee** of the Board of Directors have been dissolved with effect from November 5, 2018 and the **Strategy Committee** was constituted on September 14, 2018.

B. Attendance details of Committee Meetings of Board of Directors during the Financial Year 2018-19 is summarized below:

Name of the Committee	Audit Committee	Nomination & Remuneration Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility (CSR) Committee	Risk Management Committee	Managing Committee	Strategy Committee
Number of Meetings held	**5**	**3**	**1**	**2**	**1**	**11**	**0**
Attendance of Directors							
Mr. N. B. Godrej	N.A.	N.A.	0	1/2	1/1	9/11	None(#)
Mr. A. B. Godrej (Directorship ceased with effect from November 5, 2018)	N.A.	N.A.	N.A.	N.A.	N.A.	5/7	N.A.
Mr. J. N. Godrej	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Mr. V. M. Crishna	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Tanya A. Dubash	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Nisaba Godrej	N.A.	3/3	N.A.	N.A.	N.A.	4/11	N.A.
Mr. Pirojsha Godrej (Appointed as an "Additional Director" with effect from November 5, 2018)	N.A.	N.A.	N.A.	N.A.	N.A.	4/4	N.A.
Mr. B. S. Yadav	4/5	N.A.	1	2/2	1/1	11/11	None(#)
Mr. K. N. Petigara	5/5	N.A.	N.A.	N.A.	N.A.	N.A.	None(#)
Mr. A. B. Choudhury	N.A.	N.A.	1	N.A.	1/1	N.A.	N.A.
Dr. S. L. Anaokar (Directorship ceased with effect from February 4, 2019)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Dr. R. A. Mashelkar	N.A.	N.A.	N.A.	2/2	N.A.	N.A.	N.A.
Dr. Ritu Anand	4/5	3/3	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Aditi Kothari Desai	5/5	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Ms. Roopa Purushothaman	N.A.	3/3	N.A.	1/2	N.A.	N.A.	N.A.
Mr. Natarajan Srinivasan (Appointed as an "Additional Director" with effect from February 4, 2019)	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Strategy Committee was constituted by the Board of Directors of the Company on September 14, 2018 and thereafter no Meeting of the Strategy Committee was held during the relevant Financial Year (F.Y.) 2018-19.

Notes:

- As per the request received from the Directors, stating their inability to attend the Meetings Leave of Absence was granted to them.
- N.A. indicates not a Member of the Committee

C. Skills Matrix for the Board of Directors:

At GAVL, we recognize the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse point of view which helps in creating an effective and well rounded Board.

The list of Core skills / expertise / capabilities for the Board Members outlined by the Nomination and Remuneration Committee of the Board of Directors and approved by the Board are as under:

- **Strategy & Business** - Is or has been the Chief Executive Chief Operating or held any other leadership position in an organization leading to experience in strategy or business management; Brings ability to identify and assess strategic opportunities and threats in the context of the business.
- **Industry Expertise** - Has expertise with respect to the sector in which the organization operates in; Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
- **Market Expertise** - Has expertise with respect to the geography in which the organization operates in; Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations & legislations of the market/(s) the business operates in.
- **Technology Perspective** – Has expertise with respect to business technologies such as in the of R&D, Manufacturing etc; Has experience and adds perspective on the future ready skills required by the organization such as E-Commerce, Digital, Sustainability, etc.

- **People & Talent Understanding**- Has experience in Human Resource Management such that they bring in a considered approach to the effective management of people in an organization.
- **Governance, Finance & Risk** – Has an understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale. Capability to provide inputs for Strategic Financial Planning, Assess Financial Statements and oversee budgets for the use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
- **Diversity of Perspective** - Provides a diversity of views to the Board that is valuable to manage our Customer, Consumer, Employee, Key Stakeholder or Shareholders.

D. Composition and Terms of Reference of the Committees:

(i) Audit Committee:

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors, as on March 31, 2019, comprised of the following 4 (Four) Directors as Members:

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

All the Members of literate and possess sound knowledge of Financial Management, Accounting Practices and Internal Controls.

The terms of reference of Audit Committee have been re-stated at the Meeting of the Board of Directors held on February 4, 2019 to include amendments made by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of Audit Committee include the matters in Section 177 of the Companies Act, 2013 as well as the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, are as follows:

1. Oversight of the Company's reporting process and the disclosure of its information to ensure that the

2. Recommendation of the appointment, remuneration and terms of appointment of Statutory Auditors, including Cost Auditors and Secretarial Auditors, of the Company;
3. Approval of payment to Statutory Auditors, including Cost Auditors and Secretarial Auditors, for any other services rendered by them;
4. Reviewing, with the Management, the Annual Financial Statements and Auditors' Report thereon before submission to the Board for its approval, with particular reference to:
   i. Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause(c)of sub-section (3) of Section 134 of the Companies Act, 2013;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv.
   v. Compliance with listing and other legal requirements relating to Financial Statements ;
   vi. Disclosure of any related party transactions;
   vii.
5. Reviewing, with the Management, the quarterly Financial Statements before submission to the Board for approval;
6. Reviewing, with the Management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;
8. Approval or an
9. Scrutiny of Inter-Corporate Loans and Investments;
10. Considering valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of Internal Financial Controls and Risk Management Systems;

12a. Reviewing, with the Management, performance of Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors;

12b. Reviewing with the Management adequacy of the Internal Control Systems;

13. Reviewing the adequacy of internal audit function, if any including the structure of internal audit department, and
14. Discussion wit
15. Reviewing the of any internal investigations by the Internal Auditors into the matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;
16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
17. Looking into the reasons for substantial defaults, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividend) and creditors;
18. Reviewing the functioning of the Whistle Blower Mechanism / oversee the Vigil Mechanism;
19. Approval of appointment of Chief Financial after assessing experience and background etc. of the candidate;
20. Mandatorily reviewing the following:
    i. ncial condition and results of operations.
    ii.
    iii. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
    iv. Internal Audit reports relating to internal control weaknesses.
    v. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
    vi. Statement of deviations:
        (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchanges(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
        (b) annual statement of funds utilized for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of SEBI Listing Regulations;
21. Reviewing Financial Statements, in particular the investments made by the Company's unlisted subsidiaries;
22. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations,2015, as may be amended from time to time, at least once in a Financial Year and shall verify that the systems for Internal Controls are adequate and are operating effectively;
23. Noting the rep
24. Formulating the scope, functioning, periodicity of and methodology for conducting the internal audit;
25. Reviewing show cause, demand, prosecution notices and penalty notices, which are materially important;
26. Reviewing any material default in obligations to and by the Company, or substantial non-payment for goods sold by the Company;
27. Reviewing any issue, which involves possible public or product liability claims of substantial nature, including any judgement or order which, may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that may have negative implications on the Company;
28. Details of any Joint Venture or collaboration agreement;
29. Sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;
30. Quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material;

31. Reviewing the utilization of loans and / or advances from / investment by the holding Company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments;

32. Investigation into any above matter or referred to it by the Board of Directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;

33. Carrying out any other function as mandated by the Board from time to time and / or enforced by any statutory

Further, the Quorum for a Meeting of the Audit Committee shall either be 2 (two) Members or 1/3rd (One Third) of the total strength of the Committee, whichever is greater, with at least 2 (two) Independent Directors in attendance and the Audit Committee shall meet at least 4 (Four) times in a year and not more than 120 (One Hundred and Twenty) days shall elapse between two Meetings.

During the Financial Year (F.Y.) 2018-19, there were 5 (Five) Meetings of the Audit Committee of the Board of Directors, i.e., on May 14, 2018, August 9, 2018, September 14, 2018, November 5, 2018 and February 4, 2019. The necessary quorum was present for all the Meetings of the Audit Committee of the Board of Directors.

The representatives of the Statutory Auditors and Internal Auditors are invited to the Audit Committee Meetings. They have attended all the Meetings during the Financial Year 2018-19. The Internal Auditor reports directly to the Audit Committee.

In terms of the Companies (Cost Records and Audit) Rules, 2014 read with the Companies (Audit and Auditors) Rules, 2014, the Company has maintained cost records in its books of accounts for the Financial Year 2018-19. The Cost Audit Report issued by the Cost Auditor of the Company is placed for review by the Audit Committee and the same is recommended to the Board of Directors for approval.

(ii) Nomination and Remuneration Committee:

i. Composition:

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2019, comprised of the following 3 (three) Directors as Members:

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

Mr. Vivek Raizada, Company Secretary & Compliance is the Secretary to the Nomination and Remuneration Committee.

ii. Terms of Reference:

The terms of reference of Nomination and Remuneration Committee have been re-stated at the Meeting of the Board of Directors held on February 4, 2019 to include amendments made by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of the Nomination and Remuneration Committee are as follows:-

(a) To formulate the criteria for determining qual positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees;

(b) To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;

(c) To devise a policy on diversity of Board of Directors;

(d) To identify persons who are to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal;

(e) To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;

(f) To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

(g) To recommend to the Board of Directors, appointment, remuneration (in whatever form) and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration Policy;

(h) To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS;

(i) To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Nomination and

(j) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory

The composition of the Nomination and Remuneration Committee shall be as mentioned hereinbelow or as may be prescribed by the Companies Act and the Listing Regulations. The Chairperson of the Nomination and Remuneration Committee shall be an Independent Director and shall be present at Annual General Meeting.

The Quorum for the Meeting of the Nomination and Remuneration Committee shall either be 2 (two) Members or 1/3rd (one third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

During the Financial Year (F.Y.) 2018-19, there were 3 (three) Meetings of the Nomination and Remuneration Committee of the Board of Directors were held i.e., on May 14, 2018, November 5, 2018 and February 4, 2019. The necessary Quorum was present for all the Meetings of the Nomination and Remuneration of the Board of Directors held during the Financial Year 2018-19.

iii. Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include –

(a) Performance of the Directors; and

(b) of the independence criteria as in this Terms of Reference and their Independence from the management:

Provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

In particular, an Independent Director shall be a person who shall:

i. uphold ethical standards of integrity and probity;

ii. act objectively and constructively while exercising his duties;

iii. exercise his responsibilities in a manner in the interest of the Company;

iv. fessional obligations for informed and balanced decision making;

v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board of Directors in its decision making;

vi. not abuse his position to the detriment of the Company or its Shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;

vii. refrain from any action that would lead to loss of his independence;

viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;

ix. assist the Company in implementing the best Corporate Governance practices.

iv. Remuneration to Directors:

- **Related Party Transactions, pecuniary or business relationship with the Company:**

Except drawing remuneration by Managing Director, receipt of Commission and Sitting Fees by other Directors for attending the Board / Committee Meetings, none of the Directors have any other Material Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Shareholders is drawn to the disclosures of transactions with related parties set out in Note No. 61 to the Standalone Financial Statements forming part of this Annual Report 2018-19.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind-AS) under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements.

- **Remuneration of the Non-Executive Directors:**

1) Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

2) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.

3) Limit of Remuneration / Commission:

Remuneration / Commission may be paid within the monetary limit approved by Shareholders, subject to the limit not

4) Stock Options:

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

Certain Non-Executive Directors are entitled to receive Sitting Fees for attending the Meetings of the Board and of Committees thereof in which they are Members.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2018-19 are as follows:-

Sr. No.	Name of the Non-Executive Director	Sitting Fees (in ₹)		Commission (in ₹)	Total (in ₹)
		For Board Meetings	For Committee Meetings		
1.	Mr. N. B. Godrej	Nil	Nil	7,50,000	7,50,000
2.	Mr. A. B. Godrej	4,00,000	Nil	7,50,000	11,50,000
3.	Mr. J. N. Godrej	Nil	Nil	7,50,000	7,50,000
4.	Mr. V. M. Crishna	Nil	Nil	7,50,000	7,50,000
5.	Ms. Tanya A. Dubash	Nil	Nil	7,50,000	7,50,000
6.	Ms. Nisaba Godrej	Nil	Nil	7,50,000	7,50,000
7.	Mr. Pirojsha Godrej	1,00,000	Nil	Nil	1,00,000
8.	Mr. K. N. Petigara	5,00,000	2,50,000	7,50,000	15,00,000
9.	Mr. A. B. Choudhury	5,00,000	1,00,000	7,50,000	13,50,000
10.	Dr. S. L. Anaokar	1,00,000	Nil	7,50,000	8,50,000
11.	Dr. R. A. Mashelkar	5,00,000	1,00,000	7,50,000	13,50,000
12.	Dr. Ritu Anand	4,00,000	3,50,000	7,50,000	15,00,000
13.	Ms. Aditi Kothari Desai	5,00,000	2,50,000	7,50,000	15,00,000
14.	Ms. Roopa Purushothaman	5,00,000	2,00,000	7,50,000	14,50,000
15.	Mr. Natarajan Srinivasan	1,00,000	Nil	Nil	1,00,000

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

- **Remuneration of the Managing Director:**

The remuneration to be paid to Mr. B. S. Yadav, Managing Director for the Financial Year 2018-19 is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company. The remuneration and the terms of appointment of the Managing Director are governed by an agreement executed between B.S. Yadav and the Company.

The current tenure of Mr. B. S. Yadav as the “Managing Director” of the Company is for a term of 5 years for the period from September 1, 2017, i.e., upto August 31, 2022.

The details of remuneration paid to Mr. B. S. Yadav, Managing Director during the Financial Year 2018-19 are as follows:-

	Amount (in ₹)
Gross Salary	**4,67,23,986**
(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	3,72,58,484
(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	96,45,502
	0
Stock Option	0
Sweat Equity	0
Commission	0
	0
Others (specify)	0
Total	**4,67,23,986**

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

i. Terms of Remuneration of Executive Directors:

a. Fixed Compensation

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity.

The Basic Salary shall be in the range of Rs. 9,08,333/- to Rs. 20,00,000/- per month, payable monthly. The annual increments will be decided by the Board of Directors and will be merit-based and will take into account other relevant factors.

The Company's contribution to Gratuity shall be according to the rules of the Company, in force from time-to-time.

b. Performance Linked Variable Remuneration (PLVR)

PLVR shall be according to the applicable scheme of the Company for each of the Financial Years 2018-19, 2019-20, 2020-21 and 2021-22 or as may be decided by the Board of Directors.

c. Flexible Compensation

In addition to the compensation and PLVR, Mr. B. S. Yadav will be entitled to the allowances, perquisites, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 2013 and Rules framed thereunder (collectively called "perquisites and allowances").

Additionally, Mr. B. S. Yadav, was granted 12,108 (Twelve Thousand One Hundred and Eight) Stock Grants under Employees Stock Grant Scheme, 2018 of the Company (ESGS 2018) on July 2, 2018. The same were not vested as on March 31, 2019.

Overall Remuneration:

The aggregate of salary and perquisites as above or paid additionally in accordance with the rules of the Company in any Financial Year, which the Board of Directors, in its absolute discretion, may pay to the Managing Director from time-to-time, shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may, for the time being,

Minimum Remuneration:

Notwithstanding the foregoing, where in any Financial Year during the tenure of the Managing Director, the Company has no or its are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

Other terms and conditions:

a) The Managing Director is not liable to retire by rotation. The appointment is terminable by giving 3 (three) months' notice in writing on either side.

b) The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever, or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment concerning / in connection with the business or affairs or other matters whatsoever of the Company and it shall be the Managing Director's endeavor, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.

c) If the Managing Director is guilty of any inattention to or negligence in the conduct of the business of the Company or of misconduct or of any other act or omission inconsistent with his duties as a Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the desirable, the opinion of such other Directors shall be conclusive and binding on the Managing Director and the Company may, by giving 30 (thirty) days' notice in writing to the Managing Director, determine this Agreement and he shall cease to be the Managing Director of the Company, upon expiration of such notice.

d) In the event of any re-enactment or of the Companies Act, 2013 or the Income Tax Act, 1961 or amendment(s) thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding

e) The terms and conditions of this Agreement are subject to such alterations / variations as may be mutually agreed upon in writing between the Company and the Managing Director from time to time.

d. Details of Stock Options:

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

Further, the Company did not issued any convertible instruments during the Financial Year (F.Y.) 2018-19.

ii. Policy for Selection and Appointment of Directors and their Remuneration:

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection / appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination & Remuneration Committee evaluates the candidature of prospective in line with the Nomination and Remuneration Policy and the skill sets stated above and makes suitable recommendation to the Board for approval. The appointment of all Directors is also subject to Shareholders' approval.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the Company's website at www.godrejagrovet.com.

iii. Stakeholders' Relationship Committee:

In terms of Regulation 20 of the SEBI Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee, as on March 31, 2019, comprised of the following 3 (three) Directors as Members:

Sr. No	Name of the Director(s)	Nature of Membership & Designation
1.	Mr. N. B. Godrej	Chairperson (Non-Executive, Non-Independent Director)
2.	Mr. B. S. Yadav	Member (Executive, Non-Independent Director)
3.	Mr. A. B. Choudhury	Member (Independent Director)

The terms of reference of Stakeholders' Relationship Committee have been re-stated at the Meeting of the Board of Directors held on February 4, 2019 to include the amendments of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

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

The terms of reference of the Stakeholders' Relationship Committee are as follows:-

a) To oversee and review all matters connected with transfer of Company's securities;

b)

c) To oversee the performance of the Company's Share Transfer Agent;

d) To resolve the grievances of the Security Holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate general meetings etc.;

e) To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures or any other securities;

f) To review the measures taken for effective exercise of voting rights by Shareholders;

g) To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;

h) To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company;

i) To investigate into complaints relating to allotment on Shares, approval of Transfer or Transmission of Shares, Debentures or any other securities;

j)

k) To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory

The Stakeholders' Relationship Committee shall comprise of at least 3 (three) Directors, at least one being Independent Director or the composition shall be as may be prescribed by the Companies Act and the SEBI Listing Regulations. The Chairperson of the Stakeholders' Relationship Committee shall be an Independent Director and shall be present at every Annual General Meeting of the Company.

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

During the Financial Year (F.Y.) 2018-19, the Meeting of the Stakeholders' Relationship Committee of the Board of Directors was held on November 5, 2018. The necessary quorum was present for the said Meetings of the Stakeholders' Relationship Committee of the Board of Directors.

Mr. Vivek Raizada is the Company Secretary & Co

Details of Investor Complaints received during the Financial Year 2018-19, are as follows:

Complaints outstanding as on April 1, 2018	**Nil**
Complaints received during the year ended March 31, 2019	**205**
Complaints resolved during the year ended March 31, 2019	**205**
Complaints outstanding as on March 31, 2019	**Nil**

iv. Risk Management Committee:

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee, as on March 31, 2019, comprised of the following 3 (three) Members:

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

The terms of reference of Risk Management Committee have been re-stated at the Meeting of the Board of Directors held on February 4, 2019 to include the amendments of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

The terms of reference of the Risk Management Committee are as follows:-

a) To lay down procedures to inform Board Members about the risk assessment and minimization procedures;

b) To frame, implement and monitor the risk management plan for the Company;

c) To monitor and review the risk management plan;

d) To ensure proper procedures and mechanism exists for monitoring and reviewing cyber security risks;

e) Perform such other functions as may be necessary or appropriate for the performance of its duties;

f) To make necessary recommendation(s) to the Board of Directors for amendment / revision of the Risk Management Policy

g) To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory amendment or as may be applicable or as may be necessary or appropriate for the performance of its duties."

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

During the Financial Year (F.Y.) 2018-19, the Meeting of the Risk Management Committee of the Board of Directors was held on May 14, 2018. The necessary quorum was present at the Meeting of the Risk Management Committee of the Board of Directors.

v. Corporate Social Responsibility (CSR) Committee:

The Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consists of the following 4 (four) Directors as Members as on March 31, 2019:

Sr. No	Name of the Director(s)	Nature of Membership & Designation
1.	Dr. R. A. Mashelkar	Chairman (Independent Director)
2.	Mr. N. B. Godrej	Member (Non-Executive, Non-Independent Director)
3.	Mr. B. S. Yadav	Member (Executive, Non-Independent Director)
4.	Ms. Roopa Purushothaman	Member (Independent Director)

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

a) To formulate and recommend to the Board of Directors, the Corporate Social Responsibility Policy, indicating the Corporate Social Responsibility activities to be undertaken;

b) To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;

c) To monitor the Corporate Social Responsibility Policy and its implementation by the Company from time to time;

d) To constitute a transparent monitoring mechanism for implementation of Corporate Social Responsibility projects or programs or activities undertaken by the Company;

e) To review, approve and sign the Annual Report on Corporate Social Responsibilities (CSR) to be annexed to the Board's Report; and

f) To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act and the Rules framed thereunder.

During the Financial Year (F.Y.) 2018-19, 2 (two) Meetings of the Corporate Social Responsibility Committee of the Board of Directors were held May 14, 2018 and November 5, 2018. The necessary quorum was present for both the Meetings of the Corporate Social Responsibility of the Board of Directors.

vi. Managing Committee:

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

vii. Initial Public Offer (IPO) Committee:

Consequent to the closure of the IPO process and receipt of refund of security deposit from National Stock Exchange of India Limited (NSE), the IPO Committee of the Board of Directors was dissolved on November 5, 2018.

viii. Strategy Committee:

The terms of reference of the Strategy Committee include of the organic as well as inorganic growth prospects of the Company and the businesses in which the Company and/or any of its subsidiaries or associates operate, thereby exploring strategic options for its growth.

The Strategy Committee was constituted on September 14, 2018, with the following 3 (three) Directors:

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

ix. Meeting of Independent Directors:

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

During the year under review, the Independent Directors met on May 14, 2018, *inter alia*, to discuss: -

a. Evaluation of performance of Non - Independent Directors and the Board of Directors as a whole;

b. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non - Executive Directors;

c. Evaluation of the quality, content and timeliness of of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and are Independent from the Management. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules made thereunder. The terms and conditions for appointment of Independent Directors and letter(s) of appointment issued to them, are hosted on the Company's website at link http://www.godrejagrovet.com/compliance.aspx

Resignation(s) of Independent Director:

During the Financial Year (F.Y.) 2018-19, Dr. S. L. Anaokar, Independent Director, has resigned from the directorship of the Company with effect from February 4, 2019, due to personal reasons and there were no other material reasons for his resignation other than stated above.

1. General Body Meetings:

(i) Details of last three Annual General Meetings:

The date, time and venue of Annual General Meetings (AGMs) held during the preceding 3 (three) Financial Years are as follows:

AGM for the Financial Year	Date	Time	Venue
2015-16 (25th AGM)	August 2, 2016	4.00 p.m.	Conference Room, 3rd Floor,"Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India
2016-17 (26th AGM)	August 4, 2017	4.00 p.m.	Conference Room, 3rd Floor,"Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India
2017-18 (27th AGM)	August 9, 2018	4.00 p.m.	Auditorium, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India

(ii) Details of Special Resolutions passed during the previous three Financial Years (i.e., 2016-17, 2017-18 and 2018-19):

(a) Special Resolutions passed in Annual General Meetings (AGMs):

Date of AGM	Number of Special Resolutions passed	Details of Special Resolution passed
August 2, 2016	-	-
August 4, 2017	-	-
August 9, 2018		a. Approval for Re-appointment of Mr. K. N. Petigara [Director Number (DIN): 00066162] as Non-Executive – Independent Director, for a further term of 3 (three) years, from April 1, 2019 upto March 31, 2022; b. Approval for Re-appointment of Mr. Amit B. Choudhury [Director Number (DIN): 00557547] Non-Executive – Independent Director, for a further term of 3 (three) years, from April 1, 2019 upto March 31, 2022; c. Approval for continuation of appointment of Mr. A. B. Godrej [Director Number (DIN): 00065964] as a 'Non-Executive, Non-Independent Director' of the Company; d. Approval for continuation of appointment of Dr. Raghunath A. Mashelkar [Director Number (DIN): 00074119] as a 'Non-Executive, Independent Director' of the Company; e. Approval for Remuneration paid in excess of maximum remuneration permissible under the Companies Act, 2013 to Mr. B. S. Yadav [Director Number (DIN): 00294803] as the Managing Director; f. Alteration / amendment in "Godrej Agrovet Limited – Employees Stock Grant Scheme, 2018" (ESGS 2018).

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

Date of EGM	Number of Special Resolutions passed	Details of Special Resolution passed
March 3, 2017	4	1. Approval for increase in Authorized Share Capital from ₹ 100 Crore to ₹ 225 Crore 2. Alteration of Clause V (Capital Clause) of the Memorandum of Association consequent to increase in Authorized Share Capital from ₹ 100 Crore to ₹ 225 Crore 3. Alteration of Article 3 of the Articles of Association consequent to increase in Authorized Share Capital from ₹ 100 Crore to ₹ 225 Crore 4. Approval for Bonus Issue of Equity Shares in the ratio of 1 (one) fully paid-up Equity Share to be issued for every 1 (one) Equity Share held
May 12, 2017	3	1. Approval for waiver of recovery of excess remuneration paid to Mr. B. S. Yadav, Managing Director during the Financial Year 2016-17 2. Approval for appointment of Mr. B. S. Yadav as the "Managing Director" for a further 3. Approval for making of Initial Public Offer (IPO) of Equity Shares of the Company
July 18, 2017 (11.30 a.m.) (held at a shorter notice)	1	1. Adoption of new set of Articles of Association in order to align the same with the Companies Act, 2013 and the requirements of stock exchanges and other applicable laws for the purpose of Initial Public Offer (IPO)
July 18, 2017 (3.30 p.m.) (held at a shorter notice)	3	1. Approval for offer and issue upto 4,05,500 Equity Shares to certain employees under the Employees Share Purchase Scheme (ESPS) 2. Approval for offer and issue of Equity Shares to employees of Subsidiary Company(ies) and Holding Company under the Employees Share Purchase Scheme (ESPS) 3. Approval for Pre-IPO Private Placement of Equity Shares
September 8, 2017	1	1. Approval for Pre-IPO Private Placement / Preferential Issue of upto 2,50,000 Equity Shares of Face Value of ₹ 10/- each at a premium of ₹ 430/- per Equity Share, to

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

(c) Special Resolutions passed by Postal Ballot:

During the Financial Year (F.Y) 2018-19, pursuant to the provisions of Section 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules 2014, Special Resolutions were passed by Shareholders through Postal Ballot. The Notice of Postal Ballot was mailed to all the Shareholders along with postage prepaid envelopes. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.

Ms. Doly H. Bhalavat, Practicing Company Secretary, was appointed as Scrutinizer for the Postal Ballot, who submitted her report to Mr. B. S. Yadav, Managing Director. The details of the Postal Ballot results are given below:-

Date of announcement of result	Nature of resolution	Item	Total No. of votes polled	% of votes in favour	% of votes against
June 20, 2018	**Special Resolution**	Approval of the "Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018" ("ESGS 2018") and allotment of Equity Shares thereunder to the eligible Employees of the Company.	**152695589**	**97.0408**	**2.9592**
		Extension of the of "Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018" ("ESGS 2018") to the eligible Employees of the Subsidiary Companies.	**152695573**	**97.3790**	**2.6210**
		Increase in the investment limit of the Company upto ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore Only) under Section 186 of the Companies Act, 2013.	**152695999**	**97.6733**	**2.3267**
		Increase in the borrowing powers of the Company upto a limit of ₹ 2,500 Crore (Rupees Two Thousand Five Hundred Crore Only) under Section 180 (1) (c) of the Companies Act, 2013.	**152695994**	**99.9992**	**0.0008**
		To approve creation of Charge / Mortgage / Hypothecation under Section 180 (1) (a) of the Companies Act, 2013 against the assets / properties of the Company.	**152695876**	**99.9993**	**0.0007**

Procedure adopted for Postal Ballot:

a. The Board at its Meeting approves the items to be passed through Postal Ballot and authorizes one of the functional Directors and the Company Secretary to be responsible for the entire process of Postal Ballot.

b. A professional such as a Chartered Accountant / Company Secretary, who is not in employment of the Company, is appointed as the Scrutinizer for the Postal Ballot Process.

c. Notice of Postal Ballot along with the ballot papers were sent to the Shareholders along with a self-addressed envelope addressed to the Scrutinizer. E-voting facility was also offered to eligible Shareholders to enable them to cast their votes electronically.

d. An advertisement was published in a newspaper (English & Vernacular Language) about the dispatch of ballot papers and notice of Postal Ballot.

e. The duly completed Postal Ballot papers were received by the Scrutinizer.

f. The Scrutinizer had given his report to the Managing Director.

g. The Managing Director announced the results of the Postal Ballot on receipt of the Scrutinizer's Report.

h. The results were intimated to the Stock Exchanges and were hosted on your Company's website.

5. Means of Communication:

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, press releases,disclosures of material events are posted on the website of the Company, viz., www.godrejagrovet.com. The Quarterly Financial Results of the Company's performance are published in leading English daily newspapers 'Financial Express' and 'Business Standard' and regional language (Marathi) daily newspapers 'Loksatta' and 'Mumbai Lakshadeep'. The Financial Results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., www.bseindia.com and www.nseindia.com, respectively.

The Company electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

6. Disclosures:

I.

All transactions entered into with Related Parties as under the Act and the Listing Regulations during the Financial Year (F.Y.) 2018-19 were in the ordinary course of business and on the basis of arm's length price. There were no material transactions with Related

In preparation of the Financial Statements for the Financial Year (F.Y.) 2018-19, your Company has adopted accounting policies which are in line with the Indian Accounting Standards under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year (F.Y.) 2018-19 in Note No. 65 of the Standalone Financial Statement, forming a part of the Annual Report. None of the transactions with any of the Related Parties were in with the Company's interest.

The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialisation and the Company's long term strategy for sectoral investments, liquidity and capital resources. All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

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

cant Related Party Transactions tha

Except for drawing remuneration by the Managing Director and payment of sitting fees and commission to Non-Executive Directors, none of the

II. Policy on Material Subsidiaries:

Creamline Dairy Products Limited, is a Material Subsidiary of your Company whose turnover or net worth (i.e. Paid-up capital and free reserves) exceeds 20% (twenty per cent) of the consolidated turnover or net worth respectively of the Company and its subsidiary in the immediate preceding accounting year. The Audited Annual Financial Statements of Subsidiary Companies are tabled at the Meeting of the Board of Directors of the Company held on May 6, 2019. Copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings. Your Company has formulated a Policy for determining the Material Subsidiaries as in Regulation 16 of the Listing Regulations. The Audit Committee reviews the Financial Statements including major investments made by Creamline Dairy Products Limited, and other Unlisted subsidiaries of the Company.

The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of your Company, a statement of all

This Policy on Material Subsidiaries is available on the website of the Company at the weblink viz., http://www.godrejagrovet.com/codes-and-policies.aspx

III. Vigil Mechanism and Whistle Blower Policy:

Your Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal, unethical behavior and actual or suspected fraud or violations of Company's Code of Conduct. The Company has a Whistle Blower Policy wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to the Whistle Blowing of the Company. No personnel / employee of the Company has been denied access to the Chairman of the Audit Committee of the Company. The of the reported violations, if any, is maintained and the employees reporting violations are not subjected to any discriminatory practice.

Vigil Mechanism / Whistle Blower Policy is posted on the website of your Company, viz., www.godrejagrovet.com.

IV. Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company complies with all the mandatory requirements of Company law, Securities law & other applicable laws and has also adopted some of the non-mandatory requirements and has complied with the following non - mandatory requirements:-

1. Separate Positions of Chairperson and Managing Director:

   The Company has separate positions for Chairman and Managing Director. Mr. N. B. Godrej (Non-Executive / Non-Independent) is the "Chairman" of the Company and Mr. B. S. Yadav (Executive / Non-Independent) is the "Managing Director" of the Company.

2. Reporting of Internal Auditors:

   The Internal Auditors of the Company gives their quarterly report to the Audit Committee and the same is consider & taken for review at the time of meetings of the Audit Committee.

V. Policy for Prevention of Sexual Harassment at the Workplace:

Your Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has formed an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act"). While the said Act is applicable only to the women employees, your Company's policy covers all the employees.

The details of complaints received during the Financial Year ended March 31, 2019 are as follows:

a. Numbe d during the Financial Year – 2 (two) complaints;

b. Number of complaints disposed off during the Financial Year - 2 (two) complaints;

c. Number of complaints pending as on end of the Financial Year- NIL.

VI. Details of Non-compliance on matters related to Capital Markets:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchange(s) or the Securities and Exchange Board of India or any statutory authority, on any matter related to capital markets, during the last 3 (three) Financial Year.

VII. Details of utilization of funds raised through preferential allotment or institutions placement as under Regulation 32 (7A):

During the Financial Year (F.Y.) 2018-19, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.).

VIII. from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority:

issued by BNP & Associates, Company Secretaries, that none of the Directors on the Board of the Company have been debarred or disqua from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority is annexed to this Corporate Governance Report.

IX. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year:

During the Financial Year (F.Y.) 2018-19, there were no instances reported / recorded, where the Board of Directors of the Company did not accept recommendations of any of its Committees.

X. Total Fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the

Name of the Company	Name of Statutory Auditor	Particulars	Amount (₹ In Crore)
Godrej Agrovet Limited	BSR & Co., LLP	Audit Fees (including limited reviews)	0.59
		Other matters	0.02
		Reimbursement of Expenses	0.01
Astec LifeSciences Limited	BSR & Co., LLP	Audit fees	0.15
		Reimbursement of Expenses	0.01
Creamline Dairy Products Limited	BSR & Co., LLP	Audit fees	0.18
		Other matters	0.07
		Reimbursement of Expenses	0.00
Godvet Agrochem Limited*	Kalyaniwalla & Mistry LLP	Audit Fees	0.02
		Audit under Other Statutes	0.01
			0.00
Godrej Tyson Foods Limited $	BSR & Co., LLP	Audit Fees	0.17
		Audit under Other Statutes	0.01
			0.00
Godrej Maxximilk Private Limited $	Kalyaniwalla & Mistry LLP	Audit Fees	0.02
		Audit under Other Statutes	0.01
			0.00

$ Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited became subsidiary of GAVL with effect from March 27, 2019. Therefore, Auditor's remuneration paid to BSR & Co., by Godrej Tyson Foods Limited and to Kalyaniwalla & Mistry LLP by Godrej Maxximilk Private Limited

*Audit fees of Godvet Agrochem Limited paid to Kalyaniwalla & Mistry LLP is not conolidated in the Financial Statements of GAVL, as Kalyaniwalla & Mistry LLP is not the Statutory Auditors of GAVL.

XI. Risk Management:

Your Company continuously monitors business and operational risks. All key functions and divisions are independently responsible to monitor risks associated within their respective areas of operations such as Production, Insurance, Legal and other Issues Like Health, Safety and Environment. Your Company has formulated the said Risk Management Policy for of risks and has also formed a Risk Management Committee in order to ensure implementation of the of the said Policy.

Risk Management Policy is also made available on the website of your Company at the weblink viz., http://www.godrejagrovet.com/codes-and-policies.aspx The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

XII. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Commodity Price Risk:

Your Company is an agri company manufacturing agri products. Hence, raw material input price risk exists for the business (volatility).

Currency Risk:

The functional currency of Company is primarily the local currency in which it operates. The currencies in which the transactions are primarily denominated are in Indian Rupees (INR). The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases.

The Company's Risk Management Policy is requires to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash hedges.

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency,

The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting the

In these hedge relationships, changes in timing of the hedged transactions are the main source of hedge ineffectiveness.

XIII. General Shareholder Information:

a)

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

b) 28th Annual General Meeting:

Date	Day	Time	Venue
August 2, 2019	Friday	3.30 p.m. (IST)	"Auditorium", Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra

c) Financial Calender:

Financial Year: From 1st April, 2018 to 31st March, 2019

During the Financial Year ended March 31, 2019, Financial Results were announced as under:

Date	Quarter / Annual
August 9, 2018	First Quarter
November 5, 2018	Half Year
February 4, 2019	Third Quarter
May 6, 2019	Annual

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Saturday, July 27, 2019 to Friday, August 2, 2019 (both days inclusive).

The date of payment of Dividend will be by August 9, 2019.

e) cation Number (CIN):

Your Company's CIN, allotted by the Ministry of Corporate Affairs is L15410MH1991PLC135359. Your Company is registered at Mumbai in the State of Maharashtra, India

f) Listing Details & Listing Fees:

Payment of Listing Fees:-

The Company is listed on BSE Limited ("BSE") and National Stock Exchange of India Ltd ("NSE"). The International Securities Number (ISIN) Number of the Company for both NSDL & CDSL is INE850D01014. Your Company has paid the Annual Listing fees for the Financial Year 2018-19 to BSE and NSE.

Payment of Depository Fees:-

Annual Custody / Issuer Fee for the Financial Year 2018-19, has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

g) Stock Data:

Name of Stock Exchange	Scrip Code
National Stock Exchange of India Limited (NSE) Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai – 400 051, Maharashtra	GODREJAGRO
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai – 400 001, Maharashtra	540743

Tables 1 below, gives the monthly high and low prices and volumes of Equity Shares of the Company at BSE and the NSE for the Financial Year ended March 31, 2019.

Table 2 below, compares the Company's share price at the BSE with the Sensex and Table 3 below, compares the Company's share price at the NSE with the NSE Nifty 50.

Tables 4 and 5 below respectively give the distribution of shareholding by size and by ownership, respectively as on March 31, 2019:

Table 1:- Monthly high and low prices and volumes of Equity Shares of the Company at NSE and BSE for the Financial Year ended March 31, 2019:

Stock Exchange	BSE			NSE		
Month	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2018	736.80	637.00	9,49,815	738.00	637.80	70,98,167
May 2018	715.25	588.40	7,30,781	715.00	586.60	44,40,413
June 2018	679.80	605.00	2,96,572	679.85	603.70	27,74,438
July 2018	658.50	580.00	1,67,773	660.00	582.05	16,00,030
August 2018	660.00	581.00	3,25,280	659.85	581.00	19,60,945
September 2018	593.70	508.50	3,15,926	594.35	508.00	21,97,353
October 2018	553.25	492.70	1,78,218	552.00	490.10	18,08,302
November 2018	539.00	495.00	1,34,431	539.90	494.30	11,93,562
December 2018	520.00	473.30	1,60,413	518.90	476.30	19,77,471
January 2019	522.00	484.00	1,18,540	523.20	485.00	17,47,025
February 2019	506.30	461.65	2,74,052	507.00	460.00	17,23,956
March 2019	527.05	479.50	2,39,847	525.45	478.20	31,61,027

Table 2:- Company's Share Performance as compared to BSE Sensex for the Financial Year 2018-19:

Month	GAVL Monthly Close Price On BSE (in ₹)	BSE Monthly Sensex Close
April 2018	704.40	35,160.36
May 2018	636.75	35,322.38
June 2018	617.35	35,423.48
July 2018	626.25	37,606.58
August 2018	583.30	38,645.07
September 2018	511.75	36,227.14
October 2018	523.80	34,442.05
November 2018	497.70	36,194.30
December 2018	503.75	36,068.33
January 2019	496.35	36,256.69
February 2019	481.20	35,867.44
March 2019	509.20	38,672.91

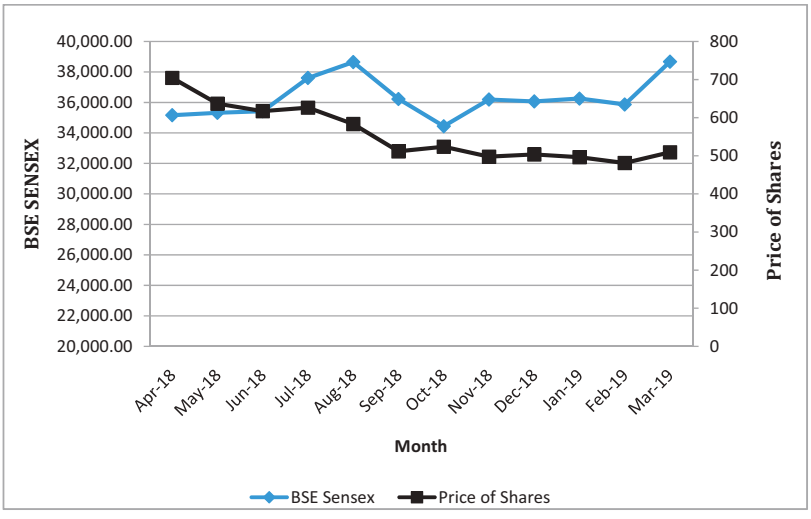


Table 3:- Company's Share Performance as compared to NSE Nifty 50 for the Financial Year 2018-19:

Month	GAVL Monthly Close Price On NSE (in ₹)	NSE Nifty 50 Monthly Close
April 2018	704.50	10739.35
May 2018	633.75	10736.15
June 2018	619.35	10714.30
July 2018	627.55	11356.50
August 2018	582.85	11680.50
September 2018	514.10	10930.45
October 2018	524.95	10386.60
November 2018	495.85	10876.75
December 2018	502.85	10862.55
January 2019	497.00	10830.95
February 2019	480.95	10792.50
March 2019	508.30	11623.90

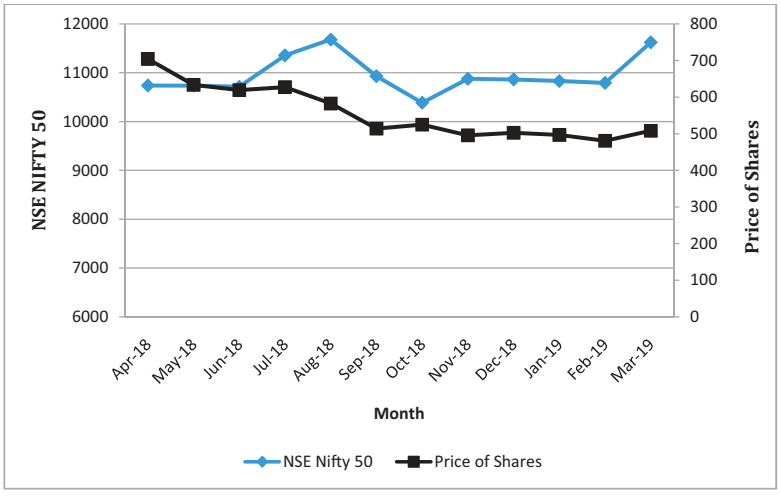


Table 4:- Distribution of Shareholding by Size as on March 31, 2019:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1-5000	1,14,558	97.51	3.23
5001- 10000	1,617	1.38	0.65
10001- 20000	626	0.53	0.48
20001- 30000	203	0.17	0.27
30001- 40000	84	0.07	0.16
40001- 50000	97	0.08	0.24
50001- 100000	104	0.09	0.41
100001 & Above	194	0.17	94.57
Total	**1,17,483**	**100.00**	**100.00**

Table 5:- Distribution of Shareholding by Ownership as on March 31, 2019:

Category (as being reported to Stock Exchanges)	No. of Equity Shares	% of Shareholding
ALTERNATIVE INVESTMENT FUND	15,25,835	0.79
BANKS	3,63,144	0.19
CLEARING MEMBERS	42,190	0.02
DIRECTORS	42,69,304	2.22
EMPLOYEES	30,68,937	1.60
FOREIGN BODIES	2,47,07,698	12.87
FOREIGN NATIONALS	50	0.00
FOREIGN PORTFOLIO - CORP	60,13,631	3.13
H U F	3,42,789	0.18
INDIAN FINANCIAL INSTITUTIONS	1,95,150	0.10
BODIES CORPORATES	38,21,983	1.99
MUTUAL FUNDS	48,45,276	2.52
NBFC	794	0.00
NON RESIDENT INDIANS	3,69,042	0.19
NRI NON-REPATRIATION	1,30,294	0.07
PROMOTERS BODIES CORPORATE	11,16,66,300	58.15
PROMOTER DIRECTOR	5198	0.00
PROMOTER GROUP	2,07,30,678	10.80
RESIDENT INDIVIDUALS	99,15,889	5.16
TRUSTS	14,557	0.01
TOTAL	**19,20,28,739**	**100.00**

(The details given above are as per BENPOS received from Karvy Fintech Private Limited, Registrar and Share Transfer Agent dated March 30, 2019.)

XIV) Shares held in physical and dematerialized form:

As on March 31, 2019, the break-up of share capital of the Company held in physical and dematerialized form is as under:

Mode	No. of Equity Shares	Percentage
Demat shares with NSDL	18,33,15,496	95.46
Demat shares with CDSL	87,13,123	4.54
Shares held in physical mode	120	0.00
Total	**19, 20,28,739**	**100**

(The details given above are as per BENPOS received from Karvy Fintech Private Limited, Registrar and Share Transfer Agent as on March 30, 2019.)

XV) Liquidity:

For the Financial Year 2018-19 higher trading activity is witnessed on NSE. Relevant data for the daily turnover on both the Stock Exchanges for the Financial Year 2018-19 is given below:

	BSE	NSE	Total
Shares (Nos.)	1,87,544	3,16,82,689	3,18,70,233
Value (in ₹ Crore)	269.09	1,895.10	2,164.19

[Source: This information is compiled from the data available from the websites of BSE and NSE.]

XVI) Share Transfer System:

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

Sr. No.	Particulars	Limit
1.	Stakeholders' Relationship Committee	Above 2,000 Equity Shares
2.		From 500 Equity Shares to 2,000 Equity Shares
3.	Registrar and Share Transfer Agent	Upto 500 Equity Shares

Further, the Chief Financial or Compliance of the Company are authorized by the Board of Directors of the Company to effect issue or rematerialization of the Securities of the Company upto a limit of 500 Equity Shares in a calendar quarter pursuant to Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company obtains from a Company Secretary in Practice, a Half Yearly (April - September 2018 and October - March 2019) to the effect that all have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and a copy of the said with the Stock Exchanges where the Company's shares are listed.

XVII) Reconciliation of Share Capital Audit Report:

As as per Regulation 76 of the Securities and Exchange Board of India (Depositary and Participants) Regulations 2018, a Practicing Company Secretary carried out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total physical holding with the total issued and listed capital. This Audit is carried out every quarter and report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialised form (held with NSDL and CDSL) and total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Report submitted to the Stock Exchange(s).

XVIII) Outstanding Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants / Any Convertible Instruments and their likely impact on equity:

The Company does not have any outstanding GDRs / ADRs / warrants /convertible instruments as on March 31, 2019.

XIX) Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities:

1. Risk Management Policy with respect to commodities including through hedging

Commodities form a major part of the raw materials required for Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. Your Company enters into price contracts with vendors and also uses commodity derivatives on recognized exchanges to hedge the commodity prices volatility.

The commodity procurement team, based on intelligence and monitoring, forecasts commodity prices and movements and zes the commodity stocking strategy. A robust planning and strategy helps to manage the risks despite volatility in commodity prices.

The Company does not enter into any derivative instruments for speculative purposes.

In respect of Commodities which are imported, there is a foreign currency risks and mitigation of the same is managed by the forex committee. The forex committee meets periodically and reviews the overall foreign exchange currency exposure and the Company enters into forward contracts to hedge the currency risks. The details of hedged and un-hedged of foreign currency exposures are available in the notes to Financial Statements of the Annual Report.

2. Exposure to commodity and commodity risks faced throughout the Financial Year 2018-19:

Commodity Name	Exposure in INR towards the particular commodity (₹ Crore)	Exposure in Quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				
			Domestic Market		International Market		Total
			OTC	Exchange	OTC	Exchange	
				Qty MT			
Crude Palm Oil (CPO)	538.91	90,656		1,190			1,190

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

Share transfer is effected within a maximum period of 30 (thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Company obtains from a Company Secretary in Practice, a Half Yearly to the effect that all have been issued within 30 (thirty) days from the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the SEBI Listing Regulations and a copy of the said with the Stock Exchanges where the Company's shares are listed. The Board has delegated the authority for approving transfer, transmission, etc. of the Company's shares to the Company Secretary / Authorised Representatives of Karvy Fintech Private Limited, Registrar and Share Transfer Agent. A summary of transfer / transmission of shares of the Company so approved by the Company Secretary / Authorised Representatives of Karvy Fintech Private Limited, is placed at the Stakeholders' Relationship Committee Meeting.

Contact details of Karvy, our Registrar and Share Transfer Agents are as under:-

Karvy Fintech Private Limited
Karvy Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032, Telangana
Tel.: (91 40) 6716 2222
Fax: (91 40) 2343 1551
E-mail: godrej.agrovet@karvy.com
Investor Grievance E-mail: einward.ris@karvy.com
Website: https://www.karvy.com

XXI) Credit Ratings:

During the Financial Year (F.Y.) 2018-19, the Credit Rating granted by ICRA Limited to your Company has been at "[ICRA] AA" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+" with respect to Short Term Fund Based facilities (including for Commercial Paper).

XXII) Plant Locations:

The Company has plants at various locations across the country, including the following:-

- Animal Feed:

  Khanna (Punjab), Miraj (Maharashtra), Sachin (Gujarat), Kharagpur (West Bengal), Kondapalli (Andhra Pradesh), Tumkur (Karnataka), Hajipur (Bihar), Erode (Tamil Nadu), Chandauli (Uttar Pradesh), Khurda (Orissa), Varanasi (Uttar Pradesh), Unnao (Uttar Pradesh), Medchal (Andhra Pradesh)

- Agri Inputs:

  Jammu (Jammu & Kashmir), Lote Parshuram (Maharashtra)

- Oil Palm:

  Pothepally (Andhra Pradesh), Chintampally (Andhra Pradesh), Seethanagaram (Andhra Pradesh), Ariyalur (Tamil Nadu), Valpoi (Goa), Kolasib (Mizoram)

- Aqua Feed:

  Hanuman Junction (Andhra Pradesh)

XXIII) Address for Correspondence:

Mr. S. Varadaraj

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
Email id: s.varadaraj@godrejagrovet.com, Website: www.godrejagrovet.com

Mr. Vivek Raizada
Company Secretary & C
"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
Email id: vivek.raizada@godrejagrovet.com, Website: www.godrejagrovet.com

Investor Correspondence should be addressed to:
Karvy Fintech Private Limited
Karvy Selenium, Tower B,
Plot No. 31 & 32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032, Telangana
Tel.: (91 40) 6716 2222
Fax: (91 40) 2343 1551
E-mail: godrej.agrovet@karvy.com
Investor Grievance E-mail: einward.ris@karvy.com
Website: https://www.karvy.com

Exclusive e-mail id for Investors / Shareholders:

The Company has designated an e-mail id to enable the Shareholders and Investors to correspond with the Company. The e-mail id is gavlinvestors@godrejagrovet.com.

XXIV) SEBI Complaints Redress System (SCORES):

The investor complaints are processed in a centralized web-based complaints redress system.

The salient features of this system are:

1. Centralized database of all complaints;
2. Online upload of Action Taken Reports (ATRs) by concerned companies; and
3. Online viewing by investors of actions taken on the complaint and its current status.

XXV) Non-compliance of any Requirement of Corporate Governance Report of sub-paras (2) to (10) of Para C to Schedule V of the Listing Regulations:

The Company has complied with all the requirements in this regard, to the extent applicable.

XXVI) Code of Conduct:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company at the weblink http://www.godrejagrovet.com/codes-and-policies.aspx. The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have their compliance with the laid down Code of Conduct for the Financial Year ended March 31, 2019, is annexed to this Corporate Governance Report.

XXVII) Disclosures by Management to the Board of Directors:

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the l and commercial transactions entered into by the Company during the Financial Year 2018-19. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

XXVIII) Public, Rights and Other Issues:

There were no Public, Rights and Other Issues during the Financial Year 2018-19 except Grant of Options under Employees Stock Grant Scheme, 2018.

Mr. B. S. Yadav, Managing Director and Mr. S. Varadaraj, Chief Financial have issued the in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarter and Annual Financial Statements for the Financial Year ended March 31, 2019.

XXX) Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms a part of this Annual Report.

XXXI) Disclosure of Accounting Treatment in preparation of Financial Statements:

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India

XXXII) Co on Corporate Governance:

As per Regulation 34 of the Listing Regulations, the issued by BNP & Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance is annexed to this Corporate Governance Report.

XXXIII) Disclosures of compliance with Corporate Governance requirements in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Sr. No.	Pasrticulars	Regulation	Compliance Status Yes/ No/N.A.	Compliance observed for the following:
1	Board of Directors	17& 17A	Yes	• Board Composition • Meeting of Board of Directors • Review of Compliance Reports • Plans for Orderly Succession for Appointments • Code of Conduct • Fees/Compensation • Minimum Information to be placed before the Board • • Risk Assessment and Management • Performance Evaluation of Independent Directors • Explanatory Statement to be annexed to General Meeting • Maximum Number of Directorships
2	Audit Committee	18	Yes	• Composition • Meeting of Audit Committee • Powers of Audit Committee • Role of Audit Committee and Review of Information by the Committee
3	Nomination and Remuneration Committee	19	Yes	• Composition • Role of the Committee • Frequency of Meetings
4	Stakeholders' Relationship Committee	20	Yes	• Composition • Role of the Committee • Frequency of Meetings
5	Risk Management Committee	21	Yes	• Composition • Role of the Committee • Frequency of Meetings
6	Vigil Mechanism	22	Yes	• Formulation of Vigil Mechanism for Directors and Employees • Direct access to Chairperson of Audit Committee
7	Related Party Transactions	23	Yes	• Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions • Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and Shareholders. • Review of transactions pursuant to aforesaid Contracts • Disclosure of Related Party Transactions
8	Corporate Governance requirements with respect to subsidiary of Listed entit	24 & 24 A	Yes	• Review of Investments made by unlisted subsidiary companies by the Audit Committee. • Minutes of Meetings of Board of Directors of unlisted subsidiary companies placed at the Meetings of the Board of Directors of the Company. • Review of cant transactions and arrangements entered into by the unlisted subsidiary companies. • Secretarial Audit Report of Material Subsidairy to be annexed
9	Obligations with respect to Independent Directors	25	Yes	• Maximum Directorships and Tenure • Meeting of Independent Directors • Familiarisation of Independent Directors
10	Obligations with respect to Directors and Senior Management	26	Yes	• Memberships / Chairmanships in Committees • with compliance to Code of Business conduct and Ethics from Directors and Management
11	Other Corporate Governance Requirements	27	Yes	• Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance
12	Website	46(2)(b) to (i)	Yes	• Terms and conditions of appointment of Independent Directors • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors Management Personnel • Details of establishment of Vigil Mechanism/Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors

ab) Transfer of Unpaid / Unclaimed Amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as no amount of dividend was lying in the unpaid / unclaimed dividend account.

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of ***Godrej Agrovet Limited*** having Corporate Identity Number (CIN): L15410MH1991PLC135359 and having its Registered at Godrej One, 3rd Floor, Pirojshanagar, Vikhroli (East), Mumbai - 400 079, Maharashtra (hereinafter referred to as '***the Company***'), produced before us by the Company for the purpose of issuing this in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the (including Directors Number (DIN) status at the portal of Ministry of Corporate Affairs (MCA) i.e.,www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its we hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on March 31, 2019, have been debarred or from being appointed or continuing as Directors of Companies by Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company(*)
1.	Mr. N. B. Godrej	00066195	25.11.1991
2.	Mr. J. N. Godrej	00076250	24.08.1992
3.	Mr. Vijay Mohan Crishna	00066267	24.08.1992
4.	Ms. Tanya A. Dubash	00026028	10.04.2003
5.	Ms. Nisaba Godrej	00597503	24.07.2006
6.	Mr. Priojsha Adi Godrej	00432983	05.11.2018
7.	Mr. Balram Singh Yadav	00294803	01.09.2007
8.	Mr. Kavas Petigara	00066162	24.08.1992
9.	Mr. A. B. Choudhury	00557547	08.12.2004
10.	Dr. Raghunath Mashelkar	00074119	18.07.2017
11.	Dr. Ritu Anand	00363699	18.07.2017
12.	Ms. Aditi Kothari Desai	00426799	18.07.2017
13.	Ms. Roopa Purushothaman	02846868	18.07.2017
14.	Mr. Natarajan Srinivasan	00123338	04.02.2019

Note: (***)**

Ensuring the eligibility of / for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our This is neither an assurance as to the future viability of the

For BNP & Associates
Company Secretaries
[Firm Registration. No. P2014MH037400]

B. Narasimhan
Partner
FCS No: 1303 / C P No: 10440

Date: May 6, 2019
Place: Mumbai

DECLARATION BY MANAGING DIRECTOR WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT OF GODREJ AGROVET LIMITED ("THE COMPANY")

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said Regulations, this is to that all the Members of the Board of Directors and the Senior Management have

For Godrej Agrovet Limited

B. S. Yadav
Managing Director
(DIN: 00294803)

Date: May 6, 2019

Place: Mumbai

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Godrej Agrovet Limited

We have examined all relevant records of **Godrej Agrovet Limited** (further known as the Company) for the purpose of certifying compliance of the disclosure requirements and corporate governance norms as for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Schedule V of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended March 31, 2019. We have obtained all the information and

We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the

We further state that such compliance is neither an assurance as to the future viability of the Company nor the or effectiveness with which the management has conducted the affairs of the Company.

For BNP & Associates
Company Secretaries
[Firm Regn. No. P2014MH037400]

B. Narasimhan
Partner
FCS No: 1303 CP NO: 10440

PR No. 544/2017

Place: Mumbai
Date: May 6, 2019

STANDALONE FINANCIALS AND AUDITORS' REPORT

Independent Auditors' Report

To the Members of

Godrej Agrovet Limited

Opinion

We have audited the standalone statements of Godrej Agrovet Limited ('the Company'), which comprise the Standalone Balance Sheet as at 31 March 2019, the Standalone Statement of and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the accounting policies and other explanatory information (hereinafter referred to as "standalone statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, and and other comprehensive income, changes in equity and its cash for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone al statements under the provisions of the Act and the Rules thereunder, and we have our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is and appropriate to provide a basis for our opinion.

Emphasis of matter

We draw attention to the note 52 to the standalone statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crore for the years ended 31 March 2019 and 31 March 2018, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company. Had this amount been charged to the standalone Statement of and Loss, the for the year ended 31 March 2019 and 31 March 2018 would have been lower by ₹ 2.77 crore. Our opinion is not in respect of the above matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most in our audit of the standalone statements of the current period. These matters were addressed in the context of our audit of the standalone statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue Recognition

The Key Audit Matter	How the matter was addressed in our audit
Revenue from sale of goods is recognized when the control of the goods has transferred to the customer and when there are no longer any obligations to the customer. Revenue is measured at the fair value of the consideration received or receivable. Revenue is adjusted for estimated sales returns, discounts and other similar allowances. **Estimation of sales returns** As disclosed in Note 1 [6 (A) i] to the statements, revenue is recognised net of estimated sales returns. Estimation of sales returns involves judgement and estimates since it is dependent on various factors. Estimation of sales return amount together with the level of judgement involved make its accounting treatment a matter for our audit. **Accrual for rebates and schemes** As disclosed in Note 1 [6 (A) i] to the statements, revenue is recognised net of trade discounts, volume rebates and other incentives given to the customer. The recognition and measurement of such discounts, rebates and incentives, including establishing an appropriate accrual at year end, involves judgement and estimates, particularly the expected level of claims of each of the customers. The value of rebates and schemes allowances together with the level of judgement involved make its accounting treatment a matter for our audit.	Our audit procedures included following: - Understanding the process followed by the management for the purpose of identifying and determining the amount of provision for sales returns; - Evaluating the data used by the management for the purpose of calculation of the provision for sales returns and checking its arithmetical accuracy; - Comparison between the estimate of the provision for sales returns created in the past with subsequent actual sales returns and analysis of the nature of any deviations to corroborate the effectiveness of the management estimation process; - Considering the appropriateness of the Company's accounting policies regarding revenue recognition as they relate to accounting for rebates and scheme allowances; - Testing the Company's process and controls over the calculation of discounts, rebates and customer incentives; - Selecting a sample on test check basis of revenue transactions and scheme circular to re-check that scheme allowance as at year end were calculated in accordance with the eligibility criteria mentioned in the relevant circulars; - Selecting a sample (using statistical sampling) of credit note issued to the customers during the year and verifying the same is in accordance with the scheme; - Evaluating the assumptions and judgements used by the Company in calculating rebates and schemes allowances, including the level of expected claims, by comparing historical trends of claims; and - Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.

Impairment of trade receivables

The Key Audit Matter	How the matter was addressed in our audit
The Company generates revenue from sales of its products to customers in various business segments and different jurisdictions within India. The carrying amount of trade receivables is ₹ 588.38 crores as at 31 March 2019, representing 20.35% of the total assets of the Company. There are large number of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risks. Management assesses the level of allowance for doubtful debts required at each reporting date after taking into account the ageing analysis of trade receivables and any other factors to individual debtors concerned or debtors at independent segment level and a collective element based on historical experience adjusted for certain current factors. Accordingly, we the recoverability of trade receivables as a key audit matter because of the of trade receivables to the Company's balance sheet and because of the degree of management judgement involved in evaluating the adequacy of the allowance for doubtful debts.	Our audit procedures to assess the recoverability of trade receivables included the following: • obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the processes of credit control, collection of trade receivables and follow up of overdue balances; • evaluating the Company's policy for making allowances for doubtful debts with reference to the requirements of the prevailing accounting standards; • assessing the of trade receivables in the trade receivable ageing report by comparison with sales invoices and other underlying documentation on a test check basis; • assessing the assumptions and estimates made by management for the allowance for doubtful debts calculated based on a collective assessment by performing a retrospective evaluation of the historical accuracy of these estimates and recalculating the Company's allowance with reference to the Company's policy for collective assessment; and • circulating and obtaining independent customers on the outstanding balances on sample (using statistical sampling) basis. Testing the reconciliation, if any between the balances by customer and balance in the books and inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at 31 March 2019, on a sample basis (using statistical sampling)

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the

Our opinion on the standalone statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the standalone statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone statements that give a true and fair view of the state of affairs, and other comprehensive income, changes in equity and cash of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to the economic decisions of users taken on the basis of these standalone al statements.

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is and appropriate to

provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal controls with reference to statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone al statements, including the disclosures, and whether the standalone statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and audit including any in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards

From the matters communicated with those charged with governance, we determine those matters that were of most in the audit of the standalone statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to

Report on other legal and regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of section 143 (11) of the Act, we give in the "Annexure A", a statement on the matters in paragraphs 3 and 4 of the Order, to the extent applicable.

   (A) As required by Section 143 (3) of the Act, we report that:

   (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief, were necessary for the purposes of our audit;

   (b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) the Standalone Balance Sheet, the Standalone Statement of and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this report are in agreement with the books of account;

   (d) in our opinion, the aforesaid standalone statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act;

   (e) on the basis of written representations received from the directors as on 31 March 2019, and taken on record by the Board of Directors, none of the directors is as on 31 March 2019, from being appointed as a director in terms of Section 164(2) of the Act;

   (f) with respect to the adequacy of the internal controls with reference to statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) with respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company has disclosed the impact of pending litigations as at 31 March 2019 on its position in its Standalone statements – Refer Note 46

   ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 25 to the

   iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and

   iv. The disclosures in the standalone statements regarding holdings as well as dealings in bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these statements since they do not pertain to the year ended 31 March 2019.

   (C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

   In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399

Mumbai
06 May 2019

Annexure A to the Independent Auditors' Report – 31 March 2019

(Referred to in our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of assets.

(b) The Company has a regular programme of physical of its assets, by which all assets are every year. In our opinion, this periodicity of physical is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the above programme, the Company all during the year and no material discrepancies were noticed in

(c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned in the table below. Further in respect of immovable properties of land that have been taken on lease and disclosed as property, plant and equipment in the statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement, except as mentioned in the table below:

Sr. No	Total No. of cases	Type of Assets	Gross block as at March 31, 2019 (₹ in crore)	Net block as at March 31, 2019 (₹ in crore)	Remarks
1	1	Free Hold Land	0.04	0.04	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds
2	1	Free Hold Land	0.46	0.46	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.
3	2	Lease Hold Land	8.13	7.88	Company has received the allotment letter from GIDC. Company is in process of registration
4	1	Factory Building	1.24	1.09	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
5	1	Factory Building	0.22	0.11	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.
6	1	Building	0.54	0.50	Received on merger of the erstwhile Companies. Company is in the process of transferring the title deeds.
7	1	Building	0.33	0.30	Received on demerger of Godrej Soap Business. Company is in the process of transferring the title deeds.

(ii) The inventory, has been physically by the management during the year. In our opinion, the frequency of such is reasonable. The discrepancies noticed on between the physical stocks and the book records were not material and have been properly dealt with in books of account.

(iii) (a) The Company has granted unsecured loans to four companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to other body corporate, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. In our opinion, the rate of interest and other terms and conditions on which the unsecured loans has been granted to companies listed in the register maintained under Section 189 of the Act is not, prima facie, prejudicial to the interest of the Company.

(b) The unsecured loans granted to the companies covered in the register maintained under Section 189 of the Act are repayable on demand. The borrower has been regular in the payment of interest.

(c) The unsecured loans granted to the companies covered in the register maintained under Section 189 of the Act are repayable on demand and there is no amount overdue for more than ninety days in respect of such loans.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of grant of loans, making investments, providing guarantees and securities, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3 (v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of Provident fund, Employees' State Insurance, Income tax, Goods and service tax, Professional tax, Duty of customs, Cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income tax, Goods and service tax, Professional tax, Duty of customs, Cess and other material statutory dues were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of Goods and service tax which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us, the following dues of Income-tax, Duty of excise and Duty of customs have not been deposited as on 31 March 2019 by the Company on account of disputes:

Name of the statute	Nature of the Dues	Amount (₹ in crore)*	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Excise duty (including interest)	11.52	April 2008 – March 2011	CESTAT/ Assessing
Central Excise Act, 1944	Excise duty (including interest)	5.87	April 2011- December 2015	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	0.56	January 2014 – December 2015	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	8.45	November 2006 – October 2014	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	3.50	May 2009 – June 2017	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	2.21	March 2003 – May 2006	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise duty (including interest)	0.04	Oct 2015 – March 2016	Commissioner of Central Excise (Appeals)
Customs Act, 1962	Custom duty (including interest)	0.46	April 2011 – March 2012	Joint Commissioner of Customs Group -I,Chennai
Customs Act, 1962	Custom duty (including interest)	0.52	April 2012 – March 2013	CESTAT
Income tax Act, 1961	Income tax (including interest)	6.07	AY 2013-14 AY 2014-15 AY 2015-16	Commissioner of Income tax (Appeals)
Income tax Act, 1961	Income tax (including interest)	2.10	AY 2016-17	Commissioner of Income tax (Appeals)

* Net of amounts paid in protest.

(viii) In our opinion, and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to bank, institutions and government. The Company did not have any outstanding dues to debenture holders during the year.

(ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and has not obtained any term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable to the Company.

(x) According to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its or employees has been noticed or reported during the course of our audit.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3 (xiv) of the order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No : 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399

Mumbai
06 May 2019

Annexure B to the Independent Auditors' Report – 31 March 2019

Report on the internal controls with reference to the aforesaid statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

(Referred to in paragraph 1 A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal controls with reference to the statements of Godrej Agrovet Limited ("the Company") as of 31 March 2019 in conjunction with our audit of the standalone statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal controls with reference to statements and such internal controls with reference to statements were operating effectively as at 31 March 2019, based on the internal controls with reference to statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal controls based on the internal controls with reference to statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the orderly and conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' responsibility

Our responsibility is to express an opinion on the Company's internal controls with reference to statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal controls both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal controls with reference to statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal control with reference to statements and their operating effectiveness. Our audit of internal controls with reference to statements included obtaining an understanding of such internal controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement

We believe that the audit evidence we have obtained is and appropriate to provide a basis for our audit opinion on the Company's

statements

A company's internal controls with reference to statements is a process designed to provide reasonable assurance regarding the reliability of reporting and the preparation of statements for external purposes in accordance with generally accepted accounting principles. A company's internal controls with reference to statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the statements.

Inherent Limitations of Internal Financial Controls with reference to

Because of the inherent limitations of internal controls with reference to statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal controls with reference to statements to future periods are subject to the risk that the internal controls with reference to statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399

Mumbai
06 May 2019

Standalone Balance Sheet

as at March 31, 2019

(₹ in crore)

Particulars	Note No.	As at March 31, 2019	As at March 31, 2018
ASSETS			
(I) Non-current assets			
(a) Property, plant and equipment	2	831.37	683.52
(b) Capital work-in-progress	2	62.18	113.81
(c) Intangible assets	3	2.31	6.54
(d) Intangible assets under development		1.12	0.48
(e) Biological assets other than bearer plants	4	4.68	4.26
(f) Financial Assets			
(i) Investments			
Investments in subsidiaries, associate and joint ventures	5 (a)	547.36	532.43
Other investments	5 (b)	0.00	0.00
(ii) Loans	6	10.41	9.03
(iii) Others	7	1.57	1.47
(g) Deferred tax assets		5.93	5.51
(h) Other non-current assets	8	31.88	26.89
Total Non current assets		**1,498.81**	**1,383.94**
(II) Current Assets			
(a) Inventories	9	674.97	551.19
(b) Financial Assets			
(i) Investments	10	0.04	0.04
(ii) Trade Receivables	11	588.38	489.99
(iii) Cash and cash equivalents	12	12.99	11.57
(iv) Bank balances other than (iii) above	13	0.70	0.79
(v) Loans	14	25.39	24.11
(vi) Others	15	33.31	21.02
(c) Other current assets	16	56.53	88.05
Total current assets		**1,392.31**	**1,186.76**
TOTAL ASSETS		**2,891.12**	**2,570.70**
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	17	192.03	192.03
(b) Other equity	18	1,198.85	1,096.85
Total equity		**1,390.88**	**1,288.88**
(II) Liabilities			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	3.24	5.35
(ii)	20	0.51	-
(b) Provisions	21	3.73	3.36
(c) Deferred tax liabilities (net)		84.01	72.33
(d) Other non-current liabilities	22	16.35	12.24
Total non current liabilities		**107.84**	**93.28**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	105.46	209.49
(ii) Trade payables	24		
Total outstanding dues of micro enterprises and small enterprises		10.73	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,058.64	699.66
(iii)	25	127.90	192.84
(b) Other current liabilities	26	39.36	41.51
(c) Provisions	27	37.77	30.42
(d) Current tax liabilities (Net)		12.54	14.62
Total current liabilities		**1,392.40**	**1,188.54**
Total liabilities		**1,500.24**	**1,281.82**
TOTAL EQUITY AND LIABILITIES		**2,891.12**	**2,570.70**

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

for the year ended March 31, 2019

(₹ in crore)

	Particulars	Note No.	For the year ended March 31, 2019	For the year ended March 31, 2018
I.	**Revenue from operations**	28		
	Sale of products		4,275.81	3,684.38
	Other operating revenue		10.60	7.35
	Total revenue from operations		**4,286.41**	**3,691.73**
II.	Other income	29	58.19	27.62
III.	**Total Income**		**4,344.60**	**3,719.35**
IV.	**Expenses**			
	Cost of materials consumed	30	3,230.44	2,634.16
	Purchases of Stock-in-Trade	31	223.01	170.81
		32	(55.59)	8.59
	work in progress and Stock-in-Trade			
	Excise Duty		-	16.87
		33	203.10	195.16
	Finance costs	34	21.97	31.88
	Depreciation and amortisation expenses	35	58.64	53.31
	Other expenses	36	355.54	327.25
	Total Expenses		**4,037.11**	**3,438.03**
V.			**307.49**	**281.32**
VI.	**Tax expense:**		**99.61**	**90.46**
	1. Current Tax		87.52	89.11
	2. Deferred Tax		12.09	1.35
VII.			**207.88**	**190.86**
VIII.	**Other comprehensive income**			
	(A)			
			(1.85)	(3.24)
			0.64	1.12
			(1.21)	**(2.12)**
	(B)			
			-	(3.21)
			-	1.11
			-	(2.10)
	Other comprehensive income for the year		**(1.21)**	**(4.22)**
IX.	**Total comprehensive income for the year (VII + VIII)**		**206.67**	**186.64**
X.	**Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)**			
	Basic (₹)	37	10.68	9.99
	Diluted (₹)		10.68	9.99

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
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DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Standalone Statement of Cash Flows

for the year ended March 31, 2019

(₹ in crore)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A.	**Cash flow from operating activities :**		
		307.49	**281.32**
	Adjustment for:		
	Depreciation and amortisation	58.64	53.31
		(29.51)	1.15
	Unrealised foreign exchange gain/loss (net)	(0.02)	-
	Dividend income	(3.47)	(4.00)
	Grant amortisation	(1.20)	(1.35)
	Interest income	(5.94)	(3.24)
	Employee share based compensation cost	1.16	-
	Finance cost	21.97	31.88
	Allowances for doubtful debts and advances	2.97	5.35
	Liabilities no longer required written back	(4.88)	(1.28)
		-	2.63
	Bad debts written off	16.24	8.20
		55.96	**92.65**
	OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**363.45**	**373.97**
	Adjustments for:		
	Inventories	(123.78)	19.22
	Biological assets other than bearer plants	(0.42)	0.41
	Trade receivables	(117.60)	(107.20)
		(1.38)	1.87
		(0.10)	0.32
	Other non-current assets	0.96	0.38
		(11.42)	16.41
		(9.89)	(4.77)
	Other current assets	31.52	(45.84)
	Trade payables	374.87	12.32
	Non-current provisions	(1.48)	(2.97)
		0.51	-
	Other non-current liabilities	5.49	0.33
	Current provisions	7.35	5.52
		(65.03)	24.59
	Other current liabilities	(2.19)	9.47
		87.41	**(69.94)**
	CASH GENERATED FROM OPERATIONS	**450.86**	**304.03**
	Direct taxes paid (net of refunds received)	**(88.30)**	**(62.79)**
	NET CASH FLOW GENERATED FROM OPERATING ACTIVITIES	**362.56**	**241.24**

Standalone Statement of Cash Flows

for the year ended March 31, 2019

(₹ in crore)

	Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
B.	**Cash flow from investing activities :**		
	Capital subsidy received	2.76	-
	Acquisition of property, plant and equipment and cwip	(168.54)	(143.52)
	Proceeds from sale of property, plant and equipment	31.83	1.28
	Intercorporate deposits given	(195.64)	(8.86)
	Intercorporate deposits returned	205.69	-
	Purchase of investments	(14.93)	(26.49)
	Interest received	6.04	3.23
	Dividend received	3.47	4.00
	NET CASH FLOW USED IN INVESTING ACTIVITIES	**(129.32)**	**(170.36)**
C.			
	Repayment of short term borrowings	(1,835.67)	(3,565.12)
	Proceeds from short term borrowings	1,731.64	3,299.29
	Repayment of long term borrowings	(1.88)	(1.35)
	Finance cost	(22.49)	(31.88)
	Dividend paid	(86.37)	(83.31)
	Dividend tax paid	(17.05)	(16.96)
	Redemption of preference shares	-	(0.01)
	Proceed from issue of share	-	316.92
	Share issue expenses charged directly to reserves	-	(14.26)
	NET CASH FLOW USED IN FINANCING ACTIVITIES	**(231.82)**	**(96.68)**
	Net increase/ (decrease) in cash and cash equivalents	**1.42**	**(25.80)**
	Cash and cash equivalents (opening balance)	**11.57**	**37.37**
	Cash and cash equivalents (closing balance) (refer note 12)	**12.99**	**11.57**

1 The above cash statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as ammended and the relevant provisions of the Act.

2 Figures in brackets indicate ca

3 The borrowings are availed for a short term duration of 3 days to 180 days to manage the cash requirements optimally. The amounts are

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Standalone Statement of changes in equity

for the year ended March 31, 2019

(a) Equity share capital (₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the reporting year	192.03	185.13
Changes in Equity share capital during the year (refer note 17)	-	6.90
Balance at the end of the reporting year	**192.03**	**192.03**

(b) Other equity

(₹ in crore)

	Retained earnings	General reserve	Employee share option outstanding	Securities Premium Account	Effective portion of Cash Flow Hedges	Total
Balance at April 1, 2018	**652.87**	**18.32**	**-**	**425.66**	**-**	**1,096.85**
Total comprehensive income for the year						
	207.88	-	-	-	-	207.88
Other comprehensive income for the year (net of income tax)	(1.21)	-	-	-	-	(1.21)
Total comprehensive income for the year	**206.67**	**-**	**-**	**-**	**-**	**206.67**
Transactions with the owners of the Company, recorded directly in equity						
Contributions and distributions						
Dividends	(86.41)	-	-	-	-	(86.41)
Dividend distribution tax	(17.05)	-	-	-	-	(17.05)
Others						
Amortisation of Intangibles (net of income tax) as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 52)	-	(2.77)	-	-	-	(2.77)
Employee compensation expenses recognized during the year	-	-	1.16	-	-	1.16
Others (refer Note 55)	-	-	-	0.40	-	0.40
Balance at March 31, 2019	**756.08**	**15.55**	**1.16**	**426.06**	**-**	**1,198.85**

Standalone Statement of changes in equity

for the year ended March 31, 2019

(₹ in crore)

	Retained earnings	General reserve	Employee share option outstanding	Securities Premium Account	Effective portion of Cash Flow Hedges	Total
Balance at April 1, 2017	**584.40**	**1.09**	**-**	**129.90**	**2.10**	**717.49**
	190.86	-	-	-	-	190.86
Other comprehensive income for the year (net of income tax)	(2.12)	-	-	-	(2.10)	(4.22)
Total comprehensive income for the year	**188.74**	**-**	**-**	**-**	**(2.10)**	**186.64**
Transactions with the owners of the Company, recorded directly in equity						
Contributions and distributions						
Dividend	(83.31)	-	-	-	-	(83.31)
Dividend distribution tax	(16.96)	-	-	-	-	(16.96)
Others						
Amortisation of intangibles (net of income tax) as per oil palm companies merger scheme approved by bombay high court (refer note 52)	-	(2.77)	-	-	-	(2.77)
Transfer from retained earnings to general reserve	(20.00)	20.00	-	310.02	-	310.02
Issue of equity shares during the year						-
Utilised towards share issue expenses	-	-	-	(14.26)		(14.26)
Balance at March 31, 2018	**652.87**	**18.32**	**-**	**425.66**	**-**	**1,096.85**

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
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ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Notes to the Financial Statements

1. General information

Godrej Agrovet Ltd. ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company, an erstwhile division of Godrej Soaps Limited was incorporated under the Companies Act, 1956 on November 25, 1991. The Company is a agribusiness company and its principal activities include manufacturing and marketing of high quality animal feed, innovative agricultural inputs and palm oil & allied products. The Company is a public company limited by shares and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2. Basis of preparation and measurement

(i) Basis of preparation:

The statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The statements of the Company for the year ended March 31, 2019 were authorized for issue in accordance with a resolution of the Board of Directors on May 6, 2019.

(ii) Basis of measurement

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

- certain assets and liabilities(including derivative instruments) that are measured at fair value (refer accounting policy regarding instruments)
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- plans – plan assets measured at fair value less present value of obligation; and
- share-based payments

(iii) Functional and presentation currency

These statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest crore, unless otherwise indicated. The amount as "0.00" in Financials are value with less than one lakh.

3. Key estimates and assumptions

While preparing statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and incase of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of obligations**

  The obligation arising from plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment obligations. Due to complexities involved in the valuation and its long term nature, obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of Provisions**

  a. Provision for sales returns

  The Company makes a provision for estimated sales returns, based on its historical experience and is dependent on other relevant factors.

  b. Provision for doubtful trade receivables

  The Company has large number of individual small customers. Management assesses the level of allowance for doubtful debts after taking into account

Notes to the Financial Statements

ageing analysis and any other factor to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors

c. Other Provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an of resources, and on past experience and circumstances known at the balance sheet date. The actual of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of lo assets / liabilities**

assets / liabilities are required to be measured at fair value on initial recognition. In case of liabilities/ assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair valuation of employee stock grants**

The fair valuation of the employee stock grants is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced
on the liability is recognised using the Company's incremental borrowing rate and in case of operating lease, it treats all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

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

- **cial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and commodity futures. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

- **Biological Assets**

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

4. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both and assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be

When measuring the fair value of a asset or a liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. Standards issued but not yet effective

Ind AS 116, Leases

Ind AS 116 is applicable for reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items.

Notes to the Financial Statements

Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as or operating leases. The Company is in the process of analysing the impact of new

The Company is proposing to use the Retrospective Approach" for transitioning to Ind AS 116. Accordingly, comparatives for the year ended 31st March 2019 will not be retrospectively adjusted.

6. es

A. Revenue :

(i) Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are as the Company no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company. As at 31 March 2019, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

(ii) Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic associated with the dividend will to the Company, and the amount of dividend can be measured reliably.

(iii) Interest income

For all instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the instruments or a shorter period, where appropriate, to the net carrying amount of the assets. Interest income is included in other

B. Foreign currency

i. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in or loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash hedges to the extent that the hedges are effective.

C.

i. _____

All employee bene payable wholly within twelve months of rendering services are as short-term employee Short-term employee are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii. _____

Obligations for contributions to contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund are expensed as the related service is provided.

iii. _____

The following post - employment plans are

Notes to the Financial Statements

- Provident Fund Contributions other than those made to the Regional Provident Fund of the Government which are made to the Trust administered by the Company.

  The Company's contribution to the Provident Fund Trust as established by the Company, is also considered as a Plan because, as per the rules of Company's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the shall be made good by the Company. The Company's net obligations in respect of such plans is calculated by estimating the amount of future that the employees have earned in return for their services and the current and prior periods that is discounted to determine its present value and the fair value of the plan asset is deducted.

- **Gratuity Fund**

  The Company provides for gratuity, a retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of obligations is performed annually by a actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic available in the form of any future refunds from the plan or reductions in future contributions to the plan.

  Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. _____

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in

v. _____:

All terminal are recognized as an expense in the period in which they are incurred.

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in net in the statement of or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if the Company:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither

- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax will be realised; such reductions are reversed when the probability of future taxable improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is

Notes to the Financial Statements

realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI.

The measurement of deferred tax the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. Inventories

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the products in which they will be used are expected to be sold at or above cost.

F. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are

If parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic associated

iii. Depreciation/ Amortizations

Depreciation on tangible assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/ deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as in Schedule II to the Act:

(a) Plant and Machinery:- 20 Years

(b) Computer Hardware:

Depreciated over its estimated useful life of 4 years.

(c) Leasehold Land:

Amortized over the primary lease period.

(d) Leasehold improvements and equipments:

Amortised over the Primary lease period or 16 years, whichever is less

Assets costing less than ₹ 5,000 are fully depreciated in the year of purchase/acquisition.

Notes to the Financial Statements

G. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

I. Intangible assets

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic that are attributable to the assets will to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Grant of Licenses and Computer software, which are acquired by the Company and have useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of or loss, except in the case of certain intangibles, as per the provisions of various schemes of amalgamation.

The intangible assets are amortised over the estimated useful lives as given below:

- Grant of licenses : 10 years
- Computer Software : 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

J. Research and Development Expenditure

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

K. Share-based payments:

a. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are the minimum expense recognised is the expense had the terms had not been if the original terms of the award are met. An additional expense is recognised for any n that increases the total fair value of the share-based payment transaction, or is otherwise to the employee as measured at the date of Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the

e. The dilutive effect of outstanding options is as additional share dilution in the computation of diluted earnings per share.

L. Financial Instruments

A instrument is any contract that gives rise to a asset of one entity and a liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and commodity futures contracts.

Financial instruments also covers contracts to buy or sell a item that can be settled net in cash or another instrument, or by exchanging instruments, as if the contracts were instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. Financial assets

The Company its assets in the

Notes to the Financial Statements

following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of and Loss (i.e. fair value through or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income), where permissible.
- A asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through or loss under the fair value option.

Business model test: The objective of the Company's business model is to hold the asset to collect the contractual cash (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash characteristics test: The contractual terms of the asset give rise on dates to cash that are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

At initial recognition, the Company measures a asset at fair value plus, in the case of a asset not recorded at fair value through the Statement of or Loss, transaction costs that are attributable to

Equity investments (other than investments in associates and joint venture)

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The is made on initial recognition and is irrevocable.
- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of and Loss.

Investments in Subsidiaries, Associates & Joint Ventures:

Investments in subsidiaries, associates & joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of

Derecognition

A asset (or, where applicable, a part of a asset or part of a Company of similar assets) is primarily derecognised (i.e. removed from the Company's Statement of Assets and Liabilities) when:

- The rights to receive cash from the asset have expired, or
- The Company has transferred its rights to receive cash from the asset or has assumed an obligation to pay the received cash in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Company has transferred its rights to receive cash from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.

b) Trade receivables - The application of approach does not require the Company to track changes in credit risk. Rather, it recognises

Notes to the Financial Statements

impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and

ii. Financial liabilities

Financial liabilities and equity instruments issued by the Company are according to the substance of the contractual arrangements entered into and the of a liability and an equity instrument.

The Company all liabilities as subsequently measured at amortised cost, except for liabilities at fair value through theStatement of and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are at initial recognition, as liabilities at fair value through or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as costs in the statement of and loss.

The Company's liabilities include trade and other payables, acceptances, loans and borrowings including bank overdrafts, guarantee contracts

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially such an exchange or is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the

Financial assets and liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

The Company uses derivative instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

M. Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an of resources embodying economic will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the

If the effect of the time value of money is material,provisions are determined by discounting the expected future cash to the liability. The unwinding of the discount is

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of of resources is remote, no provision disclosure is made.

Notes to the Financial Statements

A contingent asset is not recognised but disclosed in the statements where an of economic is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

N. ualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash hedges is recognized in the other comprehensive income in cash hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the ineffective portion is recognized immediately in statement of

Amounts accumulated in equity are to or loss in the periods when the hedged item affects or loss.

O. Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if of the arrangement is dependent on the use of a asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly in the arrangement.

i. Lease payments

Payments made under operating leases are recognised in the Statement of and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general to compensate for the lessor's expected

Minimum lease payments made under leases are apportioned between the expense and the reduction of the outstanding liability. The expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. Lease assets

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are as leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are as operating leases and are not recognised in the

P. cial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amounts of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash to their present value based on an appropriate discount factor that current market assessments of the time value of money and the risk to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of and Loss, to the extent the amount was previously charged to the Statement of and Loss. In case of revalued assets, such reversal is not recognised.

Q. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to

For the purpose of the statement of cash cash and cash equivalents consist of cash and short-term deposits, as d above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

R. Government Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the Statement of and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognized in the Statement of and Loss in the same period as the related cost which they are intended to compensate are accounted for.

S. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

T. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognized in the Statement of and Loss.

Notes to the Financial Statements

Note 2 : Property, plant and equipment

(₹ in crore)

PARTICULARS	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.1)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	& Other Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2019											
Gross Block											
Cost at April 1 , 2018	35.51	30.73	260.60	435.37	8.64	26.84	22.83	-	2.13	0.32	822.97
Additions	4.99	-	55.30	136.03	0.43	5.33	5.24	-	0.50	0.03	207.85
Disposals	(0.27)	-	(0.08)	(1.06)	(0.01)	(1.78)	(0.10)	-	(0.03)	-	(3.33)
As at March 31, 2019	40.23	30.73	315.82	570.34	9.06	30.39	27.97	-	2.60	0.35	1,027.49
Accumulated Depreciation											
At April 1 , 2018	-	0.95	25.82	94.82	2.28	7.85	7.18	-	0.47	0.08	139.45
Charge for the year	-	0.35	9.70	39.61	0.91	3.59	3.10	-	0.39	0.03	57.68
Disposals	-	-	(0.01)	(0.44)	(0.00)	(0.48)	(0.06)	-	(0.02)	-	(1.01)
As at March 31, 2019	-	1.30	35.51	133.99	3.19	10.96	10.22	-	0.84	0.11	196.12
Net Block as at March 31 , 2019	40.23	29.43	280.31	436.35	5.87	19.43	17.75	-	1.76	0.24	831.37
Capital work in progress											**62.18**
As at March 31, 2018											
Gross Block											
Cost as at April 1, 2017	35.51	30.73	255.34	402.28	7.72	23.79	19.04	0.80	1.09	0.46	776.76
Additions	-	-	5.42	34.39	0.95	4.49	3.83	-	1.04	0.05	50.17
Disposals	-	-	(0.16)	(1.30)	(0.03)	(1.44)	(0.04)	(0.80)	-	(0.19)	(3.96)
As at March 31 ,2018	35.51	30.73	260.60	435.37	8.64	26.84	22.83	-	2.13	0.32	822.97
Accumulated Depreciation											
At April 1, 2017	-	0.60	16.70	59.52	1.42	4.96	4.43	0.80	0.15	0.07	88.65
Charge for the year	-	0.35	9.13	35.58	0.87	3.24	2.77	-	0.32	0.04	52.30
Disposals	-	-	(0.01)	(0.28)	(0.01)	(0.35)	(0.02)	(0.80)	-	(0.03)	(1.50)
As at March 31 , 2018	-	0.95	25.82	94.82	2.28	7.85	7.18	-	0.47	0.08	139.45
Net Block as at March 31, 2018	35.51	29.78	234.78	340.55	6.36	18.99	15.65	-	1.66	0.24	683.52
Capital work in progress											**113.81**

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.

Note 2.2: Capital work in progress includes borrowing cost capitalised during the year of ₹ 0.52 crore (Previous Year Nil).

Notes to the Financial Statements

Note 3 : Intangible assets

(₹ in crore)

PARTICULARS	Computer Software	Grant of Licenses	Total
As at March 31, 2019			
Cost			
At April 1, 2018	6.52	17.00	23.52
Additions	0.98	-	0.98
Disposals	-	-	-
As at March 31 , 2019	**7.50**	**17.00**	**24.50**
Accumulated amortisation			
At April 1, 2018	4.23	12.75	16.98
Charge for the year	0.96	4.25	5.21
Disposals	-	-	-
As at March 31 , 2019	5.19	17.00	22.19
Net Block as at March 31, 2019	**2.31**	**-**	**2.31**
As at March 31, 2018			
Cost			
At April 1, 2017	6.31	17.00	23.31
Additions	0.21	-	0.21
Disposals	-	-	-
As at March 31, 2018	**6.52**	**17.00**	**23.52**
Accumulated amortisation			
At April 1, 2017	3.22	8.50	11.72
Charge for the year	1.01	4.25	5.26
Disposals	-	-	-
As at March 31, 2018	**4.23**	**12.75**	**16.98**
Net Block as at March 31, 2018	**2.29**	**4.25**	**6.54**

Note 3.1 To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (refer note 52 (i))

Note 4 : Biological assets other than bearer plants

A. Reconciliation of carrying amount

March 31, 2019

(₹ in crore)

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

Notes to the Financial Statements

March 31, 2018		(₹ in crore)
Particulars	**Oil palm saplings**	
	Qty.	**Amount**
Balance as April 1, 2017	612,172	4.67
Add:		-
Purchases	588,559	2.60
Production/ Cost of Development	-	1.03
Less:		-
Sales/ Disposals	(524,186)	(3.95)
Change in fair value less cost to sell:	**-**	**(0.09)**
Realised	-	(0.26)
Unrealised	-	0.17
Balance as at March 31, 2018	**676,545**	**4.26**

The Company has trading operations in oil palm business whereby the Company purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2019 , the Company purchased 593,900 (Previous year: 588,559) number of saplings, out of which 593,900 (Previous year: 588,559) were still under cultivation .

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains /(losses) recognised in respect of Level 3 fair values-

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
(Loss) included in 'other operating revenue'	**(0.08)**	**(0.09)**
Change in fair value - (realised)	(0.15)	(0.26)
Change in fair value - unrealised	0.07	0.17

iii. Valuation techniques an

Type	Valuation technique	unobservable inputs	inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 49 to ₹ 111 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)

C. Risk Management strategies related to agricultural activities

The Company is exposed to the following risks relating to its Oil Palm business.

i. Regulatory and environmental risks

The Company is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

The Company is exposed to risks arising from in the price and sales volume of plants. When possible, the Company manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis for projected harvest volumes and pricing.

iii. Climate and other risks

The Company's Oil Palm business is exposed to the risk of damage from climatic changes, diseases, forest and other natural forces. The Company has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

Notes to the Financial Statements

A reasonably possible change of 10% in estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased)

	March 31,2019		March 31,2018	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost	(0.08)	0.09	(0.08)	0.08
Cash flow sensitivity (net)	**(0.08)**	**0.09**	**(0.08)**	**0.08**

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 5 : Investments		
A. Investments in subsidiaries, associate and joint ventures		
Investment in Equity Instruments (Fully Paid)		
(a) Investment in equity of subsidiaries		
i Quoted		
Astec LifeSciences Limited.	257.82	254.89
1,12,75,466 (Previous year 1,12,17,885) Equity shares of ₹10/- each.		
(Acquired 57,581 Equity Shares during the current year)		
ii Unquoted		
i Godvet Agrochem Limited	9.95	9.95
99,50,000 (Previous year 99,50,000) Equity Shares of ₹ 10/- each.		
ii Creamline Dairy Products Limited.	162.07	162.07
58,79,008 (Previous year 58,79,008) equity shares of ₹10/- each.		
iii Godrej Tyson Foods Limited (refer Note 50)	72.94	-
1,01,439 (Previous year 97,461) Equity Shares of ₹10/- each.		
(Acquired 3,978 Equity Shares during the current year)		
iv Godrej Maxximilk Private Limited (refer Note 50)		
5,03,043 (Previous year 3,07,915) Equity shares of ₹ 10 each.	7.56	-
(Acquired 1,95,128 Equity Shares during the current year)		
(b) Investment in equity of joint ventures (Unquoted)		
i ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh.	12.58	12.58
18,50,000 (Previous year 18,50,000) Equity Shares of ₹ 100/- each.		
ii Omnivore India Capital Trust		
2,444.37 (Previous year 2,256.87) units of ₹ 1,00,000 each.	24.44	22.57
(Acquired 187.5 units during the current year)		
iii Godrej Tyson Foods Limited (refer Note 50)	-	66.03
(Previous year 97,461) Equity Shares of ₹10/- each.		
(c) Investment in equity of Associate (Unquoted)		
Godrej Maxximilk Private Limited (refer Note 50)		
(Previous year 3,07,915) Equity shares of ₹ 10 each.	-	4.34
Total (A)	**547.36**	**532.43**
B.		
(a) Investment in Co-operative Society	0.00	0.00
(b) Investment in Other Corporates	0.00	0.00
Total (B)	**0.00**	**0.00**
TOTAL	**547.36**	**532.43**

Notes to the Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 5.1 Other disclosures		
Aggregate amount of quoted investment	257.82	254.89
Market value of quoted investment	606.99	651.87
Aggregate amount of unquoted investments	289.55	277.54
Aggregate amount of Impairment in the value of investments	-	-

Note 5.2

Name of subsidiaries, associate and joint ventures - Place of business		% of holding	% of holding
1. Godvet Agrochem Limited	- Mumbai	100.00	100.00
2. Astec Lifesciences Limited	- Mumbai	57.67	57.45
3. Creamline Dairy Products Limited	- Hyderabad	51.91	51.91
4. ACI Godrej Agrovet Private Limited	- Dhaka, Bangladesh	50.00	50.00
5. Godrej Tyson Foods Limited	- Mumbai	51.00	49.00
6. Al Rahaba International Trading Limited Liability	- Abu Dhabi, UAE.	24.00	24.00
7. Godrej Maxximilk Private Limited	- Mumbai	62.97	49.90

Investment in units of Omnivore India Capital Trust, a venture capital organization, is considered as a joint venture as the Company participates in the key activities jointly with the Investment Manager.

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 6 : Non current loans (refer note 39.2)			
	Unsecured, considered good (unless otherwise stated)		
1	Security deposits		
	i Considered good	9.97	8.46
	ii Considered doubtful	0.23	0.23
	Less : Allowance for bad and doubtful deposits	(0.23)	(0.23)
	Net Deposits	9.97	8.46
2	Loan to employees	0.44	0.57
TOTAL		**10.41**	**9.03**
1	Claims receivable	1.46	1.46
2	Bank Deposit with remaining maturity of more than 12 months (refer note 7.1)	0.11	0.01
TOTAL		**1.57**	**1.47**
Note 7.1: Fixed Deposits of ₹ 0.11 crore (Previous year ₹Nil) are pledged with government authorities.			

Notes to the Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 8 : Other non-current assets		
1 Capital advances	25.23	19.28
2 Balance with government authorities	4.37	5.74
3 Others		-
i) Considered good	2.28	1.87
ii) Considered doubtful	0.19	0.23
Less : Allowance for doubtful advances	(0.19)	(0.23)
	2.28	1.87
TOTAL	**31.88**	**26.89**
Note 9 : Inventories		
(Valued at lower of cost and net realizable value)		
1 Raw materials	402.37	331.35
2 Raw Materials in Transit	-	1.34
3 Work in Progress	14.23	10.27
4 Project in progress	68.43	68.36
5 Finished goods	83.64	66.83
6 Stock-in-Trade	86.60	52.20
7 Stores and Spares	19.70	20.84
TOTAL	**674.97**	**551.19**
Note 9.1 : Refer note 23 for information on inventories pledged as securities by the Company		
Note 10 : Current investments		
Investment in equity of associates (Unquoted) (refer note. 5.2)		
i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE.	0.04	0.04
24 (previous year 24) Equity Shares of AED. 1,500/- each.		
TOTAL	**0.04**	**0.04**
Aggregate amount of quoted investment	-	-
Market value of quoted investment	-	-
Aggregate amount of unquoted investments	0.04	0.04
Aggregate amount of impairment in value of investments	-	-

Notes to the Financial Statements

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 11 : Current trade receivables (refer note 39.2 and note 60)			
i	Secured and considered good (refer note 11.1)	74.37	66.66
ii	Unsecured and considered good	514.01	423.33
iii.	Credit impaired	15.92	13.09
	Less : Loss allowance	(15.92)	(13.09)
TOTAL		**588.38**	**489.99**
Note 11.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.			
Note 11.2: Refer to note 23 for information on trade receivables pledged as security by the company.			
Note 12 : Cash and cash equivalents			
1	Cash on hand	0.68	0.58
2	Cheques, Drafts on hand	4.43	0.00
3	Balances with banks:		
	(a) Current Accounts	7.84	10.95
	(b) Saving bank account of company's ESOP Trust	0.04	0.04
TOTAL		**12.99**	**11.57**
Note 13 : Bank balances other than cash and cash equivalents			
Fixed Deposits - maturity more than 3 months and less than 12 months		0.66	0.79
Unclaimed dividend Account		0.04	-
TOTAL		**0.70**	**0.79**
Note 14 : Current loans			
Unsecured, considered good, unless otherwise stated			
1	Loans and advances to related parties (refer note 61)		
	(a) Intercorporate Deposits	8.69	18.74
2	Loans and Advances - Others		
	(a) Loans and advances to employees	0.85	0.75
	(b) Security deposits	2.46	4.47
	(c) Other Loans and advances	13.39	0.15
TOTAL		**25.39**	**24.11**

Notes to the Financial Statements

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
1		0.03	0.09
2	Interest accrued on intercorporate deposits	0.15	-
3	Interest accrued on other deposits	0.02	0.02
4	Non-trade receivables	20.75	12.40
5	Others	12.36	8.51
TOTAL		**33.31**	**21.02**

Note 16 : Other current assets			
1	Advances to suppliers	13.65	13.64
2	Balance with government authorities	12.01	40.23
3	Others (includes prepayments, inventory receivable on returns, etc.)	30.87	34.18
TOTAL		**56.53**	**88.05**

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 17 : Share capital			
1	**Authorised :**		
	(a) 22,49,94,000 (Previous year 22,49,94,000) Equity shares of the par value of ₹ 10 each	224.99	224.99
	(b) 6,000 (Previous year 6,000) Preference shares of the par value of ₹ 10 each	0.01	0.01
	TOTAL	**225.00**	**225.00**
2	**Issued, Subscribed and Paid-up:**		
	19,20,28,739 (Previous year 19,20,28,739) Equity shares of ₹ 10 each fully paid up.	192.03	192.03
	TOTAL	**192.03**	**192.03**

(₹ in crore)

		As at March 31, 2019		As at March 31, 2018	
		No. of shares	₹ In crore	No. of shares	₹ In crore
3	**Reconciliation of number of shares outstanding at the beginning and end of the year :**				
	Equity shares :				
	Outstanding at the beginning of the year	19,20,28,739	192.03	18,51,30,876	185.13
	Shares issued during the year	-	-	6,897,863	6.90
	Outstanding at the end of the year	**19,20,28,739**	**192.03**	**19,20,28,739**	**192.03**
	Preference shares :				
	Outstanding at the beginning of the year	-	-	6,000	0.01
	Issued during the year	-	-	-	-
	Redeemed during the year	-	-	(6,000)	(0.01)
	Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes to the Financial Statements

4 Rights, preferences and restrictions attached to

a Equity Shares: The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

b Preference Shares: The Company had Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders. These Non-Convertible Redeemable Preference Shares have been fully redeemed during the previous year.

5 Shareholders holding more than 5% shares in the company is set out below:

(₹ in crore)

		As at March 31, 2019		As at March 31, 2018	
		No. of shares	%	No. of shares	%
(a)	**Equity shares**				
1	Godrej Industries Limited -Holding Company	11,16,66,300	58.15%	11,13,57,225	57.99%
2	V-Sciences Investments Pte Ltd	2,47,07,698	12.87%	2,47,07,698	12.87%

6 There are no shares reserved for issue under options.

7 Shares issued for consideration other than cash:

i. Equity Shares allotted as fully paid up by way of Bonus Shares	Year ended	No. of Bonus shares
	March 31 2018	-
	March 31 2017	9,25,65,438
	March 31 2016	-
	March 31 2015	7,93,41,804
	March 31 2014	-

8 Initial public offering

During the previous year the Company had made an Initial public issue of 2,51,58,964 equity shares of face value ₹ 10 each fully paid up for cash at a price of ₹ 460/- per equity share (including a Securities Premium of ₹ 450/- per share) aggregating ₹ 1,157.31 crore consisting of a fresh issue of 63,37,225 equity shares by the Company and an offer for sale of 65,21,739 equity shares and 1,23,00,000 equity shares by Godrej industries Limited and V-Sciences Investments Pte Ltd. respectively aggregating to ₹ 1,157.31 crore. Aforementioned 63,37,225 equity shares were allotted on October 12th, 2017. The equity shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on October 16th, 2017.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 18 : Other equity		
1. Retained Earnings	756.08	652.87
2. General Reserve	15.55	18.32
3. Employee Stock Grants Outstanding.	1.16	-
4. Securities Premium Account	426.06	425.66
TOTAL EQUITY	**1,198.85**	**1,096.85**

Notes to the Financial Statements

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Employee Stock Grants Outstanding

The employee stock grants outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock grants plan.

Securities Premium Account

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in crore)

Dividend	As at March 31, 2019	As at March 31, 2018
The following dividends were declared and paid by the company during the year:		
Equity Dividend of 2017-18 paid @ ₹ 4.50 (previous year @ ₹ 4.50) per share	86.41	83.31
Dividend distribution tax on the equity dividend paid	17.05	16.96
	103.46	100.27

The Board, in its meeting on May 06, 2019 has recommended a dividend of ₹ 4.5 per equity share for the year ended March 31, 2019 subject to the approval at the Annual General Meeting. The cash on account of dividend would be ₹ 104.18 crore including corporate dividend tax of ₹ 17.77 crore.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 19 : Non current- borrowings		
Unsecured		
1 Deferred payment liabilities (refer note 19.1)	2.06	3.09
2 Deferred Sales Tax Loan (refer note 19.2)	1.18	2.26
TOTAL	**3.24**	**5.35**

Note 19.1: Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was ₹ 6.18 crore and outstanding for the year ended March 31, 2019 was ₹ 3.09 crore (Previous year ₹ 4.12 crore) with current maturity disclosed separately in note no. 25 at ₹ 1.03 crore (Previous year ₹ 1.03 crore) .

Note 19.2: Deferred Sales Tax Loan is availed interest free under the scheme by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was ₹ 4.67 crore and outstanding for the year ended March 31, 2019 was ₹2.41 crore (Previous year ₹ 3.11 crore) with current maturity disclosed separately in note 26 at ₹1.23 crore (Previous year ₹ 0.85 crore).

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Non Trade Payables	0.51	-
Total	**0.51**	**-**

Notes to the Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 21 : Non current provisions		
- Provision for compensated absences (refer note 38)	3.73	3.36
Total	**3.73**	**3.36**
Note 22 : Other non-current liabilities		
Deferred grant	16.35	12.24
Total	**16.35**	**12.24**
Note 23 : Current borrowings		
1 Secured		
(a) Cash credit from banks (refer note 23.1)	4.71	8.92
2 Unsecured		
(a) Term loans from Banks (refer note 23.2)	100.39	150.04
(b) Commercial paper (refer note 23.3)	-	50.00
(c) Cash credit (refer note 23.1)	0.36	0.53
Total	**105.46**	**209.49**

Note 23.1 : Cash Credit from banks are repayable on demand and carries interest at the rate of 1 Year MCLR + 35 to 50 bps (Previous year 1 Year MCLR + 35 to 50 bps) . This cash credit from Bank is secured against inventories and receivables.

Note 23.2 : Term Loans are taken from Citi Bank for the year ended March 31, 2019 and carries Interest Rates of T Bill +0 to T Bill +0.14 (Previous Year Term Loans were from multiple Banks and carried various Interest Rates of 5.95% to 9.35%, 1 year T Bill + 14 bps, 1 month Mibor + 85 bps and

Note 23.3 : During the year the Company has raised and repaid Commercial Paper carrying interest rate of 6.73% to 7.45% (Previous year 6.15% to 7.25%).

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 24 : Current -trade payables		
1 Trade Payables		
a. Due to micro enterprises and small enterprises (refer note 24.1)	10.73	-
b. Other than micro enterprises and small enterprises	234.46	234.62
2 Acceptances	824.18	465.04
Total	**1,069.37**	**699.66**

Notes to the Financial Statements

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Additional disclosure related to Micro Enterprises and Small Enterprises			
A	Principal amount remaining unpaid	**4.60**	**-**
B	Interest due thereon	**0.11**	**-**
C	Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	**-**	**-**
D	Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest under Micro, Small and Medium Enterprises Development Act, 2006	**-**	**-**
E	Interest accrued and remaining unpaid	**0.11**	**-**
F	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	**-**	**-**

Note 24.1: Micro enterprise and small enterprises as under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been d by the Company on the basis of the information available with the Company and the auditors have relied on the same. Accordingly ₹ 4.60 crores is overdue as on March 31, 2019 to Micro, Small and Medium Enterprises on account of principal or interest.

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
1	Current maturities of long-term debt		
	Unsecured Loan		
	From others - Deferred Sales Tax Loan (refer note 19.2)	1.23	0.85
	From others - Deferred payment liabilities (refer note 19.1)	1.03	1.03
2		0.06	0.06
3	Security Deposit	61.58	55.28
4	Non Trade Payables	33.13	93.38
5	Derivative liability	0.27	0.09
6	Others (includes accrual for expenses, bonus, etc.)	30.56	42.15
7	Unclaimed Dividend	0.04	-
Total		**127.90**	**192.84**
Note 26 : Other current liabilities			
1	Advances from Customers	35.00	29.74
2	Statutory Liabilities	3.37	10.73
3	Deferred Grants	0.99	1.04
Total		**39.36**	**41.51**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

Notes to the Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 27 : Current provisions		
1		
- Provision for compensated absences (refer note 38)	0.32	0.36
- Provision for gratuity (refer note 38)	3.80	5.02
2 Provision for sales return (refer note. 27.1)	33.65	25.04
Total	**37.77**	**30.42**
Note. 27.1 Movement of provision for sales return		
Opening Balance	25.04	20.37
Add: Provision created during the year	146.58	138.41
Less : Utilised during the year	137.97	133.74
Closing Balance	**33.65**	**25.04**

Note. 27.2 : The Company makes a provision on estimated sales return based on historical experience. The sales returns are generally expected within a year.

(₹ in crore)

	For the year ended March 31, 2019	For the year ended March 31, 2018
Note 28 : Revenue from operations		
1 Sale of products (refer note 28.1)		
Sale of products	4,245.78	3,658.05
Sale of Scrap and Empties	30.03	26.33
	4,275.81	**3,684.38**
2 Other operating revenue		
Rebates/Incentives from Government	10.68	7.44
Fair value of Biological Assets (refer note 4)	(0.08)	(0.09)
	10.60	**7.35**
Total	**4,286.41**	**3,691.73**
Note 28.1:		
1 Reconciliation of revenue from contract with customers		
Particulars		
Revenue from contract with customer as per the contract price	4,480.87	
Adjustments made to contract price on account of :-		
a) Discounts/Incentives	(205.06)	
	4,275.81	

Notes to the Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
2	**Disaggregation of revenue**		
	Animal Feed	3,046.47	
	Vegetable Oil	671.54	
	Crop Protection	540.34	
	Other Business	17.46	
		4,275.81	
3	**Geographical disaggregation**		
	Sales in India	4,272.66	
	Sales outside India	3.15	
		4,275.81	
Note 29 : Other income			
1	Interest income		
	(a) Instruments measured at amortised cost		
	- Interest received on Deposits	5.64	2.19
	(b) Interest received from Income Tax	0.30	1.05
2	Dividend income		
	(i) Dividend received from Joint Venture Company	0.02	0.61
	(ii) Dividend received from Subsidiary Company	3.45	3.39
	(iii) Dividend from Others	-	0.00
3		29.51	-
4	Claims received	1.20	3.07
5	Liabilities no longer required written back	4.88	1.28
6	Recovery of Bad Debts written off	0.81	0.59
7	Royalty & Technical Knowhow	1.30	1.44
8	Other Miscellaneous Income	9.88	12.39
9	Grant amortization	1.20	1.35
10	VAT refund received	-	0.26
TOTAL		**58.19**	**27.62**
Note 30 : Cost of materials consumed			
a	Material at the Commencement of the year	332.70	358.99
b	Add : Purchases	3,301.76	2,609.20
c	Less : Material sold	1.65	1.33
		3,632.81	2,966.86
d	Less: Material at the Close of the year	402.37	332.70
Total		**3,230.44**	**2,634.16**

Notes to the Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 31 : Purchase of stock-in-trade			
	Agri Input	223.01	170.81
Total		**223.01**	**170.81**
stock-in-trade			
1	**Stock at the Commencement of the year**		
	(a) Finished goods	66.83	65.08
	(b) Work in progress	10.27	8.16
	(c) Stock under cultivation	4.26	4.67
	(d) Stock-in-trade	52.20	64.24
	Total Stock at the commencement of the year	**133.56**	**142.15**
2	**Less : Stock at the Close of the year**		
	(a) Finished goods	83.64	66.83
	(b) Work in progress	14.23	10.27
	(c) Stock under cultivation	4.68	4.26
	(d) Stock-in-trade	86.60	52.20
	Total Stock at the close of the year	**189.15**	**133.56**
		(55.59)	**8.59**
1	Salaries, wages, bonus and allowances	170.76	166.83
2	Contribution to provident, gratuity and other funds (refer note 38)	11.62	10.89
3	Expense on employee stock grant scheme (refer note 45)	2.25	2.20
4	Staff welfare expense	18.47	15.24
TOTAL		**203.10**	**195.16**
Note 34 : Finance costs			
1	Interest expense		
	i. Paid to banks on loans and cash credit	9.31	10.76
	ii. Others	12.04	19.85
2	Preference dividend and tax on preference dividend	-	(0.00)
3	Exchange differences regarded as a adjustment to borrowing cost	-	0.32
4	Other borrowing costs	0.62	0.95
TOTAL		**21.97**	**31.88**

Note No. 34.1: Finance costs are net of interest capitalised to capital work in progress and project in progress ₹ 0.52 crore (Previous year ₹ 4.02 crore).

Notes to the Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 35 : Depreciation and amortisation expenses			
1	Depreciation	57.68	52.30
2	Amortization	5.21	5.26
	Less : Transfer to General Reserve (refer note 52 (i))	(4.25)	(4.25)
TOTAL		**58.64**	**53.31**
Note 36 : Other expenses			
1	Stores and Spares consumed	20.37	19.03
2	Power and Fuel	54.62	45.91
3	Processing and Other Manufacturing Charges	79.16	76.16
4	Rent	14.29	17.06
5	Rates and Taxes	3.41	3.57
6	Repairs and Maintenance		
	(a) Machinery	6.50	6.39
	(b) Buildings	1.69	1.13
	(c) Other assets	1.49	1.28
7	Insurance	2.18	2.11
8	Auditor's Remuneration (refer note 36.1)	0.62	0.61
9	Freight	16.77	15.07
10	Advertisement, Selling and Distribution Expenses	35.58	43.17
11	Bad Debts/Advances Written Off	16.24	8.20
12	Allowances for Doubtful Debts and Advances	2.97	5.35
13	Loss on Sale/Write off of Property, plant and equipment	-	1.15
14	Inventory lost due to Fire	-	2.63
15	Research Expenses	1.98	0.32
16	Net gain/loss on foreign currency transactions and translation	0.30	0.63
17	Corporate Social Responsibility (refer note 53)	4.80	4.39
18	Miscellaneous Expenses	92.57	73.09
TOTAL		**355.54**	**327.25**
Note No. 36.1: Auditor's remuneration (including to previous auditors)			
(a)	Audit Fees (including limited reviews)	0.59	0.59
(b)	Other matters	0.02	-
(c)	Reimbursement of Expenses	0.01	0.02
Total		**0.62**	**0.61**
		-	0.72
		0.62	**1.33**

Notes to the Financial Statements

Note 37 : Earnings per share

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

Particulars		March 31, 2019	March 31, 2018
1	Calculation of weighted average number of equity shares - Basic		
	Number of shares at the beginning of the year	**19,20,28,739**	**18,51,30,876**
	Equity shares issued during the year	-	68,97,863
	Number of equity shares outstanding at the end of the year	**19,20,28,739**	**19,20,28,739**
	Weighted average number of equity shares for the year	**19,20,28,739**	**18,83,77,275**
2	Calculation of weighted average number of equity shares - Diluted		
	Weighted average equity shares - Basic	**19,20,28,739**	**18,51,30,876**
	Effect of exercise of share grants (refer note 37.1)	15,500	-
	Weighted average number of potential equity shares for the year	**19,20,44,239**	**18,83,77,275**
3			
		207.88	190.86
	Income/(Expense) recognized in Reserves		
	Amortisation of Intangible Assets	(2.77)	(2.77)
		205.11	**188.09**
4	Basic Earnings per share (₹)	**10.68**	**9.99**
5	Diluted Earnings per share (₹)	**10.68**	**9.99**
6	Nominal Value of Shares (₹)	**10**	**10**

Note 37.1 The calculation of diluted earning per share is based on attributed to equity shareholders and weighted average number of equity shares outstanding after adjustments for the effects of all dilutive potential equity share i.e. shares reserved for employee share based payments . These shares, have been issued on July 2, 2018 under Employee Stock Grants Scheme.

The Company contributes to the following post-employment plans in India.

The Company's contributions paid/payable to Regional Provident Fund at certain locations, Superannuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of and Loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company recognised ₹ 8.22 crore for the year ended March 31, 2019 (for Previous Year ₹ 7.37 crore) towards provident fund contribution, ₹ 0.87 crore for the year ended March 31, 2019 (for Previous Year ₹ 0.99 crore) towards employees' state insurance contribution and ₹ 0.58 crore for the year ended March 31, 2019 (Previous Year ₹

I. Provident Fund

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

Notes to the Financial Statements

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2019.

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Plan assets at period end, at fair value	114.85	99.07
Provident Fund Corpus / Obligation	111.94	96.25
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.49%	8.61%
Weighted Average YTM	8.54%	8.60%
Guaranteed Rate of Interest	8.65%	8.55%

II. Gratuity.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the ICICI Prudential Life insurance, a funded plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2019. The present value of the obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee obligation and the plan assets as at balance sheet date:

(₹ in crore)

	March 31, 2019	March 31, 2018
	(24.97)	(22.40)
Fair value of plan assets	21.17	17.38
	(3.80)	(5.02)

i.

The following table shows a reconciliation from the opening balances to the closing balances for net (asset) liability and its components

(₹ in crore)

	Fair value of plan assets				(asset) liability	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening balance	22.40	18.23	17.38	14.02	5.02	4.21
Current service cost	1.69	1.47	-	-	1.69	1.47
Past service cost	-	-	-	-		
Interest cost (income)	1.74	1.33	1.35	1.02	0.39	0.31
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	1.89	3.09	-	-	1.89	3.09
Demographic assumptions	0.68	-	-	-	0.68	-
Financial assumptions	(0.02)	(0.91)	-	-	(0.02)	(0.91)

Notes to the Financial Statements

(₹ in crore)

	Fair value of plan assets				(asset) liability	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Experience adjustment	1.23	4.00	-	-	1.23	4.00
Return on plan assets excluding interest income	-	-	0.04	(0.15)	(0.04)	0.15
	27.72	**24.12**	**18.77**	**14.89**	**8.95**	**9.23**
Other						
Contributions paid by the employer	-	-	5.15	4.21	(5.15)	(4.21)
	(2.75)	(1.72)	(2.75)	(1.72)	-	-
Closing balance	**24.97**	**22.40**	**21.17**	**17.38**	**3.80**	**5.02**

(₹ in crore)

	March 31, 2019	March 31, 2018
Represented by		
	3.80	5.02
Amount recognised in other comprehensive income for the year		
Actuarial loss on obligation for the period	1.89	3.09
Return on plan assets	(0.04)	0.15
Net expense for the period recognised in OCI	1.85	3.24

ii. Plan assets

Plan assets comprise the following

	March 31, 2019	March 31, 2018
Insurer managed fund (100%)	21.17	17.38
	21.17	**17.38**

iii. Actuarial assumptions

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

	March 31, 2019	March 31, 2018
Discount rate	7.79%	7.78%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 8.00 % p.a. & For service 5 yrs and above 3.00 % p.a.	For service 4 yrs. & Below 15.00 % p.a. & For service 5 yrs. and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Notes to the Financial Statements

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would

(₹ in crore)

	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.75)	2.02	(1.67)	1.93
Future salary growth (1% movement)	2.06	(1.81)	1.96	(1.72)
Rate of employee turnover (1% movement)	0.43	(0.49)	0.42	(0.48)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

v.

(₹ in crore)

	March 31, 2019	March 31, 2018
1st Following year	3.00	2.92
2nd Following year	1.55	0.77
3rd Following year	1.72	1.91
4th Following year	2.16	1.36
5th Following year	2.06	1.81
Thereafter	12.26	10.79

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended March 31, 2019 based on actuarial valuation using the ₹ 1.13 crore (previous year ₹ 1.17 crore).

Termination & All termination including voluntary retirement compensation are fully written off to the Statement of Loss.

Notes to the Financial Statements

Note 39: Financial instruments – Fair values and risk management

Carrying amounts and fair values of assets and liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for assets and l liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

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

(₹ in crore)

March 31, 2018		Carrying amount				Fair value			
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
I									
1	Investments	0.00	-	-	0.00	-	-	0.00	0.00
2	Loans and advances	-	-	9.03	9.03	-	-	-	-
3	Others	-	-	1.47	1.47	-	-	-	-
II									
1	Trade and other receivables	-	-	489.99	489.99	-	-	-	-
2	Cash and cash equivalents	-	-	11.57	11.57	-	-	-	-
3	Other bank balances	-	-	0.79	0.79	-	-	-	-
4	Loans and advances	-	-	24.11	24.11	-	-	-	-
5	Others	-	-	21.02	21.02	-	-	-	-
		0.00	**-**	**557.98**	**557.98**	**-**	**-**	**0.00**	**0.00**

Notes to the Financial Statements

(₹ in crore)

March 31, 2018		Carrying amount				Fair value			
		FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
I	**Non-current Financial liabilities**								
1	Borrowings	-	-	5.35	5.35	-	2.26	-	2.26
2	Others	-	-	-	-	-	-	-	-
II	**Current Financial liabilities**								
1	Borrowings	-	-	209.49	209.49	-	-	-	-
2	Trade and other payables	-	-	699.66	699.66	-	-	-	-
3	Others	0.09	-	192.75	192.84	-	0.09	-	0.09
		0.09	**-**	**1,107.25**	**1,107.34**	**-**	**2.35**	**-**	**2.35**

Valuation technique used to determine fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as unobservable input used.

Type	Valuation technique	unobservable inputs	Inter-relationship between and fair value measurement
Forward contract for foreign exchange contracts	- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
	- the fair value of the remaining instruments	NA	NA

Financial risk management

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 39.2: Credit risk

Credit risk is the risk of loss to the Company if a customer or counterparty to a instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

Notes to the Financial Statements

Trade receivables and loans and advances.

The Company's exposure to credit risk is mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

(₹ in crore)

	Carrying amount	
	March 31, 2019	March 31, 2018
Trade receivables (net of impairment)	**588.38**	**489.99**
Exports		
Distributors	-	-
Other	0.58	0.20
Domestic		
Distributors	561.08	474.16
Other	26.72	15.63
Total of Trade Receivables	**588.38**	**489.99**
Total of Other Receivables	**25.82**	**13.08**

Impairment

The ageing of trade receivables as follows :

(₹ in crore)

	March 31, 2019	March 31, 2018
Neither past due nor impaired	382.85	332.69
Past due 1–30 days	45.81	40.54
Past due 31–90 days	49.39	34.55
Past due 91–180 days	41.22	20.13
> 180 days	85.03	75.17
	604.30	**503.08**

Notes to the Financial Statements

The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows:

(₹ in crore)

	March 31, 2019	March 31, 2018
For Trade receivables		
Balance as at April 1	13.09	7.78
Impairment loss recognised	18.74	13.26
Amounts written off	(15.91)	(7.95)
Balance as at March 31	**15.92**	**13.09**

(₹ in crore)

	March 31, 2019	March 31, 2018
For other receivables		
Balance as at April 1	0.23	0.23
Impairment loss recognised	0.33	0.25
Amounts written off	(0.33)	(0.25)
Balance as at March 31	**0.23**	**0.23**

Cash and cash equivalents

The Company held cash and cash equivalents and other Bank balances of ₹ 13.80 crore at March 31, 2019 (Previous Year ₹ 12.37 crore) . The cash

Note 39.3: Liquidity risk

Liquidity risk is the risk that the Company will encounter in meeting the obligations associated with its liabilities that are settled by delivering cash or another asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The company has access to funds from debt markets through loans from banks, commercial papers and other debt instruments.

Exposure to liquidity risk

The following are the remaining contractual maturities of liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

Notes to the Financial Statements

(₹ in crore)

March 31, 2019	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Deferred Sales Tax Loan	1.18	1.34	-	-	1.34	-	-
Deferred Payment Liability	2.06	2.70	-	-	1.49	1.21	-
	0.51	0.51	-	-	0.51	-	-
Cash credit from bank	5.07	5.07	5.07	-	-	-	-
Term loans from banks	100.39	100.39	100.39	-	-	-	-
Commercial papers	-	-	-	-	-	-	-
Trade and other payables	245.19	245.19	245.19	-	-	-	-
Acceptances	824.18	824.18	824.18	-	-	-	-
	127.59	127.59	125.31	2.28	-	-	-
Derivative liability	0.27	0.27	0.27	-	-	-	-
Total	**1,306.44**	**1,307.24**	**1,300.41**	**2.28**	**3.34**	**1.21**	**-**

(₹ in crore)

March 31, 2018	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Deferred Sales Tax Loan	2.26	2.57	-	-	1.23	1.34	-
Deferred payment Liabilities	3.09	3.09	-	-	1.03	2.06	-
	-	-	-	-	-	-	-
Cash credit from bank	9.45	9.45	9.45	-	-	-	-
Term loans from banks	150.04	150.04	150.04	-	-	-	-
Commercial papers	50.00	50.00	50.00	-	-	-	-
Trade and other payables	234.62	234.62	224.07	10.55	-	-	-
Acceptances	465.04	465.04	465.04	-	-	-	-
	192.75	203.87	202.39	1.47	-	-	-
Derivative liability	0.09	0.09	-	0.09	-	-	-
Total	**1,107.34**	**1,118.76**	**1,100.99**	**12.11**	**2.26**	**3.40**	**-**

The gross disclosed in the above table represent the contractual undiscounted cash relating to derivative liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash amounts

Notes to the Financial Statements

Note 39.4 : Currency risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Currency risk

The functional currency of Company is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are INR. The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import of purchases/services.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows. The following are the remaining contractual maturities of liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in crore)

	March 31,2019	March 31,2018
	USD	USD
Financial assets		
Trade and other receivables	7.68	0.20
Foreign exchange forward contracts	-	-
Net exposure to foreign currency risk (Assets)	**7.68**	**0.20**
Financial liabilities		
Foreign currency loan	-	-
Trade payables	(15.71)	(15.67)
Foreign exchange forward contracts	14.64	14.98
Net exposure to foreign currency risk (Liabilities)	**(1.07)**	**(0.69)**
Net exposure	**6.61**	**(0.49)**
Un-hedged foreign currency exposures		
Purchase	(1.07)	(0.69)
Sale	7.68	0.20

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 2019 would have affected the measurement of instruments denominated in a foreign currency and affected equity and or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR crores			Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2019				
USD (3% movement)	0.13	(0.13)	0.13	(0.13)
	0.13	**(0.13)**	**0.13**	**(0.13)**

Notes to the Financial Statements

Effect in INR crores			Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2018				
USD (1% movement)	(0.00)	0.00	(0.00)	0.00
	(0.00)	**0.00**	**(0.00)**	**0.00**

Note: Sensitivity has been calculated using standard Deviation % of USD rate movement.

Note 39.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash interest rate risk. Fair value interest rate risk is the risk of changes in fair values of interest bearing assets or borrowings because of in the interest rates, if such assets/borrowings are measured at fair value through or loss. Cash interest rate risk is the risk that the future cash of interest bearing borrowings will because of

Exposure to interest rate risk

(₹ in crore)

Nominal amount	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Financial assets		
Loans and advances	13.68	0.57
	10.38	20.42
Total	**24.06**	**20.99**
Financial liabilities		
Borrowings	2.06	68.13
	62.61	56.30
Total	**64.67**	**124.43**
Variable-rate instruments		-
Current borrowings		
Term loans from banks	100.39	135.00
Cash credit / working capital demand loans from banks	5.07	9.44
	105.46	**144.44**

The Company does not account for any borrowings at fair value through or loss. Therefore, a change in interest rates at the reporting date would

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	March 31, 2019		March 31, 2018	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
Variable-rate instruments				
	(1.05)	1.05	(1.44)	1.44
	(1.05)	**1.05**	**(1.44)**	**1.44**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Notes to the Financial Statements

Note 40 : Hedge accounting

The Company's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time.

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash The Company assesses whether the derivative designated in each hedging relationship is expected to be

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

During the Previous Year the outstanding borrowings and the relevant forward contracts have been settled and hence, the amount in "Other

a.

March 31, 2019	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness or loss	Line item in the statement includes the hedge ineffectiveness	hedging reserve to	Line item affected in loss because of the
	NA	NA	NA	NA	NA
March 31, 2018	Change in the value of the hedging instrument recognised in OCI	Hedge ineffectiveness or loss	Line item in the statement includes the hedge ineffectiveness	hedging reserve to	Line item affected in loss because of the
	NA	NA	NA	3.21	NA

b. **The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting**

	Amount
As at April 1, 2017	**(2.10)**
Add : Changes in fair value	-
	3.21
Less: Deferred tax relating to the above	(1.11)
As at March 31, 2018	**-**

Note 41 : Tax expense

(a) **(₹ in crore)**

	For the year ended March 31, 2019	**For the year ended March 31, 2018**
Current income tax	87.52	89.11
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	12.09	0.65
Increase in tax rate	-	0.70
Deferred tax expense	12.09	1.35
Tax expense for the year	**99.61**	**90.46**

Notes to the Financial Statements

(b) Amounts recognised in other comprehensive income

	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
	1.85	(0.64)	1.21	3.24	(1.12)	2.12
Effective portion of gains/(losses) on hedging	-	-	-	3.21	(1.11)	2.10
	1.85	**(0.64)**	**1.21**	**6.45**	**(2.23)**	**4.22**

(c) Amounts recognised directly in equity

	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
General Reserve						
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 52).	4.25	1.48	2.77	4.25	1.48	2.77
	4.25	**1.48**	**2.77**	**4.25**	**1.48**	**2.77**

(d) Reconciliation of effective tax rate

	For the year ended March 31, 2019	For the year ended March 31, 2018
	307.49	**281.32**
Company's domestic tax rate	34.94%	34.61%
Tax using the Company's domestic tax rate (Current year 34.94% and Previous Year 34.61%)	107.44	97.36
Tax effect of:		
Expense not allowed for tax purposes	2.52	0.87
Additional allowance for tax purpose	(5.50)	(5.85)
Income not considered for tax purpose	(1.21)	(1.39)
	(3.55)	-
Others	(0.09)	(0.54)
	99.61	**90.45**
Current tax	**87.52**	**89.11**
Deferred tax	**12.09**	**1.35**

The Company's effective tax rate for the year ended March 31, 2019 is 32.40% and for year ended March 31 2018 is 32.15%.

Notes to the Financial Statements

Note. 42 : Movement in deferred tax balances for the year ended March 31, 2019

(₹ in crore)

	Net balance April 1, 2018	Recognised loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax
Deferred tax assets / (liabilities)							
Property, plant and equipment & Intangible assets	(75.96)	(14.42)	-	0.83	(94.31)	4.76	(89.55)
Compensated absences	1.30	0.12	-	-	1.42	-	1.42
Investments	0.99	0.18	-	-	-	1.17	1.17
Biological Assets	(0.08)	0.03	-	-	(0.05)	-	(0.05)
Doubtful Debtors	4.73	0.94	-	-	5.67	-	5.67
Other items	2.20	1.06	-	-	3.26	-	3.26
Tax assets (Liabilities)	**(66.82)**	**(12.09)**	**-**	**0.83**	**(84.01)**	**5.93**	**(78.08)**

Movement in deferred tax balances for the year ended March 31, 2018

(₹ in crore)

	Net balance April 1, 2017	Recognised loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability(net)	Deferred tax asset	Net Deferred Tax
Deferred tax assets / (liabilities)							
Property, plant and equipment & Intangible assets	(71.96)	(5.27)	-	1.27	(80.48)	4.52	(75.96)
Compensated absences	0.51	0.79	-	-	1.30	-	1.30
Investments	0.96	0.03	-	-	-	0.99	0.99
Biological Assets	(0.11)	0.03	-	-	(0.08)	-	(0.08)
Doubtful Debtors	2.84	1.89	-	-	4.73	-	4.73
Other items	(0.09)	1.18	1.11	-	2.20	-	2.20
Tax assets (Liabilities)	**(67.85)**	**(1.35)**	**1.11**	**1.27**	**(72.33)**	**5.51**	**(66.82)**

The company offsets tax assets and liabilities, if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries and certain joint ventures in the foreseeable future,

Note 43 : Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

Notes to the Financial Statements

The Company's adjusted net debt to equity ratio as at March 31, 2019 and March 31, 2018 was as follows.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Total borrowings	110.96	216.72
Less : Cash and cash equivalent	12.99	11.57
Adjusted net debt	**97.97**	**205.15**
Total equity	**1,390.88**	**1,288.88**
Adjusted net debt to equity ratio	0.07	0.16

Note 44: Segment information for the year ended March 31, 2019

Factors used to identify the entity's reportable segments, including the basis of organisation -

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been as the Managing Director (MD) of the Company. The Company has the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed

2) Crop Protection

3) Vegetable Oil

4) Other Business Segment includes, Seed Business, Energy Generation through Windmill and Real Estate Business

(i) Information about Primary business Segments

(₹ in crore)

Particulars	For the year ended March 31, 2019						
	Animal Feed	Vegetable Oil	Crop Protection	Other Business	Unallocated	Inter Segment	Total
Revenue from operations	3,046.47	679.30	549.41	17.47	-	(6.24)	4,286.41
Result							
Segment Result	128.55	113.45	160.07	25.12	-		427.19
Unallocated expenditure net of unallocated income					(107.14)		(107.14)
Interest expenses					(21.97)		(21.97)
Interest Income					5.94		5.94
Investments (net)					3.47		3.47
					(119.70)		307.49
Provision for taxation					99.61		99.61
					-		**207.88**
Other Information							
Segment assets	1,114.17	362.65	613.07	105.19	696.04		2,891.12
Segment liabilities	1,027.78	45.73	180.90	13.39	232.44		1,500.24
Capital expenditure	83.84	69.72	5.08	0.15	5.02		163.81
Depreciation and amortisation	30.93	18.44	3.36	1.39	4.52		58.64

Notes to the Financial Statements

(ii) The Segment revenue in each of the above business segments consists of sales (net of returns, goods and service tax, rebates etc.) and other operating revenue.

(iii) Segment Revenue, Results, Assets and liabilities include the respective amounts to each of the segments and amounts allocated on a reasonable basis

(iv) Segment result of Other Business includes non-recurring income of ₹

(i) Information about Primary business Segments

(₹ in crore)

Particulars	For the year ended March 31, 2018						
	Animal Feed	Vegetable Oil	Crop Protection	Other Business	Unallocated	Inter Segment	Total
Revenue from operations	2,575.98	585.42	510.95	24.77	-	(5.39)	3,691.73
Result							
Segment Result	155.94	112.26	142.48	(5.01)	-		405.67
Unallocated expenditure net of unallocated income	-	-	-	-	(99.71)		(99.71)
Interest expenses	-	-	-	-	(31.88)		(31.88)
Interest Income	-	-	-	-	3.24		3.24
Investments (net)	-	-	-	-	4.00		4.00
					(124.35)		281.32
					-		281.32
Provision for taxation					90.46		90.46
					-		190.86
Other Information							
Segment assets	961.99	304.84	493.54	112.16	698.17		2,570.70
Segment liabilities	694.55	96.48	142.70	7.58	340.51		1,281.82
Capital expenditure	17.14	115.80	3.56	0.06	6.95		143.52
Depreciation and amortisation	29.67	14.75	3.19	1.41	4.29		53.31

1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.

2. As the Company mainly caters to the need of domestic market and the total export turnover is not separate geographical

Note 45: Share-based payment arrangements:

Description of share-based payment arrangements

Employee stock options

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is ₹ 1 per equity share as provided in the scheme. The Company has provided ₹ 1.09 crore (Previous Year ₹

Employee stock grant scheme - equity settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20,2018.

The ESGS Scheme is effective from April 1, 2018, (the “Effective Date”) and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

Notes to the Financial Statements

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty Lakhs) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been at ₹ 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of and Loss. The value of the options is treated as a part of employee compensation

The Company has provided ₹ 1.16 crore for all the eligible employees for current year.

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2019:

Particulars	Year ended March 31, 2019	Description of the Inputs used
Dividend yield %	0.73%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	27%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	7.174% to 7.744%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	
Weighted Average Market price on date of granting the options	619.95	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2019	Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
Options outstanding at the beginning of the year	-	10.00	362.72
Options Granted	43,599		
Options Vested	-		
Options Exercised	-		
Options Lapsed / Forfeited	894		
Total options outstanding at the end of the year	**28,470**		

The weighted average exercise price of the options outstanding as on March 31, 2019 is ₹ 6.11.

Notes to the Financial Statements

Note 46 : Contingent liabilities

(₹ in crore)

Particulars			March 31,2019	March 31,2018
Claims against the Company not acknowledged as debts:				
(i)	Excise Matter			
	Excise duty demands relating to disputed assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels		80.38	71.50
(ii)	Customs Matter			
	Customs duty demands relating to disputed which the Company has contested and is in appeal at various levels.		1.02	0.93
(iii)	Income Tax			
	a	The Company has received a order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 1.32 crore which includes interest amounting to ₹ 0.25 crore.	1.32	1.32
	b	The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing for the A.Y 2013-14 in which a demand of ₹1.43 crore has been determined to be payable by the Company.	1.43	1.43
	c	The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing in which he has disallowed against sec. 14A and in respect of additional depreciation claimed u/s 32 (1) (iia)	3.31	3.31
	d	The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing in which he has disallowed against sec. 14A and in	2.10	-
(iv)	Surety Bond issued on behalf of related party.		1.21	1.21
(v)	Guarantees issued by the Banks and counter guaranteed by the company which have been secured by deposits with bank.		3.66	13.14
(vi)	Claims against the Company not acknowledged as debt		6.14	4.94

Note 46.1 : Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of with regard to these matters depend on the

Note 46.2 : The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been and is pending before the SC for disposal.

Pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decision is prospective and accordingly provided the liability for March 2019.

The impact for the past period, will depend upon the outcome of subject review petition and directions from the EPFO and hence, disclosed as a

Note 47 : Commitments

(₹ in crore)

Particulars		March 31,2019	March 31,2018
a)	Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	49.98	11.02
b)	Outstanding Export obligation Under EPCG Scheme	34.72	34.72

Based on the share purchase agreement ("SPA") entered into with the erstwhile promoter of its subsidiary company, Astec Lifesciences Limited, the Company has a commitment to purchase 5% of the subsidiary's Equity shares from erstwhile promoter for a consideration of ₹ 18.48 crores, in case, he exercises his put option available to him as per the SPA.

Notes to the Financial Statements

Note 48 : Leases

Operating Lease:

The Company's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

(₹ in crore)

Particulars	March 31,2019	March 31,2018
Future lease commitments		
- Within one year	5.71	4.59
-	16.26	14.56
-	3.48	5.26

b.

(₹ in crore)

Particulars	March 31,2019	March 31,2018
Minimum lease payments	14.29	17.06

Note 49 : Grants/subsidies from government

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

Note 50 : Investments in subsidiaries

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

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

Note 51 : Information in respect of current investment in associates.

during the previous year, the management has decided to divest its stake in AL Rahaba International Trading Limited Liability Company. Consequently,

Note 52 : Amalgamation of oil palm companies.

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

i. Amortisation of Intangible Assets of the Transferor Companies amounting to ₹4.25 crore each for the Financial year ended March 31, 2019 and March 31, 2018 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹42.51 crore.

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

Note 53 : Corporate social responsibility (csr) expenditure.

As per Section 135 of the Companies Act, 2013 a CSR Committee has been formed by the company. The funds are utilised during the year on activities which are in schedule VII of the Act.The utilisation is done by the way of direct contribution towards various activities. Gross amount required to be spent by the company during the year ₹ 4.70 crore (Previous year ₹4.31 crore).

Notes to the Financial Statements

Amount spent during the period on:	For the year ended March 31, 2019			For the year ended March 31, 2018		
	In cash	Yet to be paid in cash	TOTAL	In cash	Yet to be paid in cash	TOTAL
(i) Construction/acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	4.80	-	4.80	4.39	-	4.39

Note 54 : Managerial remuneration.

During the year ended March 31, 2017, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹ 86.61 crore. During the current year, the Company has obtained necessary approvals for the same, in accordance with the Companies (Amendment) Act, 2017.

Note 55 : IPO utilisation.

During the previous year, the proceeds from Initial Public Offer (IPO) received were ₹291.51 crores (including issue related expenses of ₹ 14.26 crores.). The utilisation of the same were as follows.

Particulars	Object of the issue as per the Prospectus	Utilised upto March 31, 2018
Repayment or prepayment of working capital facilities availed by the Company	100.00	100.00
Repayment of commercial papers issued by the Company	150.00	150.00
General corporate purposes (including repayment of debts)	27.25	27.25
TOTAL	**277.25**	**277.25**

During the previous year, the Company had incurred ₹56.61 crores of IPO expenses. These IPO expenses were allocated between the Company ₹14.26 crores (which has been adjusted against the securities premium account) and the selling shareholders ₹ 42.35 crores in proportion to the equity shares allotted to the public as fresh issue by the Company and under offer for sale by the selling shareholders.

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

Note 56 : Research and development

Units of the Company has been recognized by DSIR as in-house Research and Development unit. The Company claims exemption under Sec 35(2AB) of Income Tax Act 1961 for expenditure incurred on in-house R&D activities, detailed below.

(₹ in crore)

	March 31, 2019			March 31, 2018		
Amount in respect to	**Vikhroli R&D Centre**	**Nashik R&D Centre**	**Total**	**Vikhroli R&D Centre**	**Nashik R&D Centre**	**Total**
Capital expenditure	0.15	0.11	0.26	0.09	0.39	0.48
Revenue expenditure	4.60	8.48	13.08	3.08	8.67	11.75
Total expenditure incurred	**4.75**	**8.59**	**13.34**	**3.17**	**9.06**	**12.23**
Less: Income earned by R&D	0.01	1.20	1.21	-	1.13	1.13
Net expenditure incurred	**4.74**	**7.39**	**12.13**	**3.17**	**7.93**	**11.10**

Note 57 :

The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017, consequently revenue from operations for the year ended March 31, 2018 is net of GST, however revenue for quarter ended June 30, 2017 is inclusive of excise duty and hence, total income from operations for year ended March 31, 2018 and year ended March 31, 2019 are not comparable.

Notes to the Financial Statements

Note 58 : Movement in borrowings

(₹ in crore)

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

Particulars	March 31, 2017	Cash Flows	Non-cash changes (Fair value changes)	March 31, 2018
Long term borrowings	8.09	(1.35)	0.49	7.23
Short term borrowings	475.31	(265.82)	-	209.49
Total borrowings	**483.40**	**(267.17)**	**0.49**	**216.72**

Note 59 : The disclosures regarding details of bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been

Note 60 : ₹ one lakh.

Note No. 61: Related party disclosures

1. In compliance with Ind AS 24 - "Related Party Disclosures", as under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

	GODREJ AGROVET LIMITED
(a) (i) Key Management Personnel and Entities where Key	Mr. N. B. Godrej (Chairman)
	Mr. A. B. Godrej (upto 5th November, 2018)
	Mr. J. N. Godrej
	Mr. V. M. Crishna
	Ms. Tanya A. Dubash
	Ms. Nisaba Godrej
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)
	Mr. B. S. Yadav (Managing Director)
	Mr. K. N. Petigara
	Mr. A. B. Choudhury
	Dr. S. L. Anaokar (upto 3rd February, 2019)
	Dr. R. A. Mashelkar (w.e.f. July 18, 2017)
	Dr. Ritu Anand (w.e.f. July 18, 2017)
	Ms. Aditi Kothari Desai (w.e.f. July 18, 2017)
	Ms. Roopa Purushothaman (w.e.f. July 18, 2017)
	Mr. N. Srinivasan (w.e.f. 4th February, 2019)
	Mr. Vivek Raizada (Company Secretary)
	The Raika Godrej Family Trust

Notes to the Financial Statements

			GODREJ AGROVET LIMITED
			TAD Family Trust
			BNG Family Trust
			HNG Family Trust
			SNG Family Trust
			NG Family Trust
			PG Family Trust
(b)	(i)	**Holding companies**	Godrej Industries Limited (holding company)
			Vora Soaps Limited (ultimate holding company upto 23rd December, 2018)
	(ii)	**Subsidiary companies**	Godvet Agrochem Limited
			Creamline Dairy Products Limited
			Nagavalli Milkline Private Limited
			Astec LifeSciences Limited
			Behram Chemicals Private Limited
			Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
			Astec Europe Sprl (Belgium, Europe)
			Godrej Tyson Foods Limited (w.e.f. 27th March, 2019)
			Godrej Maxximilk Private Limited (w.e.f. 27th March, 2019)
	(iii)	**Fellow Subsidiary Companies**	Godrej Properties Ltd.
			Natures Basket Limited
			Godrej One Premises Management Private Limited
			Godrej Vikhroli Properties India Limited
	(iv)	**Joint Ventures**	Godrej Tyson Foods Limited (upto 26th March, 2019)
			ACI Godrej Agrovet Private Limited, Bangladesh
			Omnivore India Capital Trust
	(v)	**Associates**	Godrej Maxximilk Private Limited (upto 26th March, 2019)
			Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
	(vi)	**Other Related Parties**	Godrej & Boyce Manufacturing Company Limited
			Godrej Consumer Products Limited
			Godrej Seeds & Genetics Limited
			Godrej Infotech Limited
			Anamudi Real Estates LLP
	(vii)		Godrej Agrovet Limited Provident Fund Trust
			Godrej Agrovet Limited Superannuation Scheme
			Godrej Agrovet Limited Group Gratuity Trust

Notes to the Financial Statements

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below :

2. The following transactions were carried out with the related parties in the ordinary course of business :

(i) Details relating to parties referred to in items 1(b) (i), (ii), (iii), (iv), (v)

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies (i)	Subsidiaries (ii)	Fellow Subsidiaries (iii)	Joint Ventures (iv)	Associates (v)	Other related Parties (vi) & (vii)
1	Purchase / Transfer of property, plant and equipment	**-**	**3.15**	**-**	**-**	**-**	**0.41**
		-	-	-	-	-	0.63
2	Investment in share capital	**-**	**10.09**	**-**	**4.84**	**-**	**-**
		-	20.83	-	1.32	4.34	-
3	Acquisition of shares (investment) (refer note 50)	**-**	**-**	**-**	**-**	**-**	**4.17**
		-	-	-	-	-	-
4	Sundry deposits placed	**0.23**	-	**-**	**-**	-	**-**
		0.04	-	0.00	-	-	-
5	Intercorporate deposits placed during the year	-	**185.10**	**-**	-	**10.54**	**-**
		-	1.02	-	-	7.84	-
6	Intercorporate deposits returned	**-**	**188.96**	**-**	**-**	**16.74**	**-**
		-	-	-	-	-	-
7		-	**7.28**	**-**	**274.01**	**1.45**	-
		-	4.94	-	227.63	0.08	-
8	services	**5.38**	**7.62**	**-**	**0.09**	**0.03**	**0.22**
		4.31	9.38	-	1.62	-	0.68
9	Expenses charged to / reimbursement received from other companies	**0.07**	**4.75**	**-**	**4.10**	**3.35**	**0.69**
		-	2.45	0.01	3.07	1.52	-
10	Expenses charged by / reimbursement made to other companies	**11.43**	**1.85**	**2.95**	**0.06**	**-**	**0.54**
		8.72	2.16	2.82	0.04	-	0.67
11	Dividend income	-	**3.45**	-	**0.02**	-	-
		-	3.39	-	0.61	-	-
12	Dividend paid	**50.11**	**-**	**-**	**-**	**-**	**-**
		53.05	-	-	-	-	-
13	Interest income on intercorporate deposits placed / loans given	-	**3.29**	**-**	-	**0.69**	**-**
		-	0.99	-	-	0.14	0.04
14	Sundry income	-	**-**	-	**1.30**	-	**0.01**
		-	-	-	1.31	-	0.01
15	Outstanding intercorporate deposit receivable	-	**8.69**	**-**	-	**-**	**-**
		-	10.91	-	-	7.84	-
16	Capital advance given during the year	**-**	**-**	**0.95**	**-**	**-**	**-**
		-	-	4.50	-	-	-
17	Outstanding capital advance	**-**	**-**	**9.09**	**-**	**-**	**-**
		-	-	8.14	-	-	-
18	Outstanding receivables (net of payables)	**(0.89)**	**16.19**	**(0.13)**	**6.57**	**-**	**(5.03)**
		(0.75)	(0.26)	0.09	6.52	2.20	(5.78)
19	Guarantees outstanding	**-**	**-**	**-**	**-**	**-**	**1.21**
		-	-	-	-	-	1.21
20		**-**	**-**	**-**	**-**	**-**	**22.79**
		-	-	-	-	-	20.59

Notes to the Financial Statements

(ii) **Details relating to persons referred to in items 1(a)(i) above**

		As at March 31, 2019	As at March 31, 2018
1	**Remuneration to key management personnel**		
		5.76	6.40
		0.09	0.09
	Shared based payment	**1.26**	2.30
2	Dividend paid	**5.75**	6.03
3	Director's sitting fees	**0.48**	0.63
4	Director's commission	**1.95**	-

3.

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
1	**Purchase of property, plant and equipment**		
	Godrej & Boyce Mfg Co Limited	**0.41**	0.63
	Godvet Agrochem Limited	**3.15**	-
2	**Investment in subsidiaries and joint ventures**		
	Astec LifeSciences Ltd.	**2.92**	20.83
	Godrej Maxximilk Pvt. Ltd.	**3.22**	4.34
	Omnivore India Capital Trust	**1.88**	1.32
	Godrej Tyson Foods Limited	**6.91**	-
3	**Acquisition of shares (investment)**		
	Anamudi Real Estates LLP (refer note 50)	**4.17**	-
4	**Sundry deposits placed**		
	Godrej Industries Limited	**0.23**	0.04
	Godrej One Premises Management Pvt. Ltd.	**-**	0.00
5	**Intercorporate deposits placed during the year**		
	Godvet Agrochem Limited	**-**	1.02
	Godrej Maxximilk Pvt. Ltd.	**10.54**	7.84
	Astec LifeSciences Ltd.	**165.10**	-
	• Maximum amount of Intercorporate Deposit outstanding during the year	**103.20**	-
	Creamline Dairy Products Limited	**20.00**	-
	• Maximum amount of Intercorporate Deposit outstanding during the year	**15.00**	-
6	**Intercorporate deposits returned**		
	Godvet Agrochem Limited	**3.86**	-
	Astec LifeSciences Ltd.	**165.10**	-
	Creamline Dairy Products Limited	**20.00**	-
	Godrej Maxximilk Pvt. Ltd.	**16.74**	-
7			
	ACI Godrej Agrovet Private Limited	**2.50**	6.10

Notes to the Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	Godrej Maxximilk Pvt. Ltd.	**1.45**	0.08
	Godrej Tyson Foods Limited	**271.51**	221.53
	Creamline Dairy Products Limited	**7.28**	4.94
8			
	Godrej & Boyce Mfg Co Limited	**-**	0.24
	Godrej Industries Limited	**5.38**	4.31
	Godrej Consumer Products Limited	**0.22**	0.44
	Godrej Tyson Foods Limited	**0.09**	1.62
	Astec LifeSciences Ltd.	**7.60**	9.38
	Creamline Dairy Products Limited	**0.02**	-
	Godrej Maxximilk Pvt. Ltd.	**0.03**	-
9	**Expenses charged to / reimbursement received from other companies**		
	ACI Godrej Agrovet Private Limited	**-**	0.05
	Omnivore India Capital Trust	**0.02**	0.08
	Godrej & Boyce Mfg Co Limited	**0.67**	-
	Godrej Consumer Products Limited	**0.02**	-
	Godrej Industries Limited	**0.07**	-
	Godrej Tyson Foods Limited	**4.07**	2.94
	Godvet Agrochem Limited	**0.39**	0.45
	Creamline Dairy Products Limited	**1.79**	0.21
	Astec LifeSciences Ltd.	**2.57**	1.79
	Godrej Properties Limited	**-**	0.01
	Godrej Maxximilk Pvt. Ltd.	**3.35**	1.52
10	**Expenses charged by / reimbursement made to other companies**		
	Godrej Infotech Limited	**0.04**	0.02
	Godrej & Boyce Mfg Co Limited	**0.18**	0.34
	Godrej Consumer Products Limited	**0.33**	0.31
	Godrej Industries Limited	**11.43**	8.72
	Godrej Tyson Foods Limited	**0.06**	0.04
	Godvet Agrochem Limited	**1.55**	1.90
	Creamline Dairy Products Limited	**0.04**	0.00
	Natures Basket Limited	**0.01**	0.02
	Godrej One Premises Management Pvt. Ltd.	**2.93**	2.80
	Astec LifeSciences Ltd.	**0.26**	0.26
11	**Dividend income**		
	Creamline Dairy Products Limited	**1.76**	1.76
	Astec LifeSciences Ltd.	**1.68**	1.63
	Omnivore India Capital Trust	**0.02**	0.61
12	**Dividend paid**		
	Godrej Industries Limited	**50.11**	53.05

Notes to the Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	Mr. B. S. Yadav (Managing Director)	**1.92**	1.98
	Mr. N. B. Godrej (Chairman)	**0.74**	1.87
	Mr. A. B. Godrej	**0.00**	0.00
	Mr. J. N. Godrej	**-**	0.93
	Ms. Tanya A. Dubash (Personal)	**0.25**	0.62
	Ms. Nisaba Godrej (Personal)	**0.25**	0.62
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018) (Personal)	**0.25**	-
	Ms. Roopa Purushothaman	**0.00**	-
	Dr. S. L. Anaokar (upto 3rd February, 2019)	**0.00**	-
	S. Varadaraj	**0.09**	-
	Vivek Raizada	**0.00**	-
	The Raika Godrej Family Trust	**0.00**	-
	TAD Family Trust	**0.37**	-
	BNG Family Trust	**0.37**	-
	HNG Family Trust	**0.37**	-
	SNG Family Trust	**0.37**	-
	NG Family Trust	**0.37**	-
	PG Family Trust	**0.37**	-
13	**Interest income on intercorporate deposits placed / loans given**		
	Godvet Agrochem Limited	**0.79**	0.99
	Astec LifeSciences Ltd.	**2.43**	-
	Godrej Seeds & Genetics Limited	**-**	0.04
	Godrej Maxximilk Pvt. Ltd.	**0.69**	0.14
	Creamline Dairy Products Limited	**0.08**	-
14	**Sundry income**		
	ACI Godrej Agrovet Private Limited	**1.30**	1.31
	Godrej Consumer Products Limited	**0.01**	0.01
15	**Outstanding intercorporate deposit receivable**		
	Godvet Agrochem Limited	**7.05**	10.91
	• Maximum amount of Intercorporate Deposit outstanding during the year	**10.91**	10.91
	Godrej Maxximilk Pvt. Ltd.	**1.64**	7.84
	• Maximum amount of Intercorporate Deposit outstanding during the year	**17.32**	7.84
16	**Capital advance given during the year**		
	Godrej Vikhroli Properties India Limited	**0.32**	4.50
	Godrej Properties Limited	**0.63**	-
17	**Outstanding capital advance**		
	Godrej Vikhroli Properties India Limited	**8.46**	8.14
	Godrej Properties Limited	**0.63**	-
18	**Outstanding receivables (net of payables)**		
	Godrej & Boyce Mfg Co Limited	**0.23**	0.01

Notes to the Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	Godrej Industries Limited	**(0.89)**	(0.75)
	Godrej Seeds & Genetics Limited	**-**	(0.17)
	Godvet Agrochem Limited	**0.16**	(0.14)
	Godrej Consumer Products Limited	**0.02**	(0.03)
	Godrej Infotech Limited	**-**	(0.02)
	Natures Basket Limited	**0.00**	(0.00)
	Godrej Tyson Foods Limited	**5.37**	1.01
	ACI Godrej Agrovet Private Limited	**6.53**	4.46
	Creamline Dairy Products Limited	**1.34**	0.69
	Omnivore India Capital Trust	**0.03**	1.05
	Godrej Maxximilk Pvt. Ltd.	**9.21**	2.20
	Astec LifeSciences Ltd.	**0.12**	(0.80)
	Godrej One Premises Management Pvt. Ltd.	**(0.13)**	0.10
	Godrej Agrovet Limited Employees Provident Fund Trust.	**(1.43)**	(0.51)
	Godrej Agrovet Limited Employees Superannuation Scheme.	**(0.05)**	(0.05)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**(3.80)**	(5.02)
19	**Guarantees outstanding**		
	Godrej Consumer Products Limited	**1.21**	1.21
20	**Director's sitting fees**		
	Mr. A. B. Godrej, (Director)	**0.04**	0.08
	Mr. K. N. Petigara, (Independent Director)	**0.08**	0.12
	Dr. S. L. Anaokar, (Independent Director)	**0.01**	0.07
	Mr. Amit B. Choudhury, (Independent Director)	**0.06**	0.10
	Dr. Ritu Anand, (Independent Director)	**0.08**	0.08
	Ms. Aditi Kothari Desai, (Independent Director)	**0.08**	0.07
	Dr. Raghunath A. Mashelkar, (Independent Director)	**0.06**	0.07
	Ms. Roopa Purushothaman, (Independent Director)	**0.07**	0.05
	Mr. N. Srinivasan	**0.01**	-
21	**Director's commission**		
	Mr. A. B. Godrej, (Director)	**0.12**	-
	Mr. N.B. Godrej	**0.15**	-
	Mr. K. N. Petigara, (Independent Director)	**0.15**	-
	Dr. S. L. Anaokar, (Independent Director)	**0.14**	-
	Mr. Amit B. Choudhury, (Independent Director)	**0.15**	-
	Dr. Ritu Anand, (Independent Director)	**0.15**	-
	Ms. Aditi Kothari Desai, (Independent Director)	**0.15**	-
	Dr. Raghunath A. Mashelkar, (Independent Director)	**0.15**	-
	Ms. Roopa Purushothaman, (Independent Director)	**0.15**	-
	Ms. Tanya A. Dubash	**0.15**	-
	Mr. V. M. Crishna	**0.15**	-
	Mr. J. N. Godrej	**0.15**	-
	Ms. Nisaba Godrej	**0.15**	-
	Mr. N. Srinivasan	**0.01**	-
	Mr. Pirojsha A. Godrej	**0.03**	-

Notes to the Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
22			
	Godrej Agrovet Limited Employees Provident Fund Trust.	**17.18**	15.81
	Godrej Agrovet Limited Employees Superannuation Scheme.	**0.58**	0.57
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**5.02**	4.21

Note 62: Earlier, the Company has initiated the process of merger of its subsidiary Astec Lifesciences Limited which has now being withdrawn.

Note 63:

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

CONSOLIDATED FINANCIALS AND AUDITORS' REPORT

Independent Auditors' Report

To the Members of
Godrej Agrovet Limited

Report on the audit of consolidated nancial statements

Opinion

We have audited the accompanying consolidated statements of Godrej Agrovet Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associate and its joint ventures which comprise the Consolidated Balance Sheet as at 31 March 2019 and the Consolidated Statement of and Loss (including Other Comprehensive Income), the Consolidated statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated statements, including a summary of the ant accounting policies and other explanatory information (hereinafter referred to as "consolidated statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on statements of such subsidiaries, associate and joint ventures as were audited by the other auditors, the aforesaid consolidated statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate, and joint ventures as at 31 March 2019, of its consolidated and other comprehensive income, consolidated changes in equity

Basis for opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India, and we have our other ethical responsibilities in accordance with the provisions of the Act. We believe that the audit evidence we have

Emphasis of matter

We draw attention to the note 55 to the consolidated statements wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on 1 April 2011. Amortisation amounting to ₹ 4.25 crore for the years ended 31 March 2019 and 31 March 2018, on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company. Had this amount been charged to the standalone Statement of and Loss, the for the year ended 31 March 2019 and 31 March 2018 would have been lower by ₹ 2.77 crore.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most in our audit of the consolidated statements of the current period. These matters were addressed in the context of our audit of the consolidated statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

I. Revenue recognition

The Key Audit Matter	How the matter was addressed in our audit
Revenue from sale of goods is recognized when the control of the goods has transferred to the customer and when there are no longer any obligations to the customer. Revenue is measured at the fair value of the consideration received or receivable. Revenue is adjusted for estimated sales returns, discounts and other similar allowances. **Sales return estimation** As disclosed in Note 1 [8 A] to the statements, revenue is recognised net of estimated sales returns. Estimation of sales returns involves judgement and estimates since it is dependent on various internal and external factors. Estimation of sales return amount together with the level of judgement involved make its accounting treatment a matter for our audit. **Accrual for rebates and schemes** As disclosed in Note 1 [8 A] to the statements, revenue is recognised net of trade discounts, volume rebates and other incentives given to the customer. The recognition and measurement of such discounts, rebates and incentives, including establishing an appropriate accrual at year end, involves judgement and estimates, particularly the expected level of claims of each of the customers. The value of rebates and schemes allowances together with the level of judgement involved make its accounting treatment a matter for our audit.	Our audit procedures included following: – Understanding the process followed by the management for the purpose of identifying and determining the amount of provision of sales returns; – Evaluating the data used by the management for the purpose of calculation of the provision for sales returns and checking of its arithmetical accuracy; – Comparison between the estimate of the provision for sales returns created in the past with subsequent actual sales returns and analysis of the nature of any deviations to corroborate the effectiveness of the management estimation process; – Considering the appropriateness of the Company's accounting policies regarding revenue recognition as they relate to accounting for rebates and scheme allowances – Testing the Company's process and controls over the calculation of discounts, rebates and customer incentives; – Selecting a sample on test check basis of revenue transactions and scheme circular to re-check that scheme allowance as at year end were calculated in accordance with the eligibility criteria mentioned in the relevant circulars; – Selecting a sample (using statistical sampling) of credit note issued to the customers during the year and verifying the same is in accordance with the scheme; – Evaluating the assumptions and judgements used by the Company in calculating rebates and schemes allowances, including the level of expected claims, by comparing historical trends of claims; and – Examining manual journals posted to discounts, rebates and incentives to identify unusual or irregular items

II. Impairment of trade receivables

The Company generates revenue from sales of its products to customers in various business segments and different jurisdictions within India. The carrying amount of trade receivables totaled to ₹ 734.89 crores as at 31 March 2019, representing 17.36% of the total assets of the Company. There are large number of individual small customers. Customers in different business segments and jurisdictions are subject to their independent business risk, climate risk, political risk, interest rate risk. Management assesses the level of allowance for doubtful debts required at each reporting date after taking into account the ageing analysis of trade receivables and any other factors to individual debtors concerned or debtors at independent segment level and a collective element based on historical experience adjusted for certain current factors. Accordingly, we the recoverability of trade receivables as a key audit matter because of the of trade receivables to Company's balance sheet and because of the degree of management judgement involved in evaluating the adequacy of the allowance for doubtful debts.	Our audit procedures to assess the recoverability of trade receivables included the following: • obtaining an understanding of and assessing the design, implementation and operating effectiveness of the Company's key internal controls over the processes of credit control, collection of trade receivables and follow up of overdue balances; • evaluating the Company's policy for making allowances for doubtful debts with reference to the requirements of the prevailing accounting standards; • assessing the of trade receivables in the trade receivable ageing report by comparison with sales invoices and other underlying documentation on a test check basis; • assessing the assumptions and estimates made by management for the allowance for doubtful debts calculated based on a collective assessment by performing a retrospective evaluation of the historical accuracy of these estimates and recalculating the Company's allowance with reference to the Company's policy for collective assessment; and • circulating and obtaining independent customers on the outstanding balances on sample (using statistical sampling) basis. Testing the reconciliation, if any between the balances by customer and balance in the books and inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to trade receivable balances at 31 March 2019, on a sample basis (using statistical sampling)

III. Accounting for business combinations to the Consolidated Financial Statements

The Key Audit Matter	How the matter was addressed in our audit
During the year, the Group acquired controlling stake in its erstwhile joint venture, Godrej Tyson Foods Limited and accounted for the acquisition as a business combination as per Ind AS 103 w.e.f 31 March 2019. Refer note 63 (II) to • The measurement of the assets and liabilities acquired at fair value is inherently judgemental. • Fair value was determined by the Company with the assistance of an external valuation expert using various valuation models, which were applied according to the assets and liabilities being measured. • Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Group, this is a key audit matter.	Our audit procedures included the following: • Obtaining the share purchase and shareholder's agreement to evaluate the key terms and conditions, including rights of minority shareholders to determine that the Group has acquired control over Godrej Tyson Foods Limited, in accordance with relevant accounting standard • Assessing the amounts for existing stake in Godrej Tyson Foods Limited, pursuant to the acquisition of control, is in compliance with the requirements by relevant accounting standard. • Assessing the work performed by management's external valuation experts, including valuation methodology for each category of assets and liabilities, along with key judgements made in determining the fair values. • Involving our internal valuation specialists to consider and evaluate the appropriateness of the valuation methodologies applied to signi fair value adjustments and also, to evaluate the inputs to the valuation models used to determine the value of the intangible assets, including the discount rates, growth rates and useful economic lives, through comparing these against industry benchmarks on similar assets and business. • Testing appropriateness of the cash projections used in the valuations and assumptions of useful lives of assets • Assessing the adequacy of the Company's disclosures (note 63) in respect of the acquisition in accordance with the accounting standards

Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the holding Company's annual report, but does not include the statements and our auditors' report thereon.

Our opinion on the consolidated statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's management and Board of Directors are responsible for the preparation and presentation of these consolidated statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated statements, the respective management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures is responsible for overseeing the

Auditor's responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to the economic decisions of users taken on the basis of these

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal controls with reference to statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting in preparation of consolidated statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group (Company and subsidiaries) as well as associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated statements, including the disclosures, and whether the consolidated statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain appropriate audit evidence regarding the information of such entities or business activities within the Group and its associates and joint ventures and joint operations to express an opinion on the consolidated statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of information of such entities. For the other entities included in the consolidated statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (a) of the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (a) of the Other Matters paragraph below, is and appropriate to provide a basis for our audit opinion on the consolidated

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and audit including any in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most in the audit of the consolidated statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to

Other matters

We did not audit the statements of four subsidiaries, whose statements total assets of ₹ 52.25 crores as at 31 March 2019, total revenues of ₹ 4.51 crores and net cash amounting to ₹ 0.06 crores for the year ended on that date, as considered in the consolidated statements. The consolidated statements also include the Group's share of net (and other comprehensive income) of ₹ 2.91 crores for the year ended 31 March 2019, in respect of one joint venture and one associate (upto 26 March 2019), whose information have not been audited by us. These l information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the audit reports of the other auditors

The information of two subsidiaries, whose l information total assets of ₹ 0.07 crores as at 31 March 2019, total revenues of ₹ 0.04 crores and net cash amounting to ₹ 0.01 crores for the year ended on that date, as considered in the consolidated statements, have not been audited either by us or by other auditors. The consolidated statements also include the Group's share of net (and other comprehensive income) of ₹ 6.79 crores for the year ended 31 March 2019, as considered in the consolidated statements, in respect of one associate and one joint venture, whose information have not been audited by us or by other auditors. These unaudited information have been furnished to us by the Management and our opinion on the consolidated statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associate, and our report in terms of sub-sections (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint venture and associate, is based solely on such unaudited statements / information. In our opinion and according to the information and explanations given to us by the Management, these statements/

Our opinion on the consolidated statements, and our report on Other Legal and Regulatory Requirements below, is not in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the statements/

Report on Other Legal and Regulatory Requirements

A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate statements of such subsidiaries, associate and joint ventures as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated

   d) In our opinion, the aforesaid consolidated statements comply with the Ind AS under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is as on 31 March 2019 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal controls with reference to statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate statements of the subsidiaries, associate and joint ventures, as noted in the 'Other Matters' paragraph:

   i. The consolidated l statements disclose the impact of pending litigations as at 31 March 2019 on the consolidated

position of the Group, its associate and joint ventures.

ii. Provision has been made in the consolidated statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 25 to the consolidated statements in respect of such items as it relates to the Group, its associate and joint ventures.

iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, and joint venture incorporated in India during the year ended 31 March 2019.

iv. The disclosures in the consolidated statements regarding holdings as well as dealings in bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in the statements since they do not pertain to the l year ended 31 March 2019.

C. With respect to the matter to be included in the Auditor's report under section 197(16):

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, and joint venture is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399

Mumbai
06 May 2019

Annexure A to the Independent Auditors' Report – 31 March 2019

Report on the internal controls with reference to the aforesaid consolidated statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 1 A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated statements of the Company as of and for the year ended 31 March 2019, we have audited the internal controls with reference to consolidated statements of Godrej Agrovet Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal controls with reference to consolidated statements and such internal controls were operating effectively as at 31 March 2019, based on the internal controls with reference to consolidated statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's responsibility for Internal Financial Controls

The respective Company's management and Board of Directors are responsible for establishing and maintaining internal controls with reference to consolidated statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal controls that were operating effectively for ensuring the orderly and conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' responsibility

Our responsibility is to express an opinion on the internal controls with reference to consolidated statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal controls with reference to consolidated statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal controls with reference to consolidated statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal controls with reference to consolidated statements and their operating effectiveness. Our audit of internal controls with reference to consolidated statements included obtaining an understanding of internal controls with reference to consolidated statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is and appropriate to provide a basis for our audit opinion on the internal controls with reference to

Meaning of Internal Financial Controls with reference to

A company's internal controls with reference to consolidated statements is a process designed to provide reasonable assurance regarding the reliability of reporting and the preparation of statements for external purposes in accordance with generally accepted accounting principles. A company's internal controls with reference to consolidated statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have

Inherent Limitations of Internal Financial Controls with reference to

Because of the inherent limitations of internal controls with reference to consolidated statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal controls with reference to consolidated statements to future periods are subject to the risk that the internal controls with reference to consolidated statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal controls with reference to consolidated statements insofar as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Koosai Lehery
Partner
Membership No: 112399

Mumbai
06 May 2019

Consolidated Balance Sheet

as at March 31, 2019

(₹ in crore)

Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
(I) Non-current assets			
(a) Property, Plant and Equipment	2	1,721.97	1,247.55
(b) Capital work-in-progress	2	92.12	189.85
(c) Goodwill		264.88	194.87
(d) Other Intangible assets	3	64.05	49.53
(e) Intangible assets under development		1.47	0.56
(f) Biological assets other than bearer plants	4	19.00	4.26
(g) Equity accounted investees	5 (a)	116.50	195.22
(h) Financial Assets			
(i) Investments	5 (b) & (c)	0.01	0.01
(ii) Loans	6	19.37	13.77
(iii) Others	7	1.61	1.48
(i) Deferred tax assets		4.24	6.55
(j) Other tax assets (net)		6.30	3.20
(k) Other non-current assets	8	57.82	57.02
Total non current assets		**2,369.34**	**1,963.87**
(II) Current Assets			
(a) Biological assets	4	52.98	-
(b) Inventories	9	898.74	762.86
(c) Financial Assets			
(i) Investments	10	-	-
(ii) Trade Receivables	11	734.89	620.41
(iii) Cash and cash equivalents	12	27.80	29.85
(iv) Bank balances other than (ii) above	13	2.05	1.97
(v) Loans	14	18.38	14.69
(vi) Others	15	25.82	21.84
(e) Other current assets	16	103.61	125.88
Total current assets		**1,864.27**	**1,577.50**
TOTAL ASSETS		**4,233.61**	**3,541.37**
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	17	192.03	192.03
(b) Other equity	18	1,456.95	1,219.34
Non-controlling interests		400.96	269.28
Total equity		**2,049.94**	**1,680.65**
(II) Liabilities			
(1) Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	64.21	14.14
(ii)	20	0.51	-
(b) Provisions	21	6.70	6.44
(c) Deferred tax liabilities (net)		208.60	173.03
(d) Other non-current liabilities	22	20.41	14.05
Total non current liabilities		**300.43**	**207.66**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	23	323.53	388.66
(ii) Trade Payables	24		
Total outstanding dues of micro enterprises and small enterprises		16.35	2.42
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,223.09	894.92
(iii)	25	217.87	273.52
(b) Other current liabilities	26	48.79	46.88
(c) Provisions	27	41.08	32.02
(d) Current tax liabilities (net)		12.53	14.64
Total current liabilities		**1,883.24**	**1,653.06**
Total liabilities		**2,183.67**	**1,860.72**
TOTAL EQUITY AND LIABILITIES		**4,233.61**	**3,541.37**

The Notes 1 to 66 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated

for the year ended March 31, 2019

(₹in crore)

	Particulars	Note	For the year ended March 31, 2019	For the year ended March 31, 2018
I.	**Revenue from Operations**	28		
	Sale of products		5,851.88	5,183.62
	Other operating revenue		18.86	22.29
	Total Revenue From Operations		**5,870.74**	**5,205.91**
II.	**Other income**	29	53.11	31.81
III.	**Total Income**		**5,923.85**	**5,237.72**
IV.	**Expenses**			
	Cost of materials consumed	30	4,389.07	3,807.05
	Purchases of Stock-in-Trade	31	229.75	170.81
		32	(45.22)	(7.66)
	Excise duty		-	20.39
		33	294.42	276.34
	Finance costs	34	33.89	45.31
	Depreciation and amortization expenses	35	98.17	85.92
	Other Expenses	36	546.88	495.94
	Total Expenses		**5,546.96**	**4,894.10**
V.			**376.89**	**343.62**
			12.11	16.08
VI.			**389.00**	**359.70**
VII.	Exceptional Items (refer note 53)		88.30	12.05
VIII.			**477.30**	**371.75**
IX.	**Tax expense:**		**127.97**	**120.71**
	1. Current Tax		**107.86**	**110.76**
	- for current year		107.21	111.58
	- for earlier years		0.65	(0.82)
	2. Deferred Tax		20.11	**9.95**
X.			349.33	**251.04**
XI.	**Other comprehensive income**			
	(A)			
			(2.51)	(4.80)
	Equity accounted investee's share of other comprehensive income		0.05	(0.99)
			0.86	1.71
			(1.60)	(4.08)
	(B)			
			0.35	(0.42)
			0.35	(3.50)
			(0.12)	1.21
			0.58	(2.71)
	Other comprehensive income for the year		(1.02)	**(6.79)**
XII.	**Total comprehensive income for the year (X + XI)**		**348.31**	**244.25**
	Equity holders of the Company		329.04	229.21
	Non-controlling interest		20.29	21.83
			349.33	**251.04**
XIII.	**Other comprehensive income is attributable to :**			
	Equity holders of the Company		(0.92)	(6.20)
	Non Controlling interests		(0.10)	(0.59)
			(1.02)	**(6.79)**
XIV.	**Total comprehensive income is attributable to :**			
	Equity holders of the Company		328.12	223.01
	Non Controlling interests		20.19	21.24
			348.31	**244.25**
XV.	**Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)**	37		
	Basic (₹)		16.99	12.02
	Diluted (₹)		16.99	12.02

The Notes 1 to 66 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
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Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities :		
	477.30	371.75
Adjustment for:		-
Depreciation and amortisation	98.17	85.92
	(25.22)	1.58
	(0.19)	(0.18)
Unrealised foreign exchange gain/loss	(1.91)	(0.92)
Grant amortisation	(1.30)	(1.49)
Interest income	(3.29)	(3.50)
Employee share based compensation cost	1.18	-
Share of equity-accounted investees, net of tax	(12.11)	(16.08)
Finance cost	33.89	45.31
Allowances for doubtful debts and advances	4.40	6.88
Liabilities no longer required written back	(7.37)	(3.81)
Exceptional Items	(88.30)	(12.05)
	-	2.63
Employee stock grants expense	0.16	0.43
Bad debts written off	18.67	8.21
	16.78	**112.93**
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	**494.08**	**484.68**
Adjustments for:		
Inventories	(111.24)	(34.69)
Biological assets other than bearer plants	(0.42)	0.41
Trade receivables	(119.16)	(122.61)
	(13.34)	17.01
	(8.94)	(1.97)
	0.10	-
	0.21	-
Other current / non-current assets	31.62	(66.48)
Trade payables and acceptances	334.80	115.12
Current / non-current provisions	5.79	2.80
	(60.31)	31.66
Other current / non-current liabilities	4.29	11.63
	63.40	**(47.12)**
CASH GENERATED FROM OPERATIONS	**557.48**	**437.56**
Direct taxes paid (net of refunds received)	(109.74)	(83.74)
NET CASH FLOW FROM OPERATING ACTIVITIES	**447.74**	**353.82**

Consolidated Statement of Cash Flows

for the year ended March 31, 2019

(₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
B. Cash Flow from Investing Activities :		
Capital subsidy received	2.76	-
Acquisition of property, plant and equipment	(275.85)	(246.14)
Proceeds from sale of property, plant and equipment	35.20	1.38
Intercorporate deposits given	(10.54)	(7.84)
Intercorporate deposits returned	16.74	-
Purchase of investments	(4.84)	(5.66)
Acquisition of subsidiaries (refer note : 63)	(4.17)	-
Proceeds from sale of investments	0.19	0.18
Deposits redeemed	(0.10)	0.22
Interest received	3.39	4.45
Dividend received	-	0.61
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(237.22)**	**(252.80)**
C.		
Proceeds from exercise of ESOP shares	0.28	0.20
Repayment of short term borrowings	(1,782.54)	(3,546.86)
Receipt of long-term borrowings	20.00	-
Proceeds from short term borrowings	1,704.76	3,300.31
Repayment of long term borrowings	(10.18)	(10.51)
Finance cost	(35.41)	(45.48)
Dividend paid	(89.22)	(86.82)
Dividend tax paid	(18.33)	(17.65)
Transactions with non-controlling interests	(5.92)	(20.83)
Redemption of preference shares	-	(0.01)
Proceed from fresh issue of shares	-	316.92
Share Issue expenses charged directly to reserves	-	(14.26)
NET CASH FLOW USED IN FINANCING ACTIVITIES	**(216.56)**	**(124.99)**
Net (decrease)/ increase in cash and cash equivalents	**(6.04)**	**(23.97)**
Cash and cash equivalents (opening balance)	**29.85**	**53.82**
Add: cash & cash equivalents acquired during the year (refer note 64)	**3.99**	**-**
Cash & cash equivalents (closing balance)	**27.80**	**29.85**

1 The above cash statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.

2 Figures in bracket indicate cash

3 The borrowing are availed for a short term duration of 3 days to 180 days to manage the cash requirements optimally. The amounts are

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of changes in equity

(a) Equity share capital (₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Balance at the beginning of the reporting year	**192.03**	**185.13**
Changes in equity share capital during the year(refer note 17)	**-**	**6.90**
Balance at the end of the reporting year	**192.03**	**192.03**

(b) Other equity

(₹ in crore)

	Retained earnings	Capital Reserve	General reserve	Employee share option outstanding	Securities Premium Account	Non Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on translating statements of a foreign operation	Total attributable to the owners of the Company	Non - controlling interest	Total
Balance at April 1, 2018	**849.04**	**1.73**	**20.91**	**1.71**	**426.59**	**(73.00)**	**(0.11)**	**(7.53)**	**1,219.34**	**269.28**	**1,488.62**
Total comprehensive income for the year											
	329.04	**-**	**-**	-	**-**	**-**	**-**	-	**329.04**	20.29	**349.33**
Other comprehensive income for the year (net of income tax)	(1.40)	**-**	**-**	-	**-**	**-**	0.13	0.35	**(0.92)**	(0.10)	**(1.02)**
Total comprehensive income for the year	**327.63**	**-**	**-**	**-**	**-**	**-**	**0.13**	**0.35**	**328.12**	**20.20**	**348.31**
Transactions with the owners of the Company, recorded directly in equity											
Contributions and distributions											
Dividends	**(86.41)**	**-**	**-**	-	**-**	**-**	**-**	-	**(86.41)**	(2.88)	**(89.29)**
Dividend distribution tax	**(17.73)**	**-**	**-**	-	**-**	**-**	**-**	-	**(17.73)**	(0.59)	**(18.32)**
Others											
Amortisation of Intangibles (net of income tax) as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 55)	**-**	**-**	**(2.77)**	-	**-**	**-**	**-**	-	**(2.77)**	-	**(2.77)**
Employee compensation expenses recognised during the year (refer note 39)	**-**	**-**	**-**	1.18	**-**	**-**	**-**	-	**1.18**	-	**1.18**
Exercise of Employee stock grants	**-**	**-**	**-**	-	**-**	**-**	**-**	-	**-**	0.43	**0.43**
Others (refer note 58)	**-**	**-**	**-**	-	**0.40**	**-**	**-**	-	**0.40**	-	**0.40**
Acquisitions through business combination (refer note 63)	**-**	**-**	**-**	-	**-**	**-**	**-**	-	**-**	113.79	**113.79**
Liability towards Put Option arrangement	**18.48**	**-**	**-**	-	**-**	**-**	**-**	-	**18.48**	-	**18.48**
Acquisition of non-controlling interests (refer note 62)	**-**	**-**	**-**	-	**-**	**(3.66)**	**-**	-	**(3.66)**	0.74	**(2.92)**
Balance at March 31, 2019	**1,091.02**	**1.73**	**18.14**	**2.89**	**426.99**	**(76.66)**	**0.02**	**(7.18)**	**1,456.95**	**400.96**	**1,857.91**

Consolidated Statement of changes in equity

(b) Other equity

(₹ in crore)

	Retained earnings	Capital Reserve	General reserve	Employee share option outstanding	Securities Premium Account	Non Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on translating statements of a foreign operation	Total attributable to the owners of the Company	Non - controlling interest	Total
Balance at April 1, 2017	**746.02**	**1.73**	**3.68**	**1.62**	**130.62**	**(55.00)**	**2.08**	**(7.11)**	**823.64**	**254.07**	**1,077.71**
Total comprehensive income for the year											
	229.21	-	-	-	-	-	-	-	**229.21**	21.83	**251.04**
Other comprehensive income for the year (net of income tax)	(3.59)	-	-	-	-	-	(2.19)	(0.42)	**(6.20)**	(0.59)	**(6.79)**
Total comprehensive income for the year	**225.62**	**-**	**-**	-	**-**	**-**	**(2.19)**	(0.42)	**223.01**	**21.24**	**244.25**
Transactions with the owners of the Company, recorded directly in equity											
Contributions and distributions											
Dividends	(83.31)	-	**-**	-	**-**	**-**	**-**	-	**(83.31)**	(2.93)	(86.24)
Dividend distribution tax	(17.65)	-	**-**	-	**-**	**-**	**-**	-	**(17.65)**	(0.60)	(18.25)
Others											
Employee compensation expenses recognised during the year (refer Note 39)	-	-	-	0.43	-	-	-	-	**0.43**	-	**0.43**
Acquisition of non-controlling interests (refer note 62)	-		-	-		(18.00)	-	-	**(18.00)**	(2.83)	**(20.83)**
Transfer from Retained earnings to General Reserve	(20.00)	-	20.00	-	-	-	-	-	**-**	-	**-**
Utilised towards share issue expenses (refer note 55)	-	-	-	-	(14.26)	-	-	**-**	**(14.26)**	-	**(14.26)**
Amortisation of Intangibles (net of income tax) as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer note 55)	-	-	(2.77)	-	-	-	-	-	**(2.77)**	-	**(2.77)**
Issue of equity shares during the year	-	-	-	-	310.02	-	-	-	**310.02**	0.17	**310.19**
Liability towards Put Option Arrangement	(1.64)	-	-	-	-	-	-	-	**(1.64)**	-	**(1.64)**
Exercise of Employee stock grants	-	-	-	(0.34)	**0.21**	-	-	-	**(0.13)**	0.16	**0.03**
Balance at March 31, 2018	**849.04**	**1.73**	**20.91**	**1.71**	**426.59**	**(73.00)**	**(0.11)**	**(7.53)**	**1,219.34**	**269.28**	**1,488.62**

The Notes 1 to 66 form an integral part of the Consolidated Financial Statements

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

KOOSAI LEHERY
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Notes to the Consolidated Financial Statements

1. General information

Godrej Agrovet Ltd. ("the Company" or "Parent") is a public limited Company, which is domiciled and incorporated in the Republic of India with its registered situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company and its subsidiaries, joint ventures and associates (the "Group") is a agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products & milk and milk products.

2. Basis of preparation and presentation

(i) Basis of preparation:

The statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated l statements of the Group for the year ended March 31, 2019 were authorized for issue in accordance with a resolution of the Board of Directors on May 6, 2019.

(ii) Basis of measurement

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

- certain assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding instruments)
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- plans – plan assets measured at fair value less present value of obligation; and
- share-based payments

(iii) Functional and presentation currency

These consolidated statements are presented in Indian Rupees, which is the Group's functional currency. All amounts have been rounded off to the nearest crore , unless otherwise indicated. The amount as "0.00" in Financials are value with less than one lakh.

3. Basis of consolidation

(i) Subsidiaries :

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of and loss, consolidated statement of changes in equity and balance sheet respectively.

(ii) Equity method :

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition or losses of the investee in the Consolidated Statement of and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, then unless it has incurred obligations or made payments on behalf of the other entity, Group does not recognise further losses, Unrealised gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

4 Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair value of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the Group
- Fair value of any asset or liability resulting from contingent consideration arrangement

assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling

Notes to the Consolidated Financial Statements

interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net

Acquisition related costs are expenses as incurred.

The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity.

Over the fair value of the net assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net assets acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest is remeasured to fair value at the acquisition date. Any gains arising from such remeasurement are recognized in the Consolidated Statement of and Loss or Other Comprehensive Income, as appropriate.

5. Key estimates and assumptions

While preparing consolidated statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Impairment testing of Goodwill & intangible assets with useful life is done at least once annually and upon occurrence of indication of impairment. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The growth rates and margins used to make estimate future performance are based on past performance and our estimates of future growths and margins achievable in the CGUs. Discount rates risks relating to the relevant segments and geographies in which the CGUs operate.

- **Recognition and measurement of obligations**

  The obligation arising from plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment obligations. Due to complexities involved in the valuation and its long term nature, obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of Provisions**

  a. Provision for sales returns

  The Group makes a provision for estimated sales returns, based on its historical experience and is dependent on other relevant factors.

  b. Provision for doubtful trade receivables

  The Group has large number of individual small customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

Notes to the Consolidated Financial Statements

c. Other Provisions

The recognition and measurement of other provisions are based on the assessment of the probability of an of resources, and on past experience and circumstances known at the balance sheet date. The actual of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of lo assets / liabilities**

assets / liabilities are required to be measured at fair value on initial recognition. In case of liabilities/ assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair valuation of employee share options**

The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

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

- **cial instruments**

Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and commodity. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

- **Biological Assets**

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

6. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both and assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be

When measuring the fair value of a asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Standards issued but not yet effective

Ind AS 116, Leases

Ind AS 116 is applicable for reporting periods beginning on or after 1 April 2019 and replaces existing lease accounting guidance, namely Ind AS 17. Ind AS 116 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use ("ROU") asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. The nature of expenses related to those leases will change as Ind AS 116 replaces the operating lease expense (i.e., rent) with depreciation charge for ROU assets and interest expense on lease liabilities. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as or operating leases. The Group is in the process of analysing the impact of new lease

The Group is proposing to use the Retrospective Approach" for transitioning to Ind AS 116. Accordingly, comparatives for the year ended 31st March 2019 will not be retrospectively adjusted.

Notes to the Consolidated Financial Statements

8. es

A. Revenue

(i) Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognized to the extent that

Revenue from the sale of goods are recognized when control of the goods has transferred to our customer and when there are no longer any obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are as the Group no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Group. As at 31 March 2019, an estimate has been made of goods that will be returned and a liability has been recognized for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

(ii) Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic associated with the dividend will to the Group, and the amount of dividend can be measured reliably.

(iii) Interest income

For all instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the instruments or a shorter period, where appropriate, to the net carrying amount of the assets. Interest income is included in other income in the Consolidated Statement of and Loss.

B. Foreign currency

i. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Group at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Group's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash hedges to the extent that the hedges are effective.

On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognized in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is

C.

i. _____

All employee payable wholly within twelve months of rendering services are as short-term employee Short-term employee bene are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii. _____ **ion plans**

Obligations for contributions to contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund are expensed as the related service is provided.

Notes to the Consolidated Financial Statements

iii. lans

The following post – employment plans are covered

- Provident Fund Contributions other than those made to the Regional Provident Fund of the Government which are made to the Trust administered by the Group.

  The Group's contribution to the Provident Fund Trust as established by the Group, is also considered as a Plan because, as per the rules of Group's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the shall be made good by the Group. The Group's net obligations in respect of such plans is calculated by estimating the amount of future that the employees have earned in return for their services and the current and prior periods that is discounted to determine its present value and the fair value of the plan asset is deducted.

  The Group's net obligation in respect of plans is calculated separately for each plan by estimating the amount of future bene that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

- Gratuity Fund

  The Group provides for gratuity, a retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of obligations is performed annually by a actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic available in the form of any future refunds from the plan or reductions in future contributions to the plan.

  Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI).

iv.

Liability toward long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Consolidated

v. :

All terminal are recognized as an expense in the period in which they are incurred.

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor

- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax will be realised; such reductions are reversed when the probability of future taxable improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable will be available against which they can be used.

Notes to the Consolidated Financial Statements

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognized directly in equity or OCI is recognized in equity or OCI and not in the

The measurement of deferred tax the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. **Inventories**

Inventories are carried in the consolidated balance sheet as follows:

(a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at lower of cost and net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the products in which they will be used are expected to be sold at or above cost.

(d) Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

F. **Property, plant and equipment**

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the Consolidated Statement of and Loss.

If parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic with the expenditure

iii. Depreciation/ Amortizations

Depreciation on tangible assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as

(a) Plant and Machinery: - 20 Years

(b) Computer Hardware, Crates, cans and milko testers:

Depreciated over the estimated useful life of 4 years.

(c) Leasehold Land:

Amortized over the primary lease period.

Notes to the Consolidated Financial Statements

(d) Leasehold improvements and equipments:

Amortised over the Primary lease period or 16 years whichever is less.

Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition.

G. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

I. Intangible assets

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic that are attributable to the assets will to the Group and the cost of the asset can be measured reliably.

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Group and have useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the

The intangible assets are amortised over the estimated useful lives as given below:

-	Grant of licenses	:	10 years
-	Computer Software	:	6 years
-	Technical Know-how of a capital nature & Product Registration expenses	:	6 years
-	Brands	:	20 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Research and Development Expenditure

Research Expenditure:

Revenue expenditure on research & development is charged to the Consolidated Statement of and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

J. Share-based payments:

a. Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are the minimum expense recognised is the expense had the terms had not been if the original terms of the award are met. An additional expense is recognised for any that increases the total fair value of the share-based payment transaction, or is otherwise to the employee as measured at the date of Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of and Loss.

e. The dilutive effect of outstanding options is as additional share dilution in the computation of diluted earnings per share.

K. Financial Instruments

A instrument is any contract that gives rise to a asset of one entity and a liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also covers contracts to buy or sell a non- item that can be settled net in cash or another instrument, or by exchanging instruments, as if the contracts were instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a ial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Notes to the Consolidated Financial Statements

i. Financial assets

The Group its assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Consolidated Statement of and Loss (i.e. fair value through or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair

Business model test: The objective of the Group's business model is to hold the asset to collect the contractual cash (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

test: The contractual terms of the

are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

At initial recognition, the Group measures a asset at fair value plus, in the case of a asset not recorded at fair value through the Consolidated Statement of and Loss, transaction costs that are attributable to the acquisition

Equity investments (other than investments in associates and joint venture)

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized

Derecognition

A asset (or, where applicable, a part of a asset or part of a Group of similar assets) is primarily derecognised (i.e. removed from the Group's Consolidated Statement of Assets and Liabilities) when:

- The rights to receive cash from the asset have expired, or
- The Group has transferred its rights to receive cash from the asset or has assumed an obligation to pay the received cash in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.

b) Trade receivables - The application of approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and

ii. Financial liabilities

Financial liabilities and equity instruments issued by the Group are according to the substance of the contractual arrangements entered into and the of

The Group all liabilities as subsequently measured at amortised cost, except for liabilities at fair value through the Consolidated Statement of and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Notes to the Consolidated Financial Statements

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are at initial recognition, as liabilities at fair value through or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as costs in the consolidated statement of and loss.

The Group's liabilities include trade and other payables, loans and borrowings including bank overdrafts, guarantee contracts and derivative instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially such an exchange or is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in

struments

Financi liabilities are offset and the net amount is reported in the Consolidated Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Deriva ruments

The Group uses derivative instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively.

Such derivative instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

L. Provisions, contingent liabilities and contingent assets

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an of resources embodying economic will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Consolidated

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash to the liability. The unwinding of the discount is recognised as

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated statements where an of economic

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

M. edges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash hedges is recognized in the other comprehensive income in cash hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in

Amounts accumulated in equity are to or loss in

Notes to the Consolidated Financial Statements

N. Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if of the arrangement is dependent on the use of a asset or assets and the arrangement conveys a right to use the asset, even

i. Lease payments

Payments made under operating leases are recognised in the Consolidated Statement of and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general to compensate for the lessor's expected cost increase.

Minimum lease payments made under leases are apportioned between the expense and the reduction of the outstanding liability. The expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

ii. Lease assets

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are as leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are as operating leases and are not recognised in the Group's statement of

O. ssets

Goodwill and intangible assets that have useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash to their present value based on an appropriate discount factor that current market assessments of the time

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of and Loss, to the extent the amount was previously charged to the Consolidated Statement of and Loss. In case of revalued assets, such reversal is not recognised.

P. Cash and cash equivalents

Cash and cash equivalent in the Consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an

For the purpose of the statement of cash cash and cash equivalents consist of cash and short-term deposits, as above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Q. Government Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the consolidated statement of and loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognized in the consolidated statement of and loss in the same period as the related cost which they are intended to compensate are accounted for.

R. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net (loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

S. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognized in the consolidated statement of

Notes to the Consolidated Financial Statements

Note - 2 Property, plant and equipment

(₹ in crore)

PARTICULARS	Freehold Land (refer note 2.1)	Leasehold Land (refer note 2.1)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Others Equipment	Tree Development Cost	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2019											
Gross Block											
Cost as at April 1, 2018	326.64	33.23	375.10	633.53	10.57	37.63	27.62	-	2.13	0.32	1,446.77
Additions	2.27	1.36	94.04	249.16	1.36	6.00	10.65	-	0.50	0.03	365.37
Acquisitions through Business Combinations (refer note 63)	35.76	24.92	54.68	92.08	0.76	1.65	3.90	-	0.70	-	214.45
Disposals	(3.29)	-	(0.59)	(4.29)	(0.02)	(6.10)	(0.28)	-	(0.02)	-	(14.59)
As at March 31, 2019	361.38	59.51	523.23	970.48	12.67	39.18	41.89	-	3.31	0.35	2,012.00
Accumulated Depreciation											
As at April 1, 2018	-	1.01	32.96	141.93	3.04	10.29	9.42	-	0.47	0.08	199.20
Charge for the year	-	0.38	14.34	69.70	1.22	4.81	4.59	-	0.39	0.03	95.46
Disposals	-	-	(0.06)	(2.76)	(0.01)	(1.57)	(0.21)	-	-	(0.02)	(4.63)
As at March 31, 2019	-	1.39	47.24	208.87	4.25	13.53	13.80	-	0.86	0.09	290.03
Net Block as at March 31, 2019	**361.38**	**58.12**	**475.99**	**761.60**	**8.42**	**25.65**	**28.09**	**-**	**2.44**	**0.26**	**1,721.97**
Capital work in progress											92.12
As at March 31, 2018											
Gross Block											
Cost as at April 1, 2017	325.30	33.23	354.76	557.86	9.52	33.84	23.47	0.80	1.09	0.46	1,340.33
Additions	1.34	-	20.50	77.58	1.08	5.30	4.20	-	1.04	0.05	111.09
Disposals	-	-	(0.16)	(1.91)	(0.03)	(1.51)	(0.05)	(0.80)	-	(0.19)	(4.65)
As at March 31, 2018	326.64	33.23	375.10	633.53	10.57	37.63	27.62	-	2.13	0.32	1,446.77
Accumulated Depreciation											
As at April 1, 2017	-	0.64	20.21	82.92	1.83	6.07	5.56	0.80	0.15	0.07	118.26
Charge for the year	-	0.37	12.76	59.42	1.22	4.64	3.88	-	0.32	0.04	82.65
Disposals	-	-	(0.01)	(0.41)	(0.01)	(0.42)	(0.02)	(0.80)	-	(0.03)	(1.69)
As at March 31, 2018	-	1.01	32.96	141.93	3.04	10.29	9.42	-	0.47	0.08	199.22
Net Block as at March 31, 2018	**326.64**	**32.22**	**342.14**	**491.60**	**7.53**	**27.34**	**18.20**	**-**	**1.66**	**0.24**	**1,247.55**
Capital work in progress											189.85

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), and Dahej are being complied with. Stamp duty payable thereon is not presently determinable.

Note 2.2 Capital work in progress includes borrowing cost capitalised during the year of ₹ 1.67 crores (Previous year ₹ 0.94 crore)

Note 2.3 Refer to note 23 for information on property, plant and equipment pledged as security by the group.

Notes to the Consolidated Financial Statements

Note - 3 Intangible assets

(₹ in crore)

PARTICULARS	Computer Software	Brand	Grant of Licences	Product Registration	Total
As at March 31, 2019					
As at April 1, 2018	13.79	38.22	17.00	2.71	71.72
Additions	1.26	-	-	-	1.26
Acquisitions through Business Combinations (refer note 63)	3.67	16.57	-	-	20.24
Disposals	(0.01)	-	-	-	(0.01)
As at March 31, 2019	**18.71**	**54.79**	**17.00**	**2.71**	**93.21**
Accumulated amortisation					
As at April 1, 2018	7.16	-	12.75	2.28	22.19
Disposals	(0.00)	-	-	-	(0.00)
As at March 31, 2019	**9.45**	**-**	**17.00**	**2.71**	**29.16**
Net Block as at March 31, 2019	**9.26**	**54.79**	**-**	**-**	**64.05**
As at March 31, 2018					
Cost					
As at April 1, 2017	12.62	38.22	17.00	2.71	70.55
Additions	1.17	-	-	-	1.17
Disposals	-	-	-	-	-
As at March 31, 2018	**13.79**	**38.22**	**17.00**	**2.71**	**71.72**
Accumulated amortisation					
As at April 1. 2017	4.45	-	8.50	1.72	14.67
Charge for the year	2.71	-	4.25	0.56	7.52
Disposals	-	-	-	-	-
As at March 31, 2018	**7.16**	**-**	**12.75**	**2.28**	**22.19**
Net Block as at March 31,2018	**6.63**	**38.22**	**4.25**	**0.43**	**49.53**

Note 3.1 To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during 2011-12 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account. (refer Note 55)

Note 4 Biological Assets other than bearer plants

A. Reconciliation of carrying amount

March 31, 2019

(₹ in crore)

Particulars	Oil palm saplings		Cattles	PS Birds /Hatching eggs /Broilers	Total
	Qty.	Amount	Amount	Amount	
Balance as April 1, 2018	6,76,545	4.26	-	-	4.26
Add:					
Purchases	5,93,900	2.54	-	-	2.54
Production/ Cost of Development		2.27	-	-	2.27
Less:					
Sales / Disposals	(5,97,492)	(4.31)	-	-	(4.31)
Change in fair value less cost to sell:	-	(0.08)	-	-	(0.08)
Realised	-	(0.15)	-	-	(0.15)
Unrealised	-	0.07	-	-	0.07
Acquisition through Business Combination	-		4.14	63.16	67.30
Balance as at March 31, 2019	6,72,953	4.68	4.14	63.16	71.98
Non Current	-	4.68	4.14	10.18	19.00
Current	-	-	-	52.98	52.98

Notes to the Consolidated Financial Statements

March 31, 2018 **(₹ in crore)**

Particulars	Oil palm saplings	
	Qty.	Amount
Balance as April 1, 2017	6,12,172	4.67
Add:		-
Purchases	5,88,559	2.60
Production/ Cost of Development		1.03
Less:		
Sales / Disposals	(5,24,186)	(3.95)
Change in fair value less cost to sell:	-	(0.09)
Realised	-	(0.26)
Unrealised	-	0.17
Balance as at March 31, 2018	**6,76,545**	**4.26**

The group has trading operations in oil palm business whereby the group purchases the saplings and sells the saplings once it has achieved the desired growth. During the year ended March 31, 2019 , the group purchased 593,900 (Previous year: 588,559) number of saplings, out of which 593,900 (Previous year: 588,559) were still under cultivation. The group has also acquired poultry (PS Birds /Hatching eggs /Broilers) (on acquisition of Godrej Tyson Foods Limited refer note 63) and cattle (on acquisition of Godrej Maxximilk Private Limited)

B. Measuement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings, cattles and PS Birds /Hatching eggs /Broilers have been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a break down of the total gains (losses) recognised in respect of Level 3 fair values-

Particulars	March 31, 2019	March 31, 2018
	Oil palm saplings	Oil palm saplings
Gain/(loss) included in 'other operating revenue'	(0.08)	(0.09)
Change in fair value (realised)	(0.15)	(0.26)
Change in fair value (unrealised)	0.07	0.17

iii. Valuation techniques an

Type	Valuation technique	unobservable inputs	Inter-relationship between and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 49 to ₹ 111 per sapling	The estimated fair valuation would increase/ (decrease) if - Estimated cost to complete was lower (higher)

C. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations, Cattles and PS Bird /Hatching egg /Broiler

i. Regulatory and enviromental risks

The group is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local enviromental and other laws.

ii. Supply and demand risks

The group is exposed to risks arising from in the price and sales volume of plants and milk. For oil palm plants, when possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend

The company exposed the risk arising from the in the price of Hatching eggs, commercial day old chicks and live birds. when the price goes down the management possibly manage this risk by diverting more live birds for processing and when prices goes up the management sells more Hatching eggs, Day old Chicks and Live Birds.

Notes to the Consolidated Financial Statements

iii. Climate and other risks

The group's oil palm plantations are exposed to the risk of damage from climatic changes, diseases, forest and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

The Company is exposed to risks arising from in yield and health of the Cattle. Company manages this risk by effective sourcing and maintenance of cattle.

The company's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the company has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting

A reasonably possible change of 10% in Estimated cost of completing the stock under cultivation at the reporting date would have increased

	March 31,2019		March 31,2018	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Oil plam saplings)	(0.08)	0.09	(0.08)	0.08
	(0.08)	**0.09**	**(0.08)**	**0.08**

Note 5 : Investments (₹ in crore)

			As at March 31, 2019	As at March 31, 2018
A.	**Equity accounted investees**			
	I	**Investment in Equity Instrument (Fully Paid)**		
		(a) Investment in equity of associates (Unquoted)		
		Godrej Maxximilk Private Limited (refer note 63)	-	4.14
		3,07,915 equity shares of ₹ 10 each, acquired during Previous year.		
		(b) Investment in joint ventures (Unquoted)		
		i ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh.	73.65	67.97
		18,50,000 (Previous Year 18,50,000) Equity Shares of ₹ 100/- each.		-
		ii Omnivore India Capital Trust	42.85	34.17
		2,444.37 (Previous Year 2,256.87) units of ₹ 1,00,000 each.		
		iii Godrej Tyson Foods Limited (refer note 63)	-	88.94
		(Previous year 97,461) Equity Shares of ₹10/- each.		
	Total (A)		**116.50**	**195.22**
B.	**Non-current investments**			
	(a)	Investment in co-operative society	0.01	0.01
	(b)	Investment in other corporates	0.00	0.00
	Total (B)		**0.01**	**0.01**
	C.	**Investments at amortised cost (Unquoted)**		
		Investments in Government or Trust Securities	-	0.00
	Total (C)		**-**	**0.00**
	TOTAL		**116.51**	**195.23**
Note 5.1 Other disclosures				
	Aggregate amount of unquoted investments (other than equity accounted investees)		0.01	0.01
	Aggregate amount of impairment in value of investments		-	-

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 6 : Non current - loans		
Unsecured, considered good (unless otherwise stated)		
1 Security deposits		
i Considered good	18.90	13.20
ii Considered doubtful	0.23	0.58
Less : Allowance for bad and doubtful deposits	(0.23)	(0.58)
Net deposits	18.90	13.20
2 Loan to employees	0.47	0.57
TOTAL	**19.37**	**13.77**
1 Claims receivable	1.46	1.46
2 Bank deposit with remaining maturity of more than 12 months (refer note 7.1)	0.15	0.02
TOTAL	**1.61**	**1.48**
Note 7.1: Fixed Deposits of ₹ 0.13 crore (Previous year ₹Nil) are pledged with government authorities. Further Fixed deposits with scheduled banks held as margin money towards bank guarantees and sales tax registration and deposit of ₹ 0.02 crores (Previous Year ₹ 0.02 crore) are kept as ernest money deposit.		
Note 8 : Other non-current assets		
1 Capital advances	37.95	36.97
2 Balance with government authorities	16.41	17.67
3 Others	-	-
i) Considered good	3.46	2.38
ii) Considered doubtful	0.46	0.27
Less : Allowance for doubtful advances	(0.46)	(0.27)
	3.46	2.38
TOTAL	**57.82**	**57.02**
Note 9 : Inventories		
(Valued at lower of cost and net realizable value)		
1 Raw materials (incuding packing materials)	502.22	405.64
2 Raw materials in transit	1.12	15.71
3 Work in progress	45.69	35.49
4 Project in progress	68.43	68.36
5 Finished goods	165.68	157.87
6 Stock-in-trade	87.75	52.20
7 Stores and spares	27.85	27.59
TOTAL	**898.74**	**762.86**

Note 9.1 : refer note 23 for information on inventories pledged as securities by the Company

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 10 : Current investments		
I Investment in equity of associates (Unquoted)		
i Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE.	-	-
24 Equity Shares of AED. 1500/- each. During the previous year as current investment	-	-
TOTAL	**-**	-
Note 11 : Current trade receivables (refer note 40.2)		
i. Secured and considered good (refer note 11.1)	78.09	75.42
ii. Unsecured and considered good	656.80	544.99
iii. Credit impaired	19.75	15.78
Less : Loss allowance	(19.75)	(15.78)
TOTAL	**734.89**	**620.41**
Note 11.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.		
Note 11.2: Refer to note 23 for information on trade receivables pledged as security by the group.		
Note 12 : Cash and cash equivalents		
1 Cash on hand	6.31	4.00
2 Cheques, drafts on hand	5.40	0.75
3 Balances with banks:		-
(a) Current accounts	16.05	25.06
(b) Saving bank account of company's ESOP Trust	0.04	0.04
TOTAL	**27.80**	**29.85**
Note 13 : Bank balances other than cash and cash equivalents		
1 Fixed deposits -more than 3 months and less than 12 months (refer note. 13.1)	1.92	1.90
2 Unclaimed dividend accounts	0.13	0.07
TOTAL	**2.05**	**1.97**
Note 13.1: Fixed deposits of ₹ 1.21 crore (Previous year ₹ nil) are pledged with Banks for Guarantees ₹ 0.06 crore are kept as ernest money deposit.		
Note 14 : Current loans		
Unsecured, considered good, unless otherwise stated		
1 Loans and advances to related parties (refer note. 65)		
Intercorporate deposits	-	7.84
2 Loans and advances - others		
(a) Loans and advances to employees	1.19	0.88
(b) Security deposits	3.80	5.83
(c) Other loans & advances	13.39	0.14
TOTAL	**18.38**	**14.69**

Notes to the Consolidated Financial Statements

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
1		0.06	0.12
2	Interest accrued on other deposits	0.16	0.02
3	Non-trade receivables	13.01	12.40
4	Derivatives		
	- Foreign exchange forward contracts not designated as hedge	-	0.01
	- Foreign exchange forward contracts designated as hedge	-	0.21
5	Others	12.59	9.08
TOTAL		**25.82**	**21.84**

Note 16 : Other current assets			
1	Advances to suppliers	17.70	17.42
	Less: Allowance for doubtful advance	(0.45)	(0.45)
2	Balance with government authorities	49.75	72.28
3	Others (includes prepayments, inventory receivable on returns, etc.)	36.61	36.63
TOTAL		**103.61**	**125.88**

		As at March 31, 2019	As at March 31, 2018
Note 17 : Share capital			
1	**Authorised :**		
	(a) 22,49,94,000 (Previous Year 22,49,94,000) Equity shares of the par value of ₹ 10 each	224.99	224.99
	(b) 6,000 (Previous Year 6,000) Preference shares of the par value of ₹ 10 each	0.01	0.01
	TOTAL	**225.00**	**225.00**
2	**Issued, subscribed and paid-up:**		
	19,20,28,739 (Previous Year 19,20,28,739) Equity shares of ₹ 10 each fully paid up.	192.03	192.03
TOTAL		**192.03**	**192.03**

		As at March 31, 2019		As at March 31st 2018	
3	**Reconciliation of number of shares outstanding at the beginning and end of the year :**	**No. of shares**	**₹ In crore**	**No. of shares**	**₹ In crore**
	Equity shares :				
	Outstanding at the beginning of the year	19,20,28,739	192.03	18,51,30,876	185.13
	Shares issued during the year		-	68,97,863	6.90
	Outstanding at the end of the year	**19,20,28,739**	**192.03**	**19,20,28,739**	**192.03**
	Preference shares :				
	Outstanding at the beginning of the year	-	-	6,000	0.01
	Issued during the year	-	-		
	Redeemed during the year		-	(6,000)	(0.01)
	Outstanding at the end of the year	**-**	**-**	**-**	**-**

Notes to the Consolidated Financial Statements

4 Rights, preferences and restrictions attached to:

a. **Equity Shares:** The group has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their share holding.

b. **Preference Shares:** The group has Non-Convertible Redeemable Preference Shares having a par value of ₹ 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders.These non- convertible redeemable preference shares have been fully redeemed during the previous year.

5 Shareholders holding more than 5% shares in the company is set out below:

		As at March 31, 2019		As at March 31, 2018	
		No. of shares	%	No. of shares	%
(a)	**Equity shares**				
1	Godrej Industries Limited (the holding Company)	11,16,66,300	58.15%	11,13,57,225	57.99%
2	V-Sciences Investments Pvt Ltd	2,47,07,698	12.87%	2,47,07,698	12.87%

6 There are no shares reserved for issue under options.

7 Equity Shares allotted as fully paid up by way of Bonus Shares

Year ended	No. of Bonus shares
March 31 2018	-
March 31 2017	9,25,65,438
March 31 2016	-
March 31 2015	7,93,41,804
March 31 2014	-

8 Initial public offering

The Company had made an Initial public issue of 2,51,58,964 equity shares of face value ₹ 10 each fully paid up for cash at a price of ₹ 460/- per equity share (including a share premium of ₹ 450/- per share) aggregating ₹ 1,157.31 crore consisting of a fresh issue of 63,37,225 equity shares by the Company and an offer for sales of 65,21,739 equity shares and 1,23,00,000 equity shares by Godrej industries Limited and V Science Pte. Ltd. respectively aggregating ₹ 1,157.31 crore. Aforementioned 63,37,225 equity shares were allotted on October 12th, 2017. The equity shares of the Company got listed on BSE Limited (BSE) and National Stock Exchange of India Limited (NSE) on October 16th, 2017.

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 18 : Other equity			
1	Retained earnings	1,090.99	849.04
2	Capital reserve	1.73	1.73
3	General reserve	18.14	20.91
4		(7.18)	(7.53)
5		0.02	(0.11)
6	Employee stock grants outstanding	2.89	1.71
7	Non controlling interest reserve	(76.66)	(73.00)
8	Securities premium account	427.02	426.59
TOTAL		**1,456.95**	**1,219.34**

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Notes to the Consolidated Financial Statements

Capital reserve

Excess of assets recognised over consideration paid on business acquisition made by the group

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

Effective portion of Cash Flow Hedges

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash hedge reserve. Amounts recognised in the cash

Non- controlling interest reserve

Non- controlling Interest Reserve represent the difference between the consideration paid and the carrying value of non- controlling interest acquired in subsidiaries.

Employee stock grants outstanding:

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

Securities premium account:

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

(₹ in crore)

9	Dividend	As at March 31, 2019	As at March 31, 2018
	The following dividends were declared and paid by the Company during the year:		
	Equity Dividend paid @₹ 4.5 per share	86.41	83.31
	Dividend distribution tax on the equity dividend paid	17.05	17.65
		103.46	**100.96**

The Board, in its meeting on May 06, 2019 has recommended a dividend of ₹ 4.5 per equity share for the year ended March 31, 2019 subject to the approval at the Annual General Meeting. The cash on account of dividend would be ₹ 104.18 crore including corporate dividend tax of ₹ 17.77 crore.

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 19 : Non current - borrowings			
1	**Secured**		
	a. Vehicle loans from bank and NBFC (refer note. 19.1)	-	0.26
2	**Unsecured**		-
	a. Term loans from banks (refer note. 19.2)	60.97	8.53
	b. Deferred payment liabilities (refer note.19.3)	2.06	3.09
	c. Deferred sales tax loan (refer note.19.4)	1.18	2.26
TOTAL		**64.21**	**14.14**

Note 19.1: During the year, the group has made prepayment of its vehicle loans

Note 19.2: The Loan for ₹ 2.95 crore including current maturity of ₹ 0.98 crore for the year (previous year ₹3.60 crore including current maturity of ₹ 0.66 crore) is repayable in 16 structured quarterly instalments commencing from January 2018 and carries the interest at MCLR currently 8.80% p.a.

Notes to the Consolidated Financial Statements

The Loan for ₹ 20.00 crore is repayable in a single tranche in April 2020. The Term Loan carries interest at one month treasury bill rate + 21 bps spread per annum. The Loan for ₹ 5.2 crore, with balance in current maturity of ₹ 2.60 crore as of march 31, 2019 (previous year ₹ 5.2 crore including current maturity of ₹ 2.60 crore), is repayable in two tranches. 50% of draw down amount was repayable in 18 months from the date of draw down and balance 50% at the end of 36 months from the date of draw down. Loan carries the interest at Treasury Bill Rate + 0.19 spread p.a. The tranche of the term loan of ₹ 2.60 crore has been paid during the year.

Term Loan for ₹ 16.00 crore (previous year nil) carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 60 monthly installments commencing from July 2020.

Term loans fro ₹ 27.00 crore including current maturity of ₹ 4.00 crore from banks for the year ended 31 March 2019 are at an Interest Rate of 7.05% (31 March 2018: nil). These loans are repayable at 28 equal quarterly installment of ₹ 1.00 crore each from 15 February 2019.

The Loan from Kotak Mahindra Bank was repayable in 18 structured quarterly instalments commencing from six months from the date of disbursement i.e. 30 March 2016 and carried interest at MCLR. The group has repaid the loan amount of ₹ 4.47 crore (including closing current maturity of ₹ 1.49 crore as of March 31, 2018) during the year. Balance as at March 31, 2019 is ₹ Nil)

Note 19.3: Deferred Loan against acquisition of Lease hold Land is availed at interest rate of 14% under the scheme by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on a half yearly basis for a period of 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was ₹ 6.18 crore and outstanding for the year ended March 31, 2019 was ₹ 3.09 crore (Previous year ₹ 4.12 crore) with current maturity disclosed separately in Note 25 at ₹ 1.03 crore (Previous year ₹ 1.03 crore) .

Note 19.4: Deferred Sales Tax Loan is availed interest free under the scheme by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was ₹ 4.67 crore and outstanding for the year ended March 31, 2019 was ₹ 2.41 crore (Previous year ₹ 3.11 crore) with current maturity disclosed separately in note 25 at ₹ 1.23 crore (Previous year ₹ 0.85 crore).

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Non Trade Payables	0.51	-
Total	**0.51**	**-**

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 21 : Non current provisions		
- Provision for compensated absences	5.13	4.87
- Provision for gratuity	1.57	1.57
Total	**6.70**	**6.44**

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 22 : Other non-current liabilities		
Deferred grant	20.41	14.05
Total	**20.41**	**14.05**

Notes to the Consolidated Financial Statements

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
Note 23 : Current borrowings			
1	**Secured**		
	(a) Cash credit from banks (refer note 23.1)	11.00	11.01
	(b) Buyers credit (refer note 23.2)	-	6.46
2	**Unsecured**		
	(a) Term loans from banks (refer note 23.3)	125.39	205.05
	(b) Commercial paper (refer note 23.4)	100.00	50.00
	(c) Cash credit (refer note 23.1)	0.36	22.22
	(d) Working capital loans from banks (refer note. 23.5)	53.12	51.03
	(e) Foreign currency loan (refer note 23.6)	1.73	37.99
	(f) Buyers credit (refer note 23.2)	31.93	4.90
Total		**323.53**	**388.66**

Note 23.1: Cash Credit from banks are repayable on demand and carries interest at the rate of 1 Year MCLR + 25 to 55 bps and 8.60% per annum (Previous year 1 Year MCLR + 35 to 110 bps) . The cash credit from Bank is secured against inventories and receivables.

Note 23.2: Buyers credit are at an interest rate of 3 to 6 month LIBOR + 40 to 120 bps and are repayable within 6 months.

All the secured current borrowings of Astec LifeScience Limited have pari passu charge on the current assets and movable assets of the Company, including inventory and receivables both present & future.

Note 23.3: Term Loans are taken from Citi Bank for the year ended March 31, 2019 and carries Interest Rates of T Bill +0 to T Bill +0.14 and 6.10% p.a. to 6.70% per annum (Previous Year Term Loans were from multiple Banks and carried various Interest Rates of 5.95% to 9.35%, 1 year T Bill + 14 bps, 1 month Mibor + 85 bps and 3 Month T Bill). These loans are repayable on different dates upto one year from the date statement or on demand.

Note 23.4: During the year the Company has raised Commercial Paper carries interest rate of 6.73% to 8.49% (Previous year 6.15% to 7.25%)

Note 23.5: Working capital loan (Rupee) from banks carries interest rate of 6.35% to 8.45% (Previous year - 7.50% to 7.85%). These loans are repayable on different dates up to December 23, 2019

Note 23.6: Foreign currency loans from Banks are at an interest rate of LIBOR + 65 bps (Previous year LIBOR + 75 bps) and are repayable in 180 days (Previous year - 30 days).

		As at March 31, 2019	As at March 31, 2018
Note 24 : Current trade payables			
1	**Trade Payables**		
	(a) Due to micro enterprises and small enterprises (refer note. 24.1)	16.35	2.42
	(b) Other than micro enterprises and small enterprises	349.18	378.68
2	**Acceptances**	873.90	516.24
Total		**1,239.43**	897.34

A	Principal amount remaining unpaid	14.67	2.42
B	Interest due thereon	0.28	-
C	Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D	Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E	Interest accrued and remaining unpaid	0.28	-
F	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Notes to the Consolidated Financial Statements

Note 24.1: Micro enterprises and small enterprises as under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been by the group on the basis of the information available with the Group and the auditors have relied on the same. Accordingly ₹ 14.67 crore (previous year ₹ 2.42 crores) is overdue as on March 31, 2019 to Micro, Small and Medium Enterprises on account of principal amount.

(₹ in crore)

		As at March 31, 2019	As at March 31, 2018
1	Current maturities of long-term debt		
	Secured loan		
	Current maturities of long-term debt	7.95	0.37
	Unsecured loan		-
	From others - Deferred sales tax loan (refer note: 19.4)	1.23	0.85
	From others - Deferred payment liabilities (refer note: 19.3)	1.03	1.03
	Current maturities of long-term debt - term loan	-	4.75
2		0.06	0.06
3	Security deposit	81.84	66.89
4	Non trade payables	58.75	112.56
5	Derivative liability	1.06	0.09
6	Unclaimed dividend	0.13	0.07
7	Put option liability (refer note 47)	18.48	36.96
8	Others (includes accrual for expenses, performance bonus, etc.)	47.34	49.89
Total		**217.87**	**273.52**

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 26 : Other current liabilities		
1 Advances from customers	39.17	32.57
2 Statutory liabilities	8.40	13.00
3 Deferred grants	1.21	1.13
4 Other	0.01	0.18
Total	**48.79**	**46.88**

There are no amounts due to be credited to Investor Education and Protection Fund in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note 27 : Current provisions		
1		
- Provision for compensated absences	1.78	0.84
- Provision for gratuity (refer note. 38)	5.31	5.92
2 Provision for sales tax liability	0.24	-
3 Provision for sales return (refer note 27.1 & 27.2)	33.75	25.26
Total	**41.08**	**32.02**

Notes to the Consolidated Financial Statements

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Note. 27.1 : Movement of provision for sales return		
Opening provision	25.26	20.75
Add : Provision made for the year	146.69	138.63
Less: Utilised during the year	137.98	133.81
Less:- Reversed during the year	0.22	0.31
Closing provision	**33.75**	**25.26**

Note. 27.2 : The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

(₹ in crore)

			For the year ended March 31, 2019	For the year ended March 31, 2018
Note 28 : Revenue from operations				
1	**Sale of products (refer note 59)**			
	Sale of products		5,820.89	5,156.50
	Sale of Scrap and Empties		30.99	27.12
			5,851.88	**5,183.62**
2	**Other operating revenue**			
	1	Export incentives	7.22	6.02
	2	Rebates / incentives from government	10.68	7.43
	3	Conversion, handling and storage charges	-	0.31
	4	Service tax rebate	-	0.06
	5	Duty drawback	-	0.22
	6	Processing income	1.04	4.10
	7	Others	-	4.24
	8	Fair value of biological assets (refer note. 4)	(0.08)	(0.09)
		Other operating revenue	**18.86**	**22.29**
Total			**5,870.74**	**5,205.91**
Note 28.1				
1	**Reconciliation of revenue from contract with customers**			
	Particulars			
	Revenue from contract with customer as per the contract price		**6,102.49**	
	Adjustments made to contract price on account of :-			
	a) Commission / Discounts		(250.61)	
			5,851.88	
2	**Disaggregation of revenue**			
	Animal Feed		3,046.47	
	Vegetable Oil		671.54	
	Crop Protection		978.46	
	Dairy		1,161.12	
	Other Business		(5.71)	
			5,851.88	
3	**Geographical disaggregation**			
	Sales in India		**5,605.79**	
	Sales outside India		246.09	
			5,851.88	

Notes to the Consolidated Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 29 : Other income			
1	Interest income		
	(A) Instruments measured at amortised cost		
	(i) Interest received on deposits	2.77	1.31
	(ii) Interest - others	0.22	0.53
	(iii)	-	0.35
	(b) Interest received from Income Tax	0.30	1.31
2	Dividend received	-	0.00
3		25.22	-
4		0.19	0.18
5	Claims received	1.20	3.07
6	Liabilities no longer required written back	7.37	3.81
7	Recovery of bad debts written off	0.82	0.59
8	Rent income	0.04	-
9	Royalty & technical knowhow	1.30	1.44
10	Applicable net gain on foreign currency transactions and translation	1.41	4.20
11	Other miscellaneous income	10.97	13.27
12	Grant amortization	1.30	1.49
13	Vat refund received	-	0.26
Total		**53.11**	**31.81**

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 30 : Cost of materials consumed			
(a)	Raw material stocks at the commencement of the year	421.35	418.26
(b)	Add : Purchases	4,458.71	3,811.47
(c)	Less : Raw material sold	45.47	1.33
(d)	Less: Raw material stocks at the close of the year	445.52	421.35
Total		**4839.07**	**3807.05**

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 31 : Purchase of stock-in-trade			
1	Agri inputs	223.01	170.81
2	Others	6.74	-
Total		**229.75**	**170.81**

Notes to the Consolidated Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 32 : stock-in-trade			
1	**Stocks at the commencement of the year**		
	(a) Finished goods	157.87	128.17
	(b) Work in progress	35.49	45.46
	(c) Stock under cultivation	4.26	4.67
	(d) Stock-in-trade	52.20	63.86
Total stock at the commencement of the year		**249.82**	**242.16**
2	**Less : Stocks at the close of the year**		
	(a) Finished goods	158.05	157.87
	(b) Work in progress	45.41	35.49
	(c) Stock under cultivation	4.68	4.26
	(d) Stock-in-trade	86.90	52.20
Total stock at the close of the year		**295.05**	**249.82**
		(45.22)	**(7.66)**

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
1	Salaries, wages, bonus and allowances	251.41	239.66
2	Contribution to provident, gratuity and other funds (refer note 38)	17.16	15.93
3	Expense on employee stock based payments (refer note. 39)	2.43	2.63
4	Staff welfare expense	23.42	18.12
Total		**294.42**	**276.34**

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 34 : Finance costs			
1	Interest expense		
	i Paid to banks on loans and cash credit	22.71	23.39
	ii Others	9.62	19.85
2	Other borrowing costs	1.56	1.75
3	Exchange differences regarded as a adjustment to borrowing cost	-	0.32
4	Preference dividend and tax on preference dividend	-	(0.00)
Total		**33.89**	**45.31**

Note 34.1: Finance costs are net of interest capitalised to capital work in progress and project in progress ₹1.67 crore (Previous year ₹ 4.02 crore).

Notes to the Consolidated Financial Statements

(₹ in crore)

		For the year ended March 31, 2019	For the year ended March 31, 2018
Note 35 : Depreciation and amortisation expenses			
1	Depreciation	95.46	82.65
2	Amortization	6.96	7.52
	Less : Transfer from general reserve (refer note.55)	(4.25)	(4.25)
Total		**98.17**	**85.92**
Note 36 : Other expenses			
1	Stores and spares consumed	28.95	27.23
2	Power and fuel	101.76	85.73
3	Processing and other manufacturing expenses	107.42	106.96
4	Rent	14.92	16.39
5	Rates and taxes	5.56	6.95
6	Repairs and maintenance		
	(a) Machinery	13.54	14.36
	(b) Buildings	2.09	1.66
	(c) Other assets	4.81	4.25
7	Insurance	3.48	3.49
8	Auditor's remuneration (refer note 36.1)	1.05	1.10
9	Freight	20.64	21.12
10	Advertisement, selling and distribution expenses	88.07	86.50
11	Bad debts/advances written off	18.67	8.21
12	Allowances for doubtful debts and advances	4.40	6.88
13		-	2.63
14	Loss on sale/write off of property, plant and equipments	-	1.58
15	Research expenses	2.85	1.18
16	Corporate social responsibility expenses	6.06	5.17
17	Miscellaneous expenses	122.61	94.55
Total		**546.88**	**495.94**
Note 36.1: Auditor's remuneration (including to previous auditors)			
(a)	Audit fees (including limited reviews)	0.93	1.04
(b)	Audit under other statutes	-	
(c)	Taxation matters	-	
(b)	Other matters	0.09	0.02
(e)		-	-
(c)	Reimbursement of expenses	0.03	0.04
Total		**1.05**	**1.10**
		-	0.72
Total		**1.05**	**1.82**

Notes to the Consolidated Financial Statements

Note 37 Earnings per share

Calculation of weighted average number of equity shares - Basic and diluted (₹ in crore)

		March 31, 2019	March 31, 2018
1	Calculation of weighted average number of equity shares - Basic		
	Number of shares at the beginning of the year	**19,20,28,739**	**18,51,30,876**
	Equity shares issued during the year	-	68,97,863
	Number of equity shares outstanding at the end of the year	**19,20,28,739**	**19,20,28,739**
	Weighted average number of equity shares for the year	**19,20,28,739**	**18,83,77,275**
2	Calculation of weighted average number of equity shares - Diluted		
	Weighted average equity shares - Basic	**19,20,28,739**	**18,83,77,275**
	Effect of exercise of share grants (refer note 37.1)	15,500	-
	Weighted average number of potential equity shares for the year	**19,20,44,239**	**18,83,77,275**
3			
		329.04	229.21
	Income/(Expense) recognized in Reserves		
	Amortisation of Intangiable Assets	(2.77)	(2.77)
		326.27	**226.44**
4	Basic Earnings per share (₹)	**16.99**	**12.02**
5	Diluted Earnings per share (₹)	**16.99**	**12.02**
6	Nominal Value of Shares (₹)	**10.00**	**10.00**

Note 37.1 The calculation of diluted earning per share is based on attributed to equity shareholders and weigthed average no. of equity shares outstanding after adjustments for the effects of all dilutive potential equity share i.e. shares reserved for employee share based payments.

The group contributes to the following post-employment plans in India.

The group's contributions paid/payable to Regional Provident Fund at certain locations, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities. "

The group recognised ₹ 11.59 crore for the year ended March 31, 2019 (Previous Year ₹ 10.51 crore) towards provident fund contribution₹ 0.87 crore for the year ended March 31, 2019 (for Previous Year ₹ 0.99 crore) towards employees' state insurance contribution and ₹ 0.58 crore for the year ended March 31, 2019 (Previous Year ₹

I. Provident Fund.

The Group manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2019.

Notes to the Consolidated Financial Statements

(₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Plan assets at period end, at fair value	114.85	99.07
Provident Fund Corpus/ obligation	111.94	96.25
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.49%	8.61%
Weighted Average YTM	8.54%	8.60%
Guaranteed Rate of Interest	8.65%	8.55%

II. Gratuity

The group's gratuity schemes are plans. The group's liability for the schemes is actuarially determined based on the projected unit credit method. The group's net obligations in respect of such plans is calculated by estimating the amount of future that the employees have earned in return for their services in the current and prior periods and that is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Other Comprehensive

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Group has a plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Group. Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the ICICI Prudential Life insurance, a funded plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme. The employee gratuity fund scheme for other Indian subsidiaries is managed by Life Insurance Corporation of India.

The most recent actuarial valuation of the obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2018. The present value of the obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee obligation and the plan assets as at balance sheet date:

(₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
	(35.34)	(28.49)
Fair value of plan assets	28.46	21.01
	(6.88)	**(7.48)**

i.

The following table shows a reconciliation from the opening balances to the closing balances for net (asset) liability and its components

(₹ in crore)

Particulars	Fair value of plan assets				(asset) liability	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Opening balance	28.49	22.65	21.01	17.07	7.48	5.58
	-	-	-	-	-	-
Current service cost	2.62	2.20	-	-	2.62	2.20
Past service cost	-	0.35	-	-	-	0.35
Interest cost (income)	2.20	1.68	1.63	1.25	0.57	0.43
Liability / Assets transferred in / Acquisitions	0.01	0.23	0.01	0.23	-	-
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:	2.53	3.69	-	-	2.53	3.69

Notes to the Consolidated Financial Statements

(₹ in crore)

Particulars	Fair value of plan assets				(asset) liability	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Demographic assumptions	0.68	0.44	-	-	0.68	0.44
Financial assumptions	0.07	(0.78)	-	-	0.07	(0.78)
Experience adjustment	1.78	4.03	-	-	1.78	4.03
Return on plan assets excluding interest income	-	-	0.01	(0.22)	(0.01)	0.22
	35.85	**30.80**	**22.66**	**18.33**	**13.19**	**12.47**
Other						
Contributions paid by the employer	-		6.32	4.99	(6.32)	(4.99)
	(3.42)	(2.31)	(3.15)	(2.31)	(0.27)	-
Acquisitions	2.91		2.63		0.28	
Closing balance	**35.34**	**28.49**	**28.46**	**21.01**	**6.88**	**7.48**
Represented by						
	6.88	7.48				
	6.88	**7.48**				

ii. Plan assets

Plan assets comprise the following

	March 31, 2019	March 31, 2018
Insurer managed fund (100%)	28.46	21.01
	28.46	**21.01**

iii. Actuarial assumptions

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

	March 31, 2019	March 31, 2018
Discount rate	7.57%	7.69%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.	For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a.
Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would

(₹ in crore)

	March 31, 2019		March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.25)	2.58	(1.96)	2.26
Future salary growth (1% movement)	2.62	(2.32)	2.29	(2.02)
Rate of employee turnover (1% movement)	0.61	(0.80)	0.60	(0.80)

The sensitivity analyses above have been determined based on a m
of reasonable changes in key assumptions occuring at the end of the reporting period.

Notes to the Consolidated Financial Statements

v.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
1st Following year	5.57	4.33
2nd Following year	2.82	1.79
3rd Following year	2.99	2.72
4th Following year	3.24	2.03
5th Following year	6.96	1.86
Therafter	24.84	14.92

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the period ended March 31, 2019 based on actuarial valuation using the ₹ 2.32 crore (Previous Year ₹ 1.72 crore)

Termination

Note 39: Share-based payment arrangements:

Description of share-based payment arrangements

A. Godrej Agrovet Limited

Employee stock grants

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is ₹ 1 per equity share as provided in the scheme. The Company has provided ₹ 1.09 crore (Previous Year ₹ 2.20 crore) for the aforesaid eligible employees for the current year.

Employee stock grants - equity settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20,2018.

The ESGS Scheme is effective from April 1, 2018, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty lac) fully paid up equity shares of the Company. Not more than 5,00,000 (Five lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been at Re. 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of and Loss. The value of the options is treated as a part of employee compensation in the statements and is amortised over the vesting period. The Company has provided ₹ 1.16 crore for all the eligible employees for current year.

Notes to the Consolidated Financial Statements

Following table lists the average inputs to the model used for the plan for the year ended March 31, 2019:

Particulars	Year ended March 31, 2019	Description of the Inputs used
Dividend yield %	0.73%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	27%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	7.174% to 7.744%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	
Weighted Average Market price on date of granting the options	619.95	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2019	Weighted average Exercise Price (₹)	Weighted average Share Price (₹)
Options Outstanding at the Beginning of the Year	-		
Options Granted	43,599		
Options Vested	-		
Options Exercised	-	10.00	362.72
Options Lapsed / Forfeited	894		
Total Options Outstanding at the end of the year	**28,470**		

The weighted average exercise price of the options outstanding as on March 31, 2019 is ₹ 6.11.

B. Astec LifeScience Limited

(a) Employee stock option scheme (ESOS,2015)

The Group has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock option scheme is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the date of grant. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

(b) Employee stock option plan (ESOP,2012)

The Group has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the Group in the Year 2012. The employee stock option plan is designed to provide incentives to all the permanent employees to deliver long-term returns. Under the plan, participants are granted options which will vest in 4 years (40% in 1st year, 30% in 2nd year, 20% in 3rd year and 10% in 4th year) from the grant date. Participation in the plan is at the discretion of the Compensation Committee / Board of Directors of the Group.

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

Notes to the Consolidated Financial Statements

Set out below is a summary of options granted under both the plans:

Employee stock option plan (ESOP,2012)

	March 31, 2019		March 31, 2018	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	34.00	37,200	34.00	50,000
Granted during the period	-	-	-	-
Exercised during the period	34.00	18,500	34.00	12,800
Lapsed during the period	-	-	-	-
Closing balance		**18,700**		**37,200**
Vested and exercisable		**15,700**		**21,500**

Employee stock option scheme (ESOS,2015)

	March 31, 2019		March 31, 2018	
	Average exercise price per share option (INR)	Number of options	Average exercise price per share option (INR)	Number of options
Opening balance	387.35	40,000	387.35	50,000
Granted during the period	-	-	-	-
Exercised during the period	387.35	5,500	387.35	4,000
Lapsed during the period	-	-	387.35	6,000
Closing balance		**34,500**		**40,000**
Vested and exercisable		**22,500**		**16,000**

No options expired during the periods covered in the above tables.

Share options outstanding at the end of the year have the following expiry date and exercise prices:

Grant date	Expiry date	Exercise price	March 31, 2019	March 31, 2018
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	3,200	4,500
January 31, 2015	January 30, 2025	34.00	4,800	11,400
January 31, 2015	January 30, 2026	34.00	5,700	6,700
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	5,600
May 16, 2015	May 15, 2025	34.00	2,000	6,000
May 16, 2015	May 15, 2026	34.00	3,000	3,000
July 26, 2016	July 25, 2020	387.35	12,000	16,000
July 26, 2016	July 25, 2021	387.35	10,500	12,000
July 26, 2016	July 25, 2022	387.35	8,000	8,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
Total			**53,200**	**77,200**
Weighted average remaining contractual life of options outstanding at end of period			3.76	5.11

Notes to the Consolidated Financial Statements

(i) Fair value of options granted

The fair value of grant date of options granted during the year ended March 31, 2019 and March 31, 2018 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Grant date	Expiry date	Fair Value	March 31, 2019	March 31, 2018
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	3,200	4,500
January 31, 2015	January 30, 2025	109.91	4,800	11,400
January 31, 2015	January 30, 2026	110.49	5,700	6,700
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	5,600
May 16, 2015	May 15, 2025	119.30	2,000	6,000
May 16, 2015	May 15, 2026	119.67	3,000	3,000
July 26, 2016	July 25, 2020	100.00	12,000	16,000
July 26, 2016	July 25, 2021	159.00	10,500	12,000
July 26, 2016	July 25, 2022	278.00	8,000	8,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
Total			**53,200**	**77,200**

The model inputs for options granted during the year ended March 31, 2018 included:

ESOS, 2015 granted on 26 July 2016

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 3 years after vesting.

	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise price	INR 387.35	INR 387.35	INR 387.35	INR 387.35
Grant date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	INR 387.35/-	INR 387.35/-	INR 387.35/-	INR 387.35/-
Expected price volatility of the group's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted during the year ended March 31, 2016 included:

ESOP, 2012- Option B granted on 16 May 2015

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise price	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)
Grant date	16 May 2015	16 May 2015	16 May 2015	16 May 2015
Expiry date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	INR 138/-	INR 138/-	INR 138/-	INR 138/-
Expected price volatility of the group's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

Notes to the Consolidated Financial Statements

The model inputs for options granted during the year ended March 31, 2015 included:

ESOP, 2012- Option A granted on 31 January 2015

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10% of options after 4 years. Vested options are exercisable for a period of 7 years after vesting.

	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise price	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)	INR 34/- (March 31, 2016 - INR 34/-)
Grant date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	INR 127.70/-	INR 127.70/-	INR 127.70/-	INR 127.70/-
Expected price volatility of the company's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

b) Expense arising from share based payment transactions

(₹ in crore)

	March 31, 2019	March 31, 2018
Employee stock option plan	0.18	0.34
TOTAL	**0.18**	**0.34**

Note 40: Financial instruments – fair values and risk management

Carrying amounts and fair values of assets and liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for assets and liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

March 31, 2019		Carrying amount			Total	Fair value			Total
		FVTPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	
	Financial assets								
I									
1	Investments	0.01	-	-	0.01	-	-	0.01	0.01
2	Loans and advances	-	-	19.37	19.37	-	-	-	-
3	Others	-	-	1.61	1.61	-	-	-	-
II									
1	Trade and other receivables	-	-	734.89	734.89	-	-	-	-
2	Cash and cash equivalents	-	-	27.80	27.80	-	-	-	-
3	Other bank balances	-	-	2.05	2.05	-	-	-	-
4	Loans and advances	-	-	18.38	18.38	-	-	-	-
5	Others	0.25	-	25.57	25.82	-	0.25	-	0.25
		0.26	**-**	**829.67**	**829.93**	**-**	**0.25**	**0.01**	**0.26**
Financial liabilities									
I									
1	Borrowings	-	-	64.21	64.21	-	1.18	-	1.18
2	Others	-	-	0.51	0.51	-	-	-	-
		-	-	-	-	-		-	

Notes to the Consolidated Financial Statements

(₹ in crore)

March 31, 2019		Carrying amount			Total	Fair value			Total
		FVTPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	
II									
1	Borrowings	-	-	323.53	323.53	-	-	-	-
2	Trade and other payables	-	-	1,239.43	1,239.43	-	-	-	-
3	Others	1.06	-	216.81	217.87	-	1.06	-	1.06
		1.06	**-**	**1,844.49**	**1,845.55**	**-**	**2.24**	**-**	**2.24**

March 31, 2018		Carrying amount			Total	Fair value			Total
		FVTPL	FVOCI	Amortised Cost		Level 1	Level 2	Level 3	
I									
1	Investments	0.01	-	0.00	0.01	-	-	0.01	0.01
2	Loans and advances	-	-	13.77	13.77	-	-	-	-
3	Others	-	-	1.48	1.48	-	-	-	-
II									
1	Trade and other receivables	-	-	620.41	620.41	-	-	-	-
2	Cash and cash equivalents	-	-	29.85	29.85	-	-	-	-
3	Other bank balances	-	-	1.97	1.97	-	-	-	-
4	Loans and advances	-	-	14.69	14.69	-	-	-	-
5	Others	0.59	0.21	21.04	21.84	-	0.80	-	-
		0.60	**0.21**	**703.21**	**704.02**	**-**	**0.80**	**0.01**	**0.01**
I	liabilities								
1	Borrowings		-	14.14	14.14	-	0.25	-	0.25
2	Others	-	-	-	-	-		-	-
		-	-						
II									
1	Borrowings	-	-	388.66	388.66	-	-	-	-
2	Trade and other payables	-	-	897.34	897.34	-	-	-	-
3	Others	0.09	-	273.43	273.52	-	0.24	-	0.24
		0.09	**-**	**1,573.57**	**1,573.66**	**-**	**0.49**	**-**	**0.49**

Valuation technique used to determine fair value

used.

Type	Valuation technique	unobservable inputs	Inter-relationship unobservable inputs and fair value measurement
Forward contract for foreign exchange contracts	- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
instrument	- the fair value of the remaining instruments is s.	NA	NA

Financial risk management

- Credit risk ;
- Liquidity risk ;
- Market risk; and
- Currency risk;

Notes to the Consolidated Financial Statements

i. Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 40.2: Credit risk

Credit risk is the risk of loss to the company if a customer or counterparty to a instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advances.

Trade receivables and loans and advances.

The group's exposure to credit risk is mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains adequate security deposits for sales made to its distributors. For other trade receivables, the group individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

The maximum exposure to credit risk for trade and other receivables by type of counter party was as follows:

(₹ in crore)

	Carrying amount	
	March 31, 2019	March 31, 2018
Trade receivables (net of credit impaired)	734.89	620.41
Exports		
Distributors	-	-
Other	43.38	57.96
Domestic		
Distributors	569.26	475.86
Other	122.26	86.59
	734.89	**620.41**
Other receivables	**36.08**	**13.20**

Notes to the Consolidated Financial Statements

Impairment

The ageing of trade receivables as follows.

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Neither past due nor impaired	481.86	439.48
Past due 1–30 days	78.88	57.89
Past due 31–90 days	59.70	42.14
Past due 91–180 days	43.70	23.59
> 180 days	90.50	73.09
	754.64	**636.19**

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in crore)

For trade receivable	March 31, 2019	March 31, 2018
Balance as at April 1	15.78	7.78
Impairment loss recognised	22.31	16.21
Amounts written off	(18.34)	(8.21)
Balance as at March 31	**19.75**	**15.78**

(₹ in crore)

For other receivable	March 31, 2019	March 31, 2018
Balance as at April 1	0.58	0.59
Impairment loss recognised	(0.02)	0.23
Amounts written off	(0.33)	(0.25)
Balance as at March 31	**0.23**	**0.58**

Cash and cash equivalents and other bank balances

The group held cash and cash equivalents and other bank balances of ₹ 30.00 crore at March 31, 2019 (Previous Year ₹ 31.84 crore). The cash and

Note 40.3: Liquidity risk

Liquidity risk is the risk that the group will encounter in meeting the obligations associated with its liabilities that are settled by delivering cash or another asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The Group has access to funds from debt markets through loans from banks, commercial papers and other debt instruments.

Exposure to liquidity risk

The following are the remaining contractual maturities of liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

Notes to the Consolidated Financial Statements

(₹ in crore)

March 31, 2019	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Deferred sales tax loan	1.18	1.34	-	-	1.34		-
Deferred payment liablities	2.06	2.70	-	-	1.49	1.21	-
Term loans from bank and NBFC (Unsecured) & vehicle loans (Secured)	60.97	60.97	-	-	31.23	25.44	4.30
payables	0.51	0.51	-	-	0.51	-	-
Cash credit from bank	11.36	11.36	11.36	-	-	-	-
Term loans from banks	125.39	125.39	125.39	-	-	-	-
Commercial papers	100.00	100.00	100.00	-	-	-	-
Buyers credit	31.93	31.93	31.93	-	-	-	-
Working capital loans from banks	54.85	62.85	54.85	8.00	-	-	-
Trade and other payables	365.56	365.56	365.56	-	-	-	-
Acceptances	873.90	873.90	873.90	-	-	-	-
	198.34	198.34	190.94	7.40	-	-	-
Derivative liability							
MTM on forward exchange contract	1.06	1.06	1.06	-	-	-	-
Put option liability	18.48	18.48	18.48	-	-	-	-
Total	**1,845.59**	**1,854.39**	**1,773.47**	**15.40**	**34.57**	**26.65**	**4.30**

March 31, 2018	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Deferred sales tax loan	2.26	2.57	-	-	1.23	1.34	-
Deferred payment liablities	3.09	3.09	-	-	1.03	2.06	-
Term loans from bank and NBFC - Secured	8.79	8.79	-	-	5.24	3.55	-
Cash credit from bank	33.23	33.23	33.23	-	-	-	-
Term loans from banks	205.05	205.05	203.89	1.16	-	-	-
Commercial papers	50.00	50.00	50.00	-	-	-	-
Buyers credit	11.36	11.36	11.36	-	-	-	-
Working capital loans from banks	89.02	89.02	89.02	-	-	-	-
Trade and other payables	381.10	381.11	370.56	10.55	-	-	-
Acceptances	516.24	516.24	516.24	-	-	-	-
	236.48	235.47	233.92	1.55	-	-	-
Derivative liability					-	-	-
MTM on forward exchange contract	0.09	0.09	-	0.09	-	-	-
Put option liability	36.96	36.96	36.96	-	-	-	-
Total	**1,573.67**	**1,572.98**	**1,545.18**	**13.35**	**7.50**	**6.95**	**-**

The gross disclosed in the above table represent the contractual undiscounted cash relating to derivative liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash amounts for

Notes to the Consolidated Financial Statements

Note 40.4 : Currency risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of al instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Currency risk

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time.

The functional currencies of the group companies are primarily the local currency of the respective countries in which they operate. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and expenses are denominated and the respective functional currencies of group companies. The currencies in which these transactions are primarily denominated are INR. Foreign currency revenues and expenses are in the nature of export sales, import purchases, royalty, technical know-how & professional and consultation fees.

Exposure to currency risk

The summary quantitative data about the group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in crore)

	March 31, 2019			March 31, 2018		
	USD	EUR	GBP	USD	EUR	GBP
Financial assets						
Trade receivables	**50.46**	-	-	57.94	-	-
Foreign exchange forward contracts	**-**	-	-	(6.79)	-	-
Net exposure to foreign currency risk (assets)	**50.46**	**-**	**-**	**51.15**	**-**	**-**
Financial liabilities						
Borrowings	-	-	-	(37.56)	-	-
Buyers credit	(33.17)	-	-	(11.32)	-	-
Trade payables	(52.79)	(0.16)	(0.08)	(81.29)	(3.50)	(0.07)
Derivative liabilities	-	-	-	-	-	-
Foreign exchange forward contracts	43.33	-	-	52.67	-	-
Net exposure to foreign currency risk (liabilities)	**(42.63)**	**(0.16)**	**(0.08)**	**(77.50)**	**(3.50)**	**(0.07)**
Net exposure	**7.83**	**(0.16)**	**(0.08)**	**(26.35)**	**(3.50)**	**(0.07)**
Un-hedged foreign currency exposures						
Purchase	**(42.63)**	(0.16)	(0.08)	(77.50)	(3.50)	(0.07)
Sale	50.46	-	-	51.15	-	-

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Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March 2019 would have affected the measurement of instruments denominated in a foreign currency and affected equity and or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR crore			Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2019				
USD (3% movement)	0.17	(0.17)	0.17	(0.17)
EUR (2% movement)	(0.00)	0.00	(0.00)	0.00
GBP (2% movement)	(0.00)	0.00	(0.00)	0.00
	0.17	**(0.17)**	**0.17**	**(0.17)**

Effect in INR crore			Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2018				
USD (1% movement)	(0.26)	0.26	(0.26)	0.26
EUR (4% movement)	(0.14)	0.14	(0.14)	0.14
GBP (3% movement)	(0.00)	0.00	(0.00)	0.00
	(0.40)	**0.40**	**(0.40)**	**0.40**

Note: Sensitivity has been calculated using standard Deviation % of USD, EURO and GBP rate movement

Note 40.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash interest rate risk. Fair value interest rate risk is the risk of changes in fair values of interest bearing assets or borrowings because of in the interest rates, if such assets/borrowings are measured at fair value through or loss. Cash interest rate risk is the risk that the future cash of interest bearing borrowings will because of uctuations in the interest rates.

Exposure to interest rate risk

(₹ in crore)

Nominal amount	March 31, 2019	March 31, 2018
Fixed-rate instruments		
Loans and advances	13.88	0.57
	2.97	21.53
Borrowings	55.34	123.56
	69.60	56.46
Total	**141.79**	**202.12**
Variable -rate instruments		
Term loans from banks	156.21	203.28
Cash credit / wc demand loans from banks/cp	145.12	84.27
Buyers credit	31.93	11.36
Foreign currency loan	1.73	37.99
Total	**334.99**	**336.90**
TOTAL	**476.78**	**539.02**

Notes to the Consolidated Financial Statements

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crore)

Particulars	(net of tax) March 31, 2019		(net of tax) March 31, 2018	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(3.35)	3.35	(3.37)	3.37
	(3.35)	**3.35**	**(3.37)**	**3.37**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

The Group does not account for any borrowings at fair value through or loss. Therefore, a change in interest rates at the reporting date would

Note 41 : Hedge accounting

The Group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash The Group assesses whether the derivative designated in each hedging relationship is expected to be and

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

a.

March 31, 2019 (₹ in crore)

Type of hedge	Nominal Value (in respective currencies)	Carrying amount of hedging instrument		Line item in the position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	NA	NA	NA	NA	NA	NA	NA	NA	NA

March 31, 2018

Type of hedge	Nominal Value (in respective currencies)	Carrying amount of hedging instrument		Line item in the position where the hedging instrument is included	Maturity date	Hedge ratio	Average strike price/ rate	Changes in fair value of the hedging instrument	Change in the value of hedged item used as the basis for recognising hedge effectiveness
		Assets	Liabilities						
Forward exchange forward contracts on outstanding borrowings	37.69	0.21	-	Other Financial Assets - current	April 25, 2018	1:1	1 USD = INR 65.00	0.35	(0.35)
	37.69	**0.21**	-						

Notes to the Consolidated Financial Statements

b. **Disclosure of effects of hedge accoun**

March 31, 2019	Change in the value of the hedging instrument recognised in OCI (net of tax)	Hedge ineffectiveness	Line item in the statement of hedge ineffectiveness	or loss	Line item affected in statement
	NA	NA	NA	0.23	-
March 31, 2018	Change in the value of the hedging instrument recognised in OCI (net of tax)	Hedge ineffectiveness	Line item in the statement of hedge ineffectiveness	or loss	Line item affected in statement
	(0.23)	-	-	3.15	-

c. **The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash fow hedge accounting**

(₹ in crore)

	March 31, 2019	March 31, 2018
Opening balance	**(0.23)**	**2.06**
Add : Changes in fair value	0.35	(0.35)
	-	3.15
Less: Deferred tax relating to the above	(0.12)	(1.21)
Closing balance	**-**	**(0.23)**

Note 42 : Tax expense

(a) (₹ in crore)

Particular	For the year ended March 31, 2019	For the year ended March 31, 2018
Current income tax	**107.21**	**111.58**
Adjustments in respect of earlier years	**0.65**	**(0.82)**
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	20.75	9.25
Reduction in tax rate	0.05	-
Increase in tax rate	-	0.70
MAT Credit	(0.69)	-
Deferred tax expense	**20.11**	**9.95**
Tax expense for the year	**127.97**	**120.71**

(b) **Amounts recognised in other comprehensive income** (₹ in crore)

Particular	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
	(2.51)	0.88	(1.63)	(4.80)	1.66	(3.14)
	0.35	-	0.35	(0.42)	-	(0.42)
statements of foreign operations						
Effective portion of gains/(losses) on hedging	0.35	(0.12)	0.23	(3.50)	1.21	(2.29)
Equity accounted investee share of other comprehensive income	0.05	(0.02)	0.03	(0.99)	0.05	(0.94)
	(1.76)	**0.74**	**(1.02)**	**(9.71)**	**2.92**	**(6.79)**

Notes to the Consolidated Financial Statements

(c) Amounts recognised directly in equity (₹ in crore)

Particulars	For the year ended March 31, 2019			For the year ended March 31, 2018		
	Before tax	Tax (expense)	Net of tax	Before tax	Tax (expense)	Net of tax
General reserve						
Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (refer Note 61(i)).	4.25	1.48	2.77	4.25	1.48	2.77
	4.25	**1.48**	**2.77**	**4.25**	**1.48**	**2.77**

(d) Reconciliation of effective tax rate (₹ in crore)

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
	477.30	371.75
Company's domestic tax rate	34.94%	34.61%
Tax using the Company's domestic tax rate (Current year 34.94%)	166.77	128.66
Tax effect of:		
Expenses not allowed for tax purpose	3.27	1.37
Additional allowance for tax purpose	(5.61)	(5.84)
Income not considered for tax purpose	(29.79)	(0.25)
Tax paid at lower rate	(4.20)	(0.19)
	(2.48)	(3.36)
Adjustment for current tax of earlier years	0.38	(0.82)
Other items	(0.37)	1.14
	127.97	**120.71**

Difference
The Group's weighted average tax rates for the year ended March 31, 2019 and 2018 was 26.81% and 32.47% respectively.

Note. 43 : Movement in deferred tax balances for the year ended March 31, 2019 (₹ in crore)

	Net balance April 1, 2018	Recognised loss	Recognised in OCI	Recog-nised directly in equity	Acquired through business combinations: Asstes	Acquired through business combinations: Liability	Closing Balance as of March 31, 2019: Deferred tax asset	Closing Balance as of March 31, 2019: Deferred tax liability	Closing Balance as of March 31, 2019: Deferred tax Net
Deferred tax asset/(liabilities)									
Property, plant and equipment & intangible assets	(176.11)	(21.59)	-	0.84	(0.71)	(16.83)	4.91	(219.31)	(214.40)
Compensated absences	1.30	1.50	0.21	-	-	-	-	3.01	3.01
Investments	1.29	(4.50)	-	-	-	-	(3.21)	-	(3.21)
Biological assets	(0.08)	0.04	-	-	0.07	(8.91)	0.07	(8.96)	(8.89)
Doubtful debts	5.76	1.05	-	-	-	-	-	6.81	6.81
Provisions	1.30	(1.06)	-	-	-	0.54	-	0.78	0.78
MAT credit entitlment	0.01	0.69	-	-	-	4.52	-	5.23	5.23
Carried forward loss	-	-	-	-	2.47	-	2.47		2.47
Others	0.04	3.76	(0.10)	-	-	0.14	-	3.84	3.84
Total	**(166.49)**	(20.11)	**0.11**	**0.84**	**1.83**	**(20.54)**	**4.24**	**(208.60)**	**(204.36)**

Notes to the Consolidated Financial Statements

Movement in deferred tax balances for the year ended March 31, 2018 (₹ in crore)

	Net balance April 1, 2017	Recognised loss	Recognised in OCI	Recog-nised directly in equity	Acquired through business combinations: Asstes	Acquired through business combinations: Liability	Closing Balance as of March 31, 2018: Deferred tax asset	Closing Balance as of March 31, 2018: Deferred tax liability	Closing Balance as of March 31, 2018: Deferred tax Net
Deferred tax asset/(liabilities)									
Property, plant and equipment & intangible assets	(163.61)	(13.77)	-	1.28	-	-	5.26	(181.36)	(176.11)
Compensated absences	0.51	0.79	-	-	-	-	-	1.30	1.30
Investments	0.96	0.33	-	-	-	-	1.29	-	1.29
Biological assets	(0.11)	0.03	-	-	-	-	-	(0.08)	(0.08)
Doubtful debts	3.24	2.52	-	-	-	-	-	5.76	5.76
Provisions	1.11	(0.30)	0.49	-	-	-	-	1.30	1.30
MAT credit entitlement	7.63	(7.63)	-	-	-	-	-	0.01	0.01
Others	(9.29)	8.07	1.26	-	-	-	-	0.04	0.04
Total	**(159.56)**	**(9.95)**	**1.75**	**1.28**			**6.55**	**(173.03)**	**(166.49)**

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation

Deferred tax liabilities of undistributed earnings of subsidiaries was not recoginised because the company controls the dividend policy of its subsidiaries

Group considers it probable that future taxable would be available against which the tax losses can be recovered and MAT credit can be utilised. Therefore the related deferred tax asset and MAT credit entitlement is recognised

Note 44 : Capital management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the group's Capital Management is to maximise shareholder value. The group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Group's adjusted net debt to equity ratio at March 31, 2019 and March 31, 2018 were as follows.

(₹ in crore)

	As at March 31, 2019	As at March 31, 2018
Total Borrowings	397.95	409.80
Less : Cash and cash equivalent	27.80	29.85
Adjusted net debt	**370.15**	**379.95**
Total equity (including non-controlling interests)	2,049.94	1,680.65
Adjusted net debt to adjusted equity ratio	**0.18**	**0.23**

Notes to the Consolidated Financial Statements

Note 45 Segment Information for the year ending March 31, 2019

Factors used to identify the entity's reportable segments, including the basis of organisation -

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been as the Managing Director (MD) of the group. The group has the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed
2) Vegetable Oil
3) Crop protection
4) Dairy
5) Other Business Segment includes, Seed Business, Energy Generation through Windmill, Real Estate, Poultry and Cattle Breeding Businesses

Further the Company has acquired the control of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited on 27th March, 2019 and accordingly the segment assets and liabilities for the poultry business and cattle breeding business are included in the segment assets and segment liabilities as at March 31, 2019.

(i) Information about Primary business Segments

Segment information

(i) Information about primary business segments

Revenue	For the year ended March 31, 2019							(₹ in crore)
	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Other Business	Unallocated	Elimination	Total
Total sales	3,046.47	679.30	987.54	1,161.12	17.46	-	(21.15)	5,870.74
Less : inter-segment	-	-	-	-	-	-		-
External sales	**3,046.47**	**679.30**	**987.54**	**1,161.12**	**17.46**	**-**	**(21.15)**	**5,870.74**
Result					0.17			
Segment result	**128.55**	**113.45**	**231.15**	**14.84**	**26.52**	**-**	**-**	**514.51**
Unallocated expenditure net of unallocated income	-	-	-	-	(0.08)	(107.14)	-	(107.22)
Interest expenses	-	-	(12.38)	(2.05)	(0.79)	(21.96)	3.29	(33.89)
Interest income	-	-	0.36	0.28	-	5.94	(3.29)	3.29
sale of investments	-	-	-	0.19	-	3.48	(3.47)	0.20
equity accounted investees	**128.55**	**113.45**	**219.13**	**13.26**	**25.65**	**(119.68)**	**(3.47)**	**376.89**
Share of equity accounted investees net of tax						12.11		12.11
Exceptional items						88.30		88.30
	128.55	**113.45**	**219.13**	**13.26**	**25.65**	**(19.27)**	**(3.47)**	**477.30**
Provision for taxation	-	-	21.29	4.69	0.04	100.37	1.58	127.97
	128.55	**113.45**	**197.84**	**8.57**	**25.61**	**(119.64)**	**(5.05)**	**349.33**
Other information								
Segment assets	1,114.17	362.65	1,196.63	757.64	567.06	793.64	(558.18)	4,233.61
Segment liabilities	1,027.78	45.73	459.56	284.35	158.85	232.41	(25.01)	2,183.67
Capital expenditure	83.84	69.72	54.01	37.10	214.63	5.02	-	464.32
Depreciation and amortisation	30.93	18.44	19.41	23.48	1.39	4.52	-	98.17

Notes to the Consolidated Financial Statements

Segment Information

(i) Information about Primary business Segments

Revenue	For the year ended March 31, 2018							(₹ in crore)
	Animal Feed	egetable Oil	Crop Protection	Dairy	Other Business	Unallocated	Elimination	Total
	(A)	(B)	(D)		(I)	(L)	(M)	(A+B+D+H+ I+L+M)
Total sales	2,575.98	585.42	881.80	1,157.66	24.77	-	(19.72)	5,205.91
Segment result	155.94	112.26	207.04	13.00	(3.28)	-	-	484.96
Unallocated expenditure net of unallocated income	-	-	-	-	-	(99.70)	-	(99.70)
Interest expenses	-	-	(10.66)	(2.78)	(1.01)	(31.85)	0.99	(45.31)
Interest income	-	-	0.88	0.36	0.00	3.24	(0.99)	3.49
Dividend income and on sale of investments	-	-	-	0.18	-	4.00	(4.00)	0.18
before exceptional, tax & share of equity accounted investees	**155.94**	**112.26**	**197.26**	**10.76**	**(4.29)**	**(124.31)**	**(4.00)**	**343.62**
Share of equity accounted investees net of tax						16.08		16.08
Exceptional items						12.05		12.05
	155.94	**112.26**	**197.26**	**10.76**	**(4.29)**	**(96.18)**	**(4.00)**	**371.75**
Provision for taxation	-	-	24.55	3.70	0.03	90.47	1.96	120.71
							-	
	155.94	**112.26**	**172.71**	**7.06**	**(4.32)**	**(186.65)**	**(5.96)**	**251.04**
Other information								
Segment assets	961.99	304.84	1,025.89	765.75	134.45	788.17	(439.72)	3,541.37
Segment liabilities	694.55	96.48	423.67	296.56	18.51	343.49	(12.54)	1,860.72
Capital expenditure	17.14	115.80	47.25	25.71	0.06	6.95	-	212.91
Depreciation and amortisation	29.67	14.75	14.56	21.25	1.41	4.28	-	85.92

1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.
2. As the Group mainly caters to the need of domestic market and the total export turnover is not separate geographical segment

Note 46 : Contingent liabilities

(₹ in crore)

Particular		As at March 31, 2019	As at March 31, 2018
Claims against the group not acknowledged as debts:			
(i)	Excise Matter		
	Excise duty demands relating to disputed assessable values, availment of credit etc. which the group has contested and is in appeal at various levels	169.29	134.11
(ii)	Customs Matter	-	-
	The group has preferred an appeal with the Customs Dept. in the matter of Assessable value of imported Capital goods and presently the case is pending with the Commissioner of Customs, Chennai.	1.29	1.06
(iii)	Income Tax		
	a The Company has received a order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is ₹ 1.32 crore which includes interest amounting to ₹ 0.25 crore.	1.32	1.32
	b The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing for the A.Y 2013-14 in which a demand of ₹1.43 crore has been determined to be payable by the Company.	1.43	1.43

Notes to the Consolidated Financial Statements

Note 46 : Contingent liabilities

(₹ in crore)

Particular			As at March 31, 2019	As at March 31, 2018
	c	The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing in which he has disallowed against sec. 14A and in respect of additional depreciation claimed u/s 32 (1) (iia)	3.31	-
	d	The Group has preferred appeal against the order of assessing and CIT in which demand of ₹ 8.12 crore has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing	8.12	8.57
	e	The group has preferred an appeal against the disallowance of deduction U/s 32(1)(iia) of the Income Tax Act, 1961. Against the aforesaid demand, the group has deposited / adjusted payment aggregating to ₹ 33.72 crores.	-	0.38
	f	The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing in which he has disallowed against sec. 14A and in part	2.10	-
(iv)	Sales Tax Matters			
	a	Pending before JSCT(Appeal)	1.27	-
	b	Pending before Dy. Comm. Sales tax, Thane	0.06	-
	c	Contingent Liabilities against pending C & H Forms	0.51	1.25
	d	The group has preferred an appeal against levy of Sales Tax on sale of cream and has deposited the entire demand of tax.	-	0.15
	e	The group has preferred an appeal against levy of Sales Tax on sale of milk and has deposited the entire demand of tax.	-	0.01
	f	The group has writ petition in Telangana High Court against levy of Sales tax on sale of milk. The details of which are given below. The Honurable High Court of Telangana had passed a favourable order allowing the writ petition by the group. The order stating that the writ petition is allowed and impugned order is set aside only in so far as the taxing of milk @ 14.5%, the miscellaneous petitions, if any pending in this writ petition shall stand closed. (ADC Appeal)	-	0.14
(v)	Civil Matter			
	a	Nath Bio-Genes (India) Ltd has a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	65.00	65.00
		Suit was by Model Financial Corporation Ltd (O.S. No.479/98) for recovery of dues from Ushodaya Agro Products Ltd and Creamline Dairy Products Ltd (CDPL) as borrowers and as alleged guarantor respectively. However, in case of OS No: 479/98, the company has deposited the title deeds of land along with the buildings therein and equipments pertaining to milk chilling center located at Kothapallimitta village Chittor Dist. as security, pending orders. CDPL has deposited ₹47.00 crores as per the orders of Honourable City Civil Court, Hyderabad passed in C.M.P No.2777 of 2007 in C.M.P No.282 of 2006 in C.C.C.A no.94 of 2006 dt.14.6.2007. The Company is also liable to pay Interest at the rate of 6% p.a. on the balance due amount of ₹ 47 crores which is coming to ₹ 31.84 crores. The aggregate contingent liability would be ₹ 78.84 crores	-	0.82
	b	The group has cancelled the Milk distributorhip for Hanamkonda (Warangal) due to large overdue outstanding to the extent of ₹6.07 crores. Consequent to the cancellation of distributionship, the distributor case against the group demanding ₹10 laksh Subseuently the group a counter claim and the matter is pending for listing in the Court.	-	0.10
	c	The complainant has been regarding the quality of products in Consumer Court towards grievance and expenses incurred by the applicant seeking damage. The complainant has not appeared before the forum during the last four hearings and the group has requested the President of the Consumer Forum to dismiss the case.	-	0.02
	d	A Complaint has been under FSSAI for quality of curd in Guntur on the group and penalty has been levied The group has preferred an appeal in the Guntur sessions Court against the referred order.	-	0.03

Notes to the Consolidated Financial Statements

Note 46 : Contingent liabilities

(₹ in crore)

Particular		As at March 31, 2019	As at March 31, 2018
e	Food safety imposed a penalty under FSSAI rules based on the FSSAI lab report declaring that jersey gold plus full cream milk, sample of which was picked up from a sales point in Vijayawada, is substandard/misbranded. The preferred an Appeal vide Crl. Apl. No.152/17 before Metropolitan Sessions Judge, Vijayawada. (for Summons).	-	0.03
f	SE- Tangedco-Tirunelveli sent a demand notice to a subsidiary and included the same in the electricty bill for the month of January,2018, based on an audit slip. The company challenged the	-	0.54
g	Surety Bond issued on behalf of related party.	1.21	1.21
h	Letters of Credit given by Group (Different letter of credits issued to various suppliers for supply of material to us.)	16.50	34.52
i	Guarantees issued by the Banks and counter guaranteed by the group which have been secured by deposits with bank.	8.66	21.70
j	Claims against the company not acknowledged as debt	6.14	4.94

Note 46.1 : Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of these matters depend on the

Note 46.2 : The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be for inclusion in basic wages for the purposes of computation of Provident Fund contribution. Subsequently, a review petition against this decision has been and is pending before the SC for disposal.

Pending decision on the subject review petition and directions from the EPFO, the management has a view that the applicability of the decision is prospective and accordingly provided the liability for March 2019.

The impact for the past period, will depend upon the outcome of subject review petition and directions from the EPFO and hence, disclosed as a

Note 47 : Commitments

(₹ in crore)

Particular	As at March 31, 2019	As at March 31, 2018
Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	53.56	38.92
Outstanding Export obligation Under EPCG Scheme	34.72	39.36

Note 48 : Leases

Operating lease:

The group's leasing arrangements are in respect of operating leases for premises occupied by the group. These leasing arrangements are, and are renewable on a periodic basis by mutual consent on mutually acceptable terms.

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

(₹ in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
	Future lease commitments		
	- Within one year	7.35	4.59
		16.88	14.56
		6.38	5.26
b.			
	Minimum lease payments	14.92	16.39

Notes to the Consolidated Financial Statements

Note 49 : Grants/subsidies from government

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

Note 50: Earlier, the company had initiated the process of merger of its subsidiary astec lifesciences limited, which is now being withdrawn.

Note 51 : Merger of Nagavalli Milkline Private Limited

As a part of a reorganization plan, Board of Directors of the Company and its wholly owned subsidiary, Nagavalli Milkline Private Limited ('Nagavalli') have in their respective board meetings held on 2 May 2018 unanimously approved the proposal for the amalgamation of Nagavalli with CDPL, subject to the necessary statutory / regulatory approvals. Accordingly, a scheme of amalgamation has been with the National Company Law Tribunal ('NCLT') under Sections 230 to 232 of the Companies Act, 2013 and under applicable rules of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 with an appointed date of 1 April 2018. Pending approval of NCLT, no effect of the scheme has been given in the statements.

As per the scheme with the NCLT, the amalgamation will be accounted for in accordance with 'pooling of interest' method, prescribed under Appendix C to Ind AS 103 "Business Combinations" and/or such other Ind AS, as may be applicable, as amended from time to time.

Note 52: The disclosures regarding details of bank notes held and transacted during 8 November 2016 to 30 December 2016 have not been

Note 53: Exceptional item :

Exceptional item for the year ended March 31, 2019 relates to remeasurement gain on fair valuation of existing stake in Joint venture and Associate. On 27th March 2019 the Company has increased its stake and acquired control of Godrej Tyson Foods Limited and Godrej Maxximilk Private Limited (which was earlier a Joint Venture and Associate respectively).

On obtaining control, the Company has remeasured the existing stake at fair value and has recognised the remeasurement gain in the consolidated

Exceptional Items of the Financial year ended March 31, 2018 comprises gain recognised by a subsidiary company on cancellation of an agreement for supply of product with one of its customer of ₹ 19.33 crores and loss due to inventory written off by the subsidiary company aggregating ₹ 7.28 crore.

Note 54 : Information in respect of investment in associates.

During the previous year, the management has decided to divest its stake in AL Rahaba International Trading Limited Liability Company. Consequently, ₹ Nil as at March 31, 2019.

Note 55 : Amalgamation of oil palm companies.

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

Amortisation of Intangible Assets of the Transferor Companies amounting to ₹ 4.25 crore each for the Financial year ended March 31, 2019 and March 31, 2018 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the Transferee Company is ₹ 42.51 crore.

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

Notes to the Consolidated Financial Statements

The Goodwill and life intangible assets (Brand) are tested for impairment and accordingly no impairment charges were for the year ended March 31, 2019

The Goodwill and intangible asset (Brand) arises from the following Group's Cash Generating Units (CGU):

(₹ in crore)

Particulars	As at March 31, 2019	As at March 31, 2018
Astec LifeSciences Limited (Crop Protection)	118.17	118.17
Creamline Dairy Products Limited (Dairy)		
- Goodwill	76.70	76.70
- Brand	38.22	38.22
Godrej tyson Foods Limited (Poultry)*	64.18	-
Godrej Maxximilk Private Limited (Cattle Breeding)*	5.84	-
Total	**303.11**	**233.09**

* Refer note 63

Astec LifeSciences Limited

The recoverable amount of this Cash Generating Unit (CGU) is the higher of its fair value less cost to sell and its value in use. The goodwill allocated pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation.

Creamline Dairy Products Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash over a period of 5 years. Cash beyond 5 years is estimated by capitalising the future maintainable cash by an appropriate capitalisation rate and then discounted using pre-tax discount rate.

Operating margins and growth rates for the year cash projections have been estimated based on past experience and after considering the budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2019	As at March 31, 2018
Pre tax discount rate	9%	9%
Long term growth rate beyond 5 years	2%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Note 57 : Managerial remuneration.

During the year ended March 31, 2017, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of ₹ 86.61 crore. The Company has obtained necessary approvals for the same, in accordance with the Companies (Amendment) Act, 2017.

Notes to the Consolidated Financial Statements

Note 58 : IPO utilisation

During the previous year, the proceeds from Initial Public Offer (IPO) were ₹291.51 crores (including issue related expenses of ₹ 14.26 crores.). The utilisation of the same were as follows.

(₹ in crore)

Particulars	Object of the issue as per the Prospectus	Utilised upto March 31, 2018
Repayment or prepayment of working capital facilities availed by the Company	100.00	100.00
Repayment of commercial papers issued by the Company	150.00	150.00
General corporate purposes (including repayment of debts)	27.25	27.25
TOTAL	**277.25**	**277.25**

During the previous year, the Company had incurred ₹ 56.61 crores of IPO expenses. These IPO expenses were allocated between the Company ₹ 14.26 crores (which has been adjusted against the securities premium account) and the selling shareholders ₹ 42.35 crores in proportion to the equity shares allotted to the public as fresh issue by the Company and under offer for sale by the selling shareholders.

During the year, the Company has reversed a provision for ₹ 0.40 crore of IPO expenses and has been adjusted in Security Premium Account.

Note 59 : The Government of India introduced the Goods and Services Tax (GST) with effect from July 1, 2017, consequently revenue from operations for the year ended March 31, 2018 is net of GST, however revenue for quarter ended June 30, 2017 is inclusive of excise duty and hence, total income from operations for year ended March 31, 2018 and year ended March 31, 2019 are not comparable.

Notes to the Consolidated Financial Statements

Note : 60 Additional information, as required under Schedule III to the Companies Act, 2013

Name of the entity in	Net Assets - total assets minus total liabilities (net off inter company eliminations)		Share in Profit or Loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
1. Godrej Agrovet Limited	40.29%	825.94	83.10%	290.28	118.41%	(1.22)	82.99%	289.06
Subsidiaries								
Indian								
2. Godvet Agrochem Limited	0.58%	11.94	0.17%	0.59	0.00%	-	0.17%	0.59
3. Astec Lifesciences Limited	11.48%	235.27	6.19%	21.61	-10.97%	0.11	6.24%	21.72
4. Creamline Dairy Products Limited	13.13%	269.08	1.27%	4.45	19.78%	(0.20)	1.22%	4.26
5. Godrej Tyson Foods Limited (refer note 63)	8.94%	183.17	0.68%	2.39	-3.47%	0.04	0.70%	2.42
6. Godrej Maxximilk Private Limited (refer note 63)	0.35%	7.08	-0.69%	(2.42)	0.00%	-	-0.70%	(2.42)
Minority interest in all subsidiaries	19.55%	400.96	5.80%	20.29	10.19%	(0.10)	5.79%	20.19
Associates (Investment as per equity method)								
AL RAHABA INTERNATIONAL TRADING LIMITED LIABILITY COMPANY	0.00%	0%	0.00%	-	0.00%	0%	0.00%	0%
Joint Ventures (as per proportionat e consolidation / Investment as per equity method)								
Indian								
Omnivore India Capital Trust	2.09%	42.85	1.95%	6.81	0.00%	-	1.96%	6.81
Foreign								
ACI Godrej Agrovet Private Limited	3.59%	73.65	1.53%	5.33	-33.94%	0.35	1.63%	5.68
TOTAL	**100.00%**	**2,049.94**	**100.00%**	**349.33**	**100.00%**	**(1.02)**	**100.00%**	**348.31**

Notes to the Consolidated Financial Statements

Note 61: Disclosure of joint venture and associates

Equity accounted investees

Financial information of joint ventures and associates that are material to the Group is provided below :

Name of the entity	Place of business	% of ownership interest as of march 31, 2019	% of ownership interest as of march 31, 2018	Relationship	Accounting method	Carrying Amounts	
						March 31, 2019	March 31, 2018
ACI Godrej Agrovet Private Limited*	Bangladesh	50.0%	50.0%	Joint Venture	Equity method	73.65	67.97
Omnivore India Capital Trust	Maharashtra			Investment entity	Equity method	42.85	34.18
Al Rahaba International Trading Limited Liability Company	Abu Dhabi	24.0%	24.0%	Associate	Equity method	-	-
Godrej Tyson Foods Limited* (Joint venture upto March 26, 2019)	Maharashtra	NA	49.0%	Joint Venture (Upto March 26, 2019)	Equity method	NA	88.94
Godrej Maxximilk Private Limited. (Associate upto March 26, 2019)	Maharashtra	NA	49.9%	Associate (Upto March 26, 2019)	Equity method	NA	4.14
Total equity accounted investments						**116.50**	**195.22**

* Unlisted equity, no quoted prices available

held by the Company, is as follows:

Pariculars	**ACI Godrej Agrovet Private Limited**		**Godrej Tyson Foods Limited (Joint Venture upto March 26, 2019)**
	March 31, 2019	**March 31, 2018**	**March 31, 2018**
Ownership	50%	50%	49%
Cash and cash equivalent	5.83	8.60	8.78
Other current assets	163.83	137.82	43.51
Total current assets	169.66	146.42	52.29
Total non-current assets	159.53	178.40	177.91
Total assets	**329.19**	**324.82**	**230.20**
Current liabilites			
Financial liabilities (excluidng trade payables and provisions)	99.32	129.71	19.46
Other liabilities	64.47	19.63	17.32
Total current liabilities	163.79	149.34	36.78
Total non current liabilities	18.86	38.62	10.96
Total liabilities	**182.65**	**187.96**	**47.74**
Net assets	**146.54**	**136.86**	**182.46**
Groups' share of net assets	**73.27**	**68.43**	**89.40**
Carrying amount of interest in joint venture	**73.65**	**67.97**	**88.94**

Notes to the Consolidated Financial Statements

(₹ in crore)

Particulars	ACI Godrej Agrovet Private Limited		Godrej Tyson Foods Limited	
	March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Revenues	654.86	675.35	488.78	433.53
Interest income	0.19	0.07	0.29	0.68
Depreciation and amortisation	19.93	(19.94)	12.08	(15.06)
Interest expense	(11.23)	(9.08)	0.29	(0.02)
Income tax expense	(4.93)	(8.68)	2.72	(2.28)
	10.67	**13.03**	**3.96**	**4.15**
		-	-	-
	10.67	**13.03**	**3.96**	**4.15**
Other comprehensive income	-	(2.01)	0.07	(0.18)
Total comprehensive income	**10.67**	**11.02**	**4.03**	**3.97**
	5.33	6.52	2.00	2.03
	-		0.39	2.34
	5.33	**6.52**	**2.39**	**4.37**
Group's share of Other comprehensive income	**-**	**(1.00)**	**0.04**	**(0.09)**
Group's share of Total comprehensive income	**5.33**	**5.52**	**2.43**	**4.28**

Note 62: Non controlling interest

Non controlling interest

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		31-Mar-19	31-Mar-18	31-Mar-19	31-Mar-18	
Godvet Agrochem Limited	India	100.00%	100.00%	0.00%	0.00%	Investment Property
Astec LifeSciences Ltd.	India	57.67%	57.45%	42.33%	42.55%	Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates.
Creamline Dairy Products Limited	India	51.91%	51.91%	48.09%	48.09%	The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. The Company is also engaged in generation of power through renewable energy sources.
Godrej Maxximilk Private Limited (subsidiary with effect from March 27, 2019)	India	62.97%	NA	37.03%	NA	The Company is an agribusiness company and its principal activities include Dairy Farm activities and Developing high breed Cattles.
Godrej Tyson Foods Limited (subsidiary with effect from March 27, 2019)	India	51.00%	NA	49.00%	NA	The Company is principally engaged in poultry processing, marketing and selling of value added vegetarian and poultrty products.

The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations

Notes to the Consolidated Financial Statements

I.

(a) **Astec LifeSciences Ltd.**

(₹ in crore)

	March 31, 2019	March 31, 2018
Total Revenue	442.05	378.95
	37.89	42.28
Other Comprehensive Income	0.19	(0.29)
	16.16	**18.42**
OCI allocated to non-controlling interests	**0.08**	**(0.14)**
Dividends paid to non-controlling interests (including dividend distribution tax)	**1.51**	**-**

(b) **Creamline Dairy Products Limited**

(₹ in crore)

	March 31, 2019	March 31, 2018
Total Revenue	1,160.06	1,160.25
	8.58	7.06
Other Comprehensive Income	(0.39)	(0.93)
	4.13	**3.41**
OCI allocated to non-controlling interests	**(0.18)**	**(0.45)**
Dividends paid to non-controlling interests (including dividend distribution tax)	**1.96**	**-**

II. **Summarised balance sheet**

(a) **Astec LifeSciences Ltd.**

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Non-current liabilities	11.37	5.60
Current liabilities	248.80	238.39
	260.17	**243.99**
Non-current assets	216.91	182.50
Current assets	248.48	231.68
	465.39	**414.18**
Net assets	**205.22**	**170.19**
Net assets attributable to non-controlling interest	**87.10**	**72.70**

(b) **Creamline Dairy Products Limited**

(₹ in crore)

Particulars	March 31, 2019	March 31, 2018
Non-current liabilities	100.62	87.70
Current liabilities	165.62	190.85
	266.24	**278.55**
Non-current assets	545.75	515.56
Current assets	133.43	171.84
	679.18	**687.40**
Net assets	**412.94**	**408.85**
Net assets attributable to non-controlling interest	**198.57**	**196.60**

Notes to the Consolidated Financial Statements

(c) Godrej Tyson Foods Limited (Became a subsidiary during the year)

(₹ in crore)

Particulars	March 31, 2019
Non-current liabilities	45.88
Current liabilities	63.41
	109.29
Non-current assets	228.84
Current assets	113.68
	342.52
Net assets	**233.23**
Net assets attributable to non-controlling interest	**114.28**

(d) Godrej Maxximilk Private Limited (Became a subsidiary during the year)

(₹ in crore)

Particulars	March 31, 2019
Non-current liabilities	16.00
Current liabilities	12.18
	28.18
Non-current assets	28.51
Current assets	1.64
	30.15
Net assets	**1.97**
Net assets attributable to non-controlling interest	**0.73**

III. Summarised cash flow information

(₹ in crore)

(a) Astec LifeSciences Ltd.

Particulars	March 31, 2019	March 31, 2018
	15.29	64.67
	(52.50)	(48.94)
	37.09	(18.24)
Net (decrease) in cash and cash equivalents	**(0.12)**	**(2.51)**

(b) Creamline Dairy Products Limited

Particulars	March 31, 2019	March 31, 2018
	68.48	48.21
	(55.09)	(51.42)
	(20.75)	7.60
Net decrease /(increase) in cash and cash equivalents	**(7.36)**	**4.39**

Notes to the Consolidated Financial Statements

IV. Transactions with non-controlling interests - Astec LifeSciences Limited

During the current year, the Group has acquired 0.22% (previous year acquired 1.92%) of subsequent interest in Astec LifeSciences Limited. The carrying amount of such additional NCI stake acquired is ₹ 0.48 crore (previous year 2.83 crore).

Particulars	March 31, 2019	March 31, 2018
Carrying amount of non-controlling interests acquired	**0.48**	**2.83**
Consideration paid	**2.92**	**20.83**
Decrease in equity attributable to the owners of the company	**2.44**	**18.00**

Transactions with non-controlling interests - Godrej Maxximilk Private Limited

During the current year, the Group has acquired 10.91% of subsequent interest in Godrej Maxximilk Private Limited by. The carrying amount of such additional NCI stake acquired is ₹ 1.22 crore.

	March 31, 2019
Carrying amount of non-controlling interests acquired	**(1.22)**
Consideration paid	**3.00**
Decrease in equity attributable to the owners of the company	**(1.22)**

Note 63. Business combinations.

During the year the group has made two business acquisitions as given below

I. Godrej Maxximilk Private Limited.

A. Acquisition of subsidiary

On March 27, 2019, the Company has acquired 13,310 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 0.21 crores. Pursuant to this acquisition, the shareholding in GMPL rose to 51.00 % and it became a subsidiary of the Company.

Taking control of Godrej Maxximilk will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. GMPL will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹5,873.64 crore and ₹ 346.80 crore.

determining these amounts, management has assumed that the fair value adjustments,determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

B. Details of purchase consideration, net assets acquired and goodwill

(₹ in crore)

Particulars	Amount
Cash paid	0.22
Equity shares acquired	13,310
Total consideration transferred	**0.22**

Notes to the Consolidated Financial Statements

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(₹ in crore)

Particulars	Amount
Property, plant and equipment	22.39
Capital work-in-progress	0.03
Biological assets other than bearer plants (Cattle)	4.13
Deferred tax assets	1.85
Other non-current assets	0.10
Inventories	1.06
Trade receivables	0.42
Cash and cash equivalents	0.07
Loans others	0.02
Loans and advances to employees	0.01
Other current assets	0.05
Fair value of assets acquired	**30.15**
Borrowings	(16.00)
Trade payables	(1.90)
	(11.57)
Other current liabilties	(0.05)
Intercorporate deposits	(1.64)
Fair value of liabilities acquired	**(31.16)**
Deferred tax on acquistion	-
	(1.03)

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 0.45 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

C. Goodwill

(₹ in crore)

Particulars	Amount
Consideration transferred	0.22
Non-controlled interest in the acquired entity	(0.49)
Fair value of previously held equity interest	5.08
	1.03
Goodwill	**5.84**

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GMPL resulted in a gain of ₹ 3.37 crore, which has been recognised in exceptional income.

D

Particulars	Amount
Cash consideration	0.22
Less: Balances acquired	
Cash and cash equivalents	(0.07)
	0.15

Notes to the Consolidated Financial Statements

II. Godrej Tyson Foods Limited.

A. Acquisition of subsidiary

On March 27, 2019, the Company has acquired 2,188 equity shares of Godrej Tyson Foods Limited (GTFL) for a consideration of ₹ 3.95 crores. Pursuant to this acquisition, the shareholding in GTFL rose to 51.00 % and it become a subsidiary of the Company.

Taking control of GTFL will enable the Group to add value through its association with Indian poultry farmers and in-depth knowledge of agri-businesses & rural marketing. GTFL will also get leverage through the Godrej Agrovet brand, which has strong recall with poultry farmers through the poultry feed business.

If the acquisition had occurred on 1 April, 2018, management estimates that consolidated revenue would have been ₹ 6084.75 crore and ₹ 351.20 Crore.

In determining these amounts, management has assumed that the fair value adjustments,determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2018.

B. Details of purchase consideration, net assets acquired and goodwill

(₹ in crore)

Particulars	Amount
Cash paid	3.95
Equity shares acquired	2,188
Total consideration transferred	**3.95**

Acquisition-related cost

The group incurred acquisition related cost of ₹0.08 crore on legal fees. These costs have been included in “administrative expenses”

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

(₹ in crore)

Particulars	Amount
Property, plant and equipment	192.05
Capital work-in-progress	0.21
Intangible assets	3.67
Brands	16.57
Biological assets other than bearer plants (Non Current)	10.19
Long-term loans and advances - Others	3.41
Long-term loans and advances - to employees	0.04
Others	0.02
Non-current tax assets (net)	1.99
Other non-current assets	0.69
Biological assets other than bearer plants (Current)	52.98
Inventories	23.35
Trade receivables	23.55
Cash and cash equivalents	3.92
Bank balance other than above	0.06
Short-term loans and advances - to employees	0.17
Others	0.18
Other current assets	9.47
Fair value of assets acquired	**342.52**
Long term borrowings	(23.00)
Deferred tax liabilities (net)	(7.35)
Other non current liabilities	(2.35)
Short-term borrowings	(14.29)

Notes to the Consolidated Financial Statements

(₹ in crore)

Particulars	Amount
Trade payables	(18.07)
	(27.35)
Employee payable	(0.10)
Other current liabilities	(3.04)
Short-term provisions	(0.55)
Fair value of liabilities acquired	**(96.10)**
Deferred tax on acquistion	(13.19)
	233.23

The gross contractual amounts and the fair value of trade and other receivables acquired is ₹ 26.96 crores. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

C. Goodwill

(₹ in crore)

Particulars	Amount
Consideration transferred	3.95
Non-controlled interest in the acquired entity	114.28
Fair value of previously held equity interest	179.18
	(233.23)
Goodwill	**64.18**

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

The remeasurement to fair value of the Group's existing 49.90% interest in GTFL resulted in a gain of ₹ 84.93 crore, which has been recognised in exceptional income.

D.

(₹ in crore)

Particulars	Amount
Cash consideration	3.95
Less: Balances acquired	
Cash and cash equivalents	(3.92)
	0.03

Note 64: Movement in borrowings

Particulars	March 31, 2018	Cash Flow	Non-cash changes (Fair value changes)	Non-cash changes (Acquistions)	March 31, 2019
Long term borrowings	21.09	9.82	0.51	43.00	74.42
Short term borrowings	388.66	(77.78)	(1.64)	14.29	323.53
Total borrowings	**409.75**	**(67.96)**	**(1.13)**	**57.29**	**397.95**

Particulars	March 31, 2017	Cash Flow	Non-cash changes (Fair value changes)	Non-cash changes (Acquistions)	March 31, 2018
Long term borrowings	24.83	(4.26)	0.52	-	21.09
Short term borrowings	639.25	(252.86)	2.27	-	388.66
Total borrowings	**664.08**	**(257.12)**	**2.79**	**-**	**409.75**

Notes to the Consolidated Financial Statements

Note No. 65: Related Party Disclosures

1. In compliance with Ind AS 24 - "Related Party Disclosures", as under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

			GODREJ AGROVET LIMITED
(a)	**(i)**	**Key Management Personnel and Entities where**	Mr. N. B. Godrej (Chairman)
			Mr. A. B. Godrej (upto 5th November, 2018)
			Mr. J. N. Godrej
			Mr. V. M. Crishna
			Ms. Tanya A. Dubash
			Ms. Nisaba Godrej
			Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)
			Mr. B. S. Yadav (Managing Director)
			Mr. K. N. Petigara
			Mr. A. B. Choudhury
			Dr. S. L. Anaokar (upto 3rd February, 2019)
			Dr. R. A. Mashelkar (w.e.f. July 18, 2017)
			Dr. Ritu Anand (w.e.f. July 18, 2017)
			Ms. Aditi Kothari Desai (w.e.f. July 18, 2017)
			Ms. Roopa Purushothaman (w.e.f. July 18, 2017)
			Mr. N. Srinivasan (w.e.f. 4th February, 2019)
			Mr. Vivek Raizada (Company Secretary)
			The Raika Godrej Family Trust
			TAD Family Trust
			BNG Family Trust
			HNG Family Trust
			SNG Family Trust
			NG Family Trust
			PG Family Trust
(b)	**(i)**	**Holding companies**	Godrej Industries Limited (holding company)
			Vora Soaps Limited (ultimate holding company upto 23rd December, 2018)
	(ii)	**Fellow Subsidiary Companies**	Godrej Properties Ltd.
			Natures Basket Limited
			Godrej One Premises Management Private Limited
			Godrej Vikhroli Properties India Limited
	(iii)	**Joint Ventures**	Godrej Tyson Foods Limited (upto 26th March, 2019)
			ACI Godrej Agrovet Private Limited, Bangladesh
			Omnivore India Capital Trust
	(iv)	**Associates**	Godrej Maxximilk Private Limited (upto 26th March, 2019)
			Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
	(v)	**Other Related Parties**	Godrej & Boyce Manufacturing Company Limited
			Godrej Consumer Products Limited

Notes to the Consolidated Financial Statements

Note No. 65: Related Party Disclosures (Contd.)

	GODREJ AGROVET LIMITED
	Godrej Seeds & Genetics Limited
	Godrej Infotech Limited
	Anamudi Real Estates LLP
	Astec Crop Care Private Limited
	Nichem Solutions
	Kavali Milkline Private Limited
	Khammam Milkline Private Limited
	Mohan Milkline Private Limited
	Orgaa Farms Private Limited
	Pamuru Milk Line Private Limited
	Pragathi Milkline
	PSR Enterprises
	PVR Enterprises
	Vidya MilkLine Private Limited
	Ongole MilkLine Private Limited.
	Dhulipalla MilkLine Private Limited.
	Prima FoodTech Private Limited
(vi)	Godrej Agrovet Limited Provident Fund Trust
	Godrej Agrovet Limited Superannuation Scheme
	Godrej Agrovet Limited Group Gratuity Trust

Note No. 65: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below :

2. The following transactions were carried out with the related parties in the ordinary course of business :

(i) Details relating to parties referred to in items 1(b) (i), (ii), (iii), (iv), (v)

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies (i)	Fellow Subsidiaries (ii)	Joint Ventures (iii)	Associates (iv)	Other related Parties (v)
1	Purchase / Transfer of property, plant and equipment	-	-	-	-	2.86
		-	-	-	-	0.63
2	Investment in share capital	-	-	4.84	-	-
		-	-	1.32	4.34	-
3	Acquisition of shares (investment) (refer note 63)	-	-	-	-	4.17
		-	-	-	-	-
4	Sundry deposits placed	0.23	-	-	-	-
		0.04	0.00	-	-	-
5	Intercorporate deposits placed during the year	-	-	-	10.54	-
		-	-	-	7.84	-
6	Intercorporate deposits returned	-	-	-	16.74	-
		-	-	-	-	-
7		1.17	-	271.75	1.41	0.53
		-	-	227.63	0.08	0.67
8		5.38	-	0.08	0.03	136.86
		4.31	-	1.62	-	157.53
9	Expenses charged to / reimbursement received from other companies	0.07	-	4.10	3.35	0.69
		-	0.01	3.07	1.52	0.07

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies (i)	Fellow Subsidiaries (ii)	Joint Ventures (iii)	Associates (iv)	Other related Parties (v)
10	Expenses charged by / reimbursement made to other companies	11.47	2.95	0.06	-	0.74
		8.72	2.82	0.04	-	0.74
11	Dividend income	-	-	0.02	-	-
		-	-	0.61	-	-
12	Dividend paid	50.11	-	-	-	-
		53.05	-	-	-	-
13	Interest income on intercorporate deposits placed / loans given	-	-	-	0.69	-
		-	-	-	0.14	0.04
14	Sundry income	-	-	1.30	-	0.05
		-	-	1.31	-	0.01
15	Outstanding intercorporate deposit receivable	-	-	-	-	-
		-	-	-	7.84	-
16	Capital advance given during the year	-	0.95	-	-	0.54
		-	4.50	-	-	-
17	Outstanding capital advance	-	9.09	-	-	0.16
		-	8.14	-	-	-
18	Outstanding receivables (net of payables)	(0.84)	(0.13)	6.57	-	(6.65)
		(0.75)	0.09	6.52	2.20	(9.80)
19	Guarantees outstanding	-	-	-	-	1.21
		-	-	-	-	1.21
20		-	-	-	-	22.79
		-	-	-	-	20.59

(ii) Details relating to persons referred to in items 1(a)(i) above

(₹ in crore)

	Particulars	As at March 31, 2019	As at March 31, 2018
1	**Remuneration to key management personnel**		
		5.76	6.40
		0.09	0.09
	Shared based payment	1.26	2.30
2	Dividend paid	5.75	6.03
3	Director's sitting fees	0.48	0.63
4	Director's commission	**1.95**	-

Notes to the Consolidated Financial Statements

Note No. 65: Related Party Disclosures (Contd.)

Related party disclosures as required by IND AS - 24, "Related Party Disclosures", are given below :

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
1	**Purchase of property, plant and equipment**		
	Godrej & Boyce Mfg Co Limited	**0.78**	0.63
	Godrej Consumer Products Limited	**2.07**	-
2	**Investment in subsidiaries and joint ventures**		
	Godrej Maxximilk Pvt. Ltd.	**-**	4.34
	Omnivore India Capital Trust	**1.88**	1.32
	Godrej Tyson Foods Limited	**2.96**	-
3	**Acquisition of shares (investment) (refer note 63)**		
	Anamudi Real Estates LLP	**4.17**	-
4	**Sundry deposits placed**		
	Godrej Industries Limited	**0.23**	0.04
	Godrej One Premises Management Pvt. Ltd.	**-**	0.00
5	**Intercorporate deposits placed during the year**		
	Godrej Maxximilk Pvt. Ltd.	**10.54**	7.84
6	**Intercorporate deposits returned**		
	Godrej Maxximilk Pvt. Ltd.	**16.74**	-
7			
	ACI Godrej Agrovet Private Limited	**2.50**	6.10
	Godrej Maxximilk Pvt. Ltd.	**1.41**	0.08
	Godrej Consumer Products Limited	**0.04**	-
	Godrej Tyson Foods Limited	**269.25**	221.53
	Godrej Industries Limited	**1.17**	-
	Astec Crop Care Private Limited	**0.22**	0.47
	Nichem Solutions	**0.08**	0.01
	Khammam Milkline Private Limited	**0.19**	0.19
8			
	Godrej & Boyce Mfg Co Limited	**0.13**	0.63
	Godrej Industries Limited	**5.38**	4.31
	Godrej Consumer Products Limited	**0.22**	0.44
	Godrej Tyson Foods Limited	**0.08**	1.62
	Godrej Maxximilk Pvt. Ltd.	**0.03**	-
	Astec Crop Care Private Limited	**0.21**	-
	Ongole Milkline Private Limited	**29.99**	33.71
	Mohan Milkline Private Limited	**35.61**	39.17

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	Vidya Milkline Private Limited	**8.86**	10.63
	Khammam Milkline Private Limited	**15.76**	17.64
	Pamuru Milkline Private Limited	**11.80**	13.00
	Kavali Milkline Private Limited	**27.84**	30.12
	Pragathi Milkline Private Limited	**5.58**	6.49
	Dhulipalla Milkline Private Limited	**0.09**	1.72
	Orga Farms Private Limited	**0.32**	1.89
	PVR Enterprises	**-**	1.41
	PSR Enterprises	**-**	0.43
	Prima FoodTech Private Limited	**0.44**	0.26
9	**Expenses charged to / reimbursement received from other companies**		
	ACI Godrej Agrovet Private Limited	**-**	0.05
	Omnivore India Capital Trust	**0.02**	0.08
	Godrej & Boyce Mfg Co Limited	**0.67**	-
	Godrej Consumer Products Limited	**0.02**	0.07
	Godrej Industries Limited	**0.07**	-
	Godrej Tyson Foods Limited	**4.07**	2.94
	Godrej Properties Limited	**-**	0.01
	Godrej Maxximilk Pvt. Ltd.	**3.35**	1.52
10	**Expenses charged by / reimbursement made to other companies**		
	Godrej Infotech Limited	**0.04**	0.02
	Godrej & Boyce Mfg Co Limited	**0.19**	0.34
	Godrej Consumer Products Limited	**0.43**	0.32
	Godrej Industries Limited	**11.47**	8.72
	Godrej Tyson Foods Limited	**0.06**	0.04
	Natures Basket Limited	**0.01**	0.02
	Godrej One Premises Management Pvt. Ltd.	**2.93**	2.80
	Nichem Solutions	**0.08**	0.06
11	**Dividend income**		
	Omnivore India Capital Trust	**0.02**	0.61
12	**Dividend paid**		
	Godrej & Boyce Mfg Co Limited	**-**	-
	Godrej Industries Limited	**50.11**	53.05
	Mr. B. S. Yadav (Managing Director)	**1.92**	1.98
	Mr. N. B. Godrej (Chairman)	**0.74**	1.87
	Mr. A. B. Godrej	**0.00**	0.00
	Mr. J. N. Godrej	**-**	0.93
	Ms. Tanya A. Dubash	**0.25**	0.62
	Ms. Nisaba Godrej	**0.25**	0.62
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018) (Personal)	**0.25**	-
	Ms. Roopa Purushothaman	**0.00**	-
	Dr. S. L. Anaokar (upto 3rd February, 2019)	**0.00**	-
	S. Varadaraj	**0.09**	-
	Vivek Raizada	**0.00**	-
	The Raika Godrej Family Trust	**0.00**	-
	TAD Family Trust	**0.37**	-

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	BNG Family Trust	**0.37**	-
	HNG Family Trust	**0.37**	-
	SNG Family Trust	**0.37**	-
	NG Family Trust	**0.37**	-
	PG Family Trust	**0.37**	-
13	**Interest income on intercorporate deposits placed / loans given**		
	Godrej Seeds & Genetics Limited	**-**	0.04
	Godrej Maxximilk Pvt. Ltd.	**0.69**	0.14
14	**Sundry income**		
	ACI Godrej Agrovet Private Limited	**1.30**	1.31
	Godrej Consumer Products Limited	**0.01**	0.01
	Astec Crop Care Private Limited	**0.04**	-
15	**Outstanding intercorporate deposit receivable**		
	Godrej Maxximilk Pvt. Ltd.	**-**	7.84
16	**Capital advance given during the year**		
	Godrej & Boyce Mfg Co Limited	**0.54**	-
	Godrej Vikhroli Properties India Limited	**0.32**	4.50
	Godrej Properties Limited	**0.63**	-
17	**Outstanding capital advance**		
	Godrej Vikhroli Properties India Limited	**8.46**	8.14
	Godrej Properties Limited	**0.63**	-
	Godrej & Boyce Mfg Co Limited	**0.16**	-
18	**Outstanding receivables (net of payables)**		
	Godrej & Boyce Mfg Co Limited	**0.23**	0.01
	Godrej Industries Limited	**(0.84)**	(0.75)
	Godrej Seeds & Genetics Limited	**-**	(0.17)
	Godrej Consumer Products Limited	**0.02**	(0.03)
	Godrej Infotech Limited	**-**	(0.02)
	Natures Basket Limited	**0.00**	(0.00)
	Godrej Tyson Foods Limited	**-**	1.01
	ACI Godrej Agrovet Private Limited	**6.53**	4.46
	Omnivore India Capital Trust	**0.03**	1.05
	Godrej Maxximilk Pvt. Ltd.	**-**	2.20
	Godrej One Premises Management Pvt. Ltd.	**(0.13)**	0.10
	Godrej Agrovet Limited Employees Provident Fund Trust.	**(1.43)**	(0.51)
	Godrej Agrovet Limited Employees Superannuation Scheme.	**(0.05)**	(0.05)
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**(3.80)**	(5.02)
	Astec Crop Care Private Limited	**0.02**	-
	Nichem Solutions	**0.03**	(0.03)
	Kavali Milkline Private Limited	**(0.30)**	(0.56)
	Khammam Milkline Private Limited	**(0.55)**	(0.65)
	Mohan Milkline Private Limited	**(0.23)**	(0.99)
	Orgaa Farms Private Limited	**-**	(0.07)
	Pamuru Milk Line Private Limited	**(0.14)**	(0.13)
	Pragathi Milkline	**(0.06)**	(0.12)
	PSR Enterprises	**-**	(0.17)
	PVR Enterprises	**-**	(0.13)

Notes to the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transaction	As at March 31, 2019	As at March 31, 2018
	Vidya MilkLine Private Limited	**(0.11)**	(0.26)
	Ongole MilkLine Private Limited.	**(0.22)**	(0.74)
	Dhulipalla MilkLine Private Limited.	**-**	(0.06)
	Prima FoodTech Private Limited	**(0.04)**	(0.08)
19	**Guarantees outstanding**		
	Godrej Consumer Products Limited	**1.21**	1.21
20	**Director's sitting fees**		
	Mr. A. B. Godrej, (Director)	**0.04**	0.08
	Mr. K. N. Petigara, (Independent Director)	**0.08**	0.12
	Dr. S. L. Anaokar, (Independent Director)	**0.01**	0.07
	Mr. Amit B. Choudhury, (Independent Director)	**0.06**	0.10
	Dr. Ritu Anand, (Independent Director)	**0.08**	0.08
	Ms. Aditi Kothari Desai, (Independent Director)	**0.08**	0.07
	Dr. Raghunath A. Mashelkar, (Independent Director)	**0.06**	0.07
	Ms. Roopa Purushothaman, (Independent Director)	**0.07**	0.05
	Mr. N. Srinivasan (w.e.f. 4th February, 2019)	**0.01**	-
21	**Director's commission**		
	Mr. A. B. Godrej, (Director)	**0.12**	-
	Mr. N.B. Godrej	**0.15**	-
	Mr. K. N. Petigara, (Independent Director)	**0.15**	-
	Dr. S. L. Anaokar, (Independent Director)	**0.14**	-
	Mr. Amit B. Choudhury, (Independent Director)	**0.15**	-
	Dr. Ritu Anand, (Independent Director)	**0.15**	-
	Ms. Aditi Kothari Desai, (Independent Director)	**0.15**	-
	Dr. Raghunath A. Mashelkar, (Independent Director)	**0.15**	-
	Ms. Roopa Purushothaman, (Independent Director)	**0.15**	-
	Ms. Tanya A. Dubash	**0.15**	-
	Mr. V. M. Crishna	**0.15**	-
	Mr. J. N. Godrej	**0.15**	-
	Ms. Nisaba Godrej	**0.15**	-
	Mr. N. Srinivasan (w.e.f. 4th February, 2019)	**0.01**	-
	Mr. Pirojsha A. Godrej	**0.03**	-
22	_____		
	Godrej Agrovet Limited Employees Provident Fund Trust.	**17.18**	15.81
	Godrej Agrovet Limited Employees Superannuation Scheme.	**0.58**	0.57
	Godrej Agrovet Limited Employees Group Gratuity Trust.	**5.02**	4.21

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration Number 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 06, 2019

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

N. B. GODREJ
Chairman
DIN: 00066195

B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
ICAI Memb. No. 047959

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

FORM AOC-1, in (Pursuant to proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A": Subsidiaries (₹ in crore)

1.	Sl. No.	1	2	3	4	5	6	7	8	9
2.	Name of the subsidiary	GODVET AGROCHEM LIMITED	ASTEC LIFESCIENCES LIMITED	ASTEC EUROPE SPLR	BEHRAM CHEMICALS PRIVATE LIMITED	COMERCIALIZADORA AGRICOLA AGROASTRACHEM CIA LTDA	CREAMLINE DAIRY PRODUCTS LIMITED	NAGAVALLI MILKLINE PRIVATE LIMITED	GODREJ TYSON FOODS LIMITED	GODREJ MAXXIMILK PRIVATE LIMITED
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019	01.04.2018 to 31.03.2019
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA	NA	EURO (Exchange Rate - 77.7024)	NA	Columbian Peso (Exchange rate 0.0217)	NA	NA	NA	NA
5.	Share capital	9.95	19.55	0.11	0.60	0.01	11.32	2.01	0.20	0.80
6.	Reserves & surplus	1.99	182.91	(0.13)	0.34	(0.10)	194.85	(0.10)	186.29	1.17
7.	Total assets	19.18	461.09	0.06	0.96	0.00	405.58	1.95	282.59	30.15
8.	Total Liabilities	7.24	258.62	0.08	0.02	0.10	199.40	0.04	96.10	28.18
9.	Investments	-	0.49	-	-	-	-	-	-	-
10.	Turnover	-	430.90	-	-	-	1,161.12	-	486.74	2.90
11.		0.63	55.79	0.01	0.10	(0.00)	20.04	(0.00)	6.68	(6.43)
12.	Provision for taxation	0.04	20.11	-	0.03	-	7.06	-	2.72	(1.58)
13.		0.59	35.69	0.01	0.07	(0.00)	12.98	(0.00)	3.96	(4.85)
14.	Other comprehensive income before tax	-	0.29	-	-	-	(0.60)	-	0.11	-
15.	Tax on Other comprehensive income	-	(0.10)	-	-	-	0.21	-	(0.04)	-
16.	Other comprehensive income	-	0.19	-	-	-	(0.39)	-	0.07	-
17.	Proposed Dividend	-	2.93	-	-	-	3.40	-		-
18.	% of shareholding	100.0%	57.7%	50.1%	65.6%	100.0%	51.9%	100.0%	51.0%	63.0%
	Names of subsidiaries which have been liquidated or sold during the year	NIL								

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

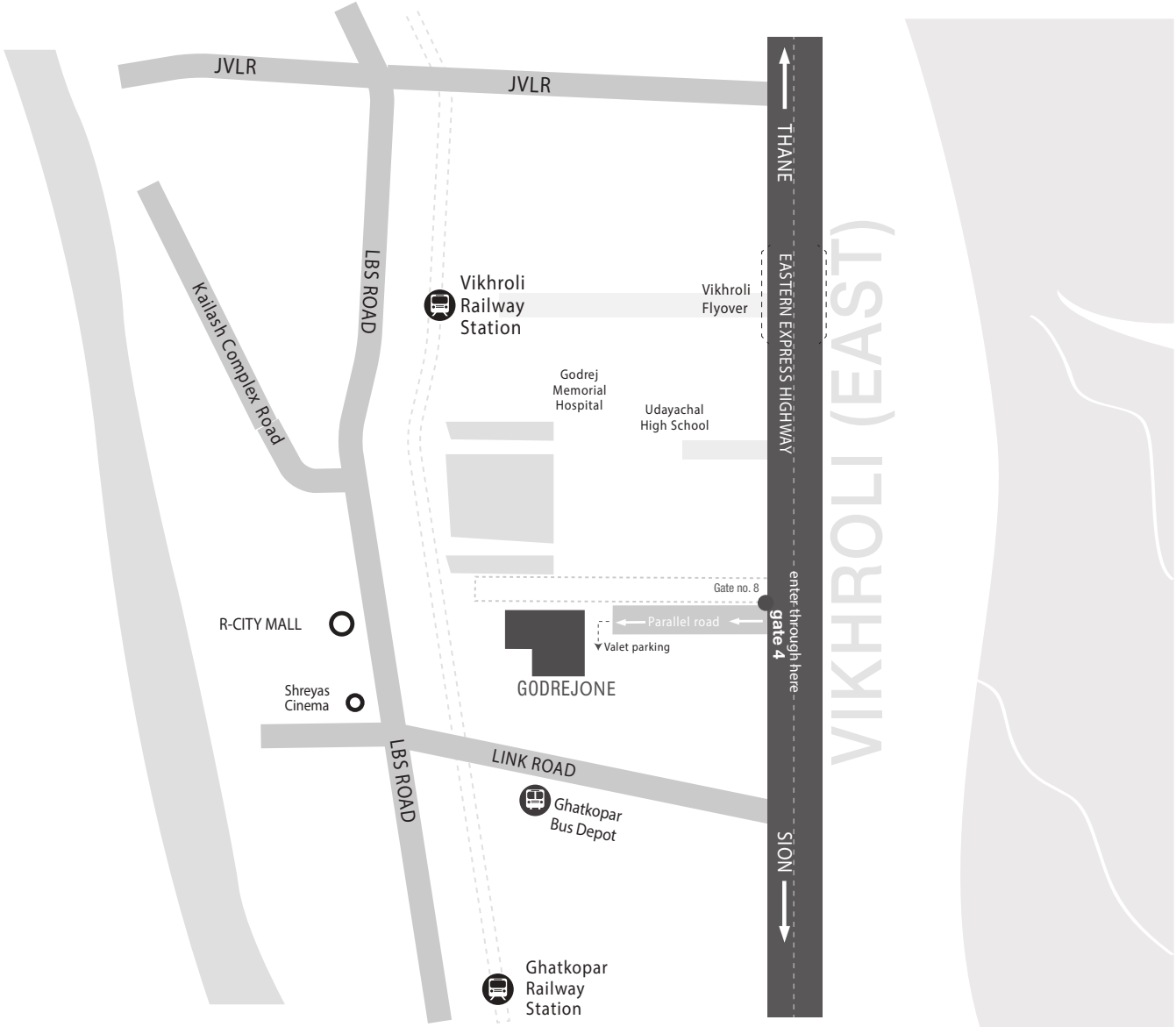
(₹ in Crore)

Name of Associates/Joint Ventures	ACI Godrej Agrovet Private Limited	Omnivore India Capital Trust	Al Rahaba International Trading Limited Liability Company
1. Latest audited Balance Sheet Date	31.03.2019	31.03.2018	31.03.2017
2. Shares of Associate/Joint Ventures held by the company on the year end	50%	10%	24%
No.	18,50,000	2444.37 Units	24
Amount of Investment in Associates	12.49	22.57	0.04
	due to percentage(%) of Share Capital	The Company participates in the key activities jointly with the Investment Manager.	due to percentage(%) of Share Capital
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA
5. Networth attributable to Shareholding as per latest audited Balance Sheet	73.27	17.03	4.98
i. Considered in Consolidation	5.33	6.81	-
ii. Not Considered in Consolidation	-	-	-
Names of associate which have been liquidated or sold during the year	NA		

NOTES

NOTES

ROAD MAP FOR AGM VENUE



GODREJ AGROVET LIMITED

Corporate Identity Number (CIN): L15410MH1991PLC135359

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

Tel.: (91 22) 2519 4416, **Fax:** (91 22) 2519 5124, **Website:** www.godrejagrovet.com, **Email:** gavlinvestors@godrejagrovet.com

Form No. MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name(s) of the Member(s)	
Registered Address:	
Email Id:	
Folio No./*DP ID – Client ID	

* Applicable for Members holding shares in electronic form

I/We, being the Member(s) of **Godrej Agrovet Limited** holding Equity Shares of the Company, hereby appoint:

1. Name: _____	Address: _____
Email ID: _____	Signature: _____

or failing him/her,

1. Name: _____	Address: _____
Email ID: _____	Signature: _____

or failing him/her,

1. Name: _____	Address: _____
Email ID: _____	Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the **28TH (TWENTY- EIGHTH) ANNUAL GENERAL MEETING** of the Company scheduled to be held on **Friday, August 2, 2019 at 3.30 p.m. (IST)** at the Auditorium, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of the Resolution
ORDINARY BUSINESSES:	
1.	To adopt Financial Statements for the Financial Year ended March 31, 2019.
2.	To declare Final Dividend on Equity Shares for the Financial Year (F.Y.) 2018-19.
3.	To appoint a Director in place of Ms. Nisaba Godrej, Director (Non-Executive, Non-Independent) [Director Number (DIN): 00591503], who retires by rotation and being eligible, offers herself for re-appointment, as a "Director" of the Company.
4.	To appoint a Director in place of Mr. J. N. Godrej, Director (Non-Executive, Non-Independent) [Director Number (DIN): 00076250], who retires by rotation and being eligible, offers himself for re-appointment, as a "Director" of the Company.
SPECIAL BUSINESSES:	
5.	To ratify remuneration to be paid to M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, to conduct an audit of the cost records of the Company for the Financial Year (F.Y.) ending on March 31, 2020.
6.	To appoint Mr. Pirojsha Godrej [Director Number (DIN): 00432983], as "Director" (Non- Executive and Non-Independent) of the Company.
7.	
8.	

Signed this_____day of_____ 2019

Signature of Member: _____ Signature of Proxy Holder(s): _____

Revenue Stamp of ₹ 1/-

Notes:

1. **THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN 48 (FORTY EIGHT) HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.**

2. A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself/ herself and proxy need not be a Member. A person can act as a Proxy on behalf of not more than 50 Members and holding in aggregate, not more than 10% (Ten per cent) of the total share capital of the Company. Members holding more than 10% (Ten per cent) of the total share capital of the Company may appoint a single person as Proxy, who shall not act as a Proxy for any other person / Member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A proxy so appointed shall not have any right to speak at the Meeting.

3. The Proxy-holder is required to carry an identity proof at the time of attending the Meeting.

4. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 28th (Twenty-Eighth) Annual General Meeting.



GODREJ AGROVET LIMITED

Registered Office:
Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400079, Maharashtra, India
Tel.: (91 22) 2519 4416. **Fax**: (91 22) 2519 5124.
Website: www.godrejagrovet.com.
Email: gavlinvestors@godrejagrovet.com