Godrej agrovet
brighter farming

Creating Impact with

Sustainable Growth



ANNUAL REPORT
2021-22

Creating Impact with Sustainable Growth

The Financial Year 2021-22 was a year of revival for Indian economy as GDP growth rebounded strongly from the contraction witnessed in the previous year. However, unlike other sectors, agriculture sector remained resilient throughout the pandemic period with steady growth in output. For Godrej Agrovet Limited, it was another year of strong growth in profitability. Having proved our resilience in challenging economic environment in the last few years, our businesses also demonstrated robust growth potential in Financial Year 2021-22. We further built on our leadership positions in the Feed and Oil Palm businesses with upbeat volume growth and market share gains. Our Feed business recorded extraordinary volume growth in Financial Year 2021-22 as a result of our sustained efforts towards improving product offerings and revamping market penetration strategies. We continued to expand our Crop Protection portfolio with launch of two new products during the year. We introduced “Gracia” in the insecticide category, further extending our collaboration with Nissan. Our subsidiary, Astec LifeSciences, continued with its stellar performance while also focusing on strategic investments with an eye on the future. In our food businesses, we achieved solid volume growth in otherwise challenging market conditions.

We, at Godrej Agrovet Limited, have always been proud to transform the lives of our partners and consumers through innovative, high-performance, cutting-edge products and services. While we continue to build on this legacy, we will be scaling up our strategic growth investments focused on generating higher returns for our Shareholders. In addition to strengthening research capabilities with upcoming state-of-the-art R&D centre in Maharashtra, our subsidiary Astec LifeSciences has also planned investments into further expanding production capacities with new greenfield multi-purpose plant. In our Feed business, we will build on our pan-India presence with further penetration into newer geographies and categories. In our food business, we will put special emphasis on improving profitability and return on the capital employed while maintaining the healthy volume growth.

At the same time, we are focusing on creating a digital transformation roadmap for the Company to build enabling ecosystem for Sustainable long-term growth. This will not only help us in improving our operational efficiency, but will also enable us in leveraging the enormous data as well as redefine the way we operate and engage with our customers. We have already made a rapid progress in building digitisation capabilities in some of our businesses. Our Oil Palm business has been at the forefront of digitisation with focus on geotagging the plantations, timely fruit care and end-to-end traceability. On the people front, our focus will remain on building more inclusive workforce to enhance overall productivity and competitiveness.

At Godrej Agrovet Limited, we are also committed to improving ESG parameters and serving the society to the best of our abilities. During the year, we participated in Carbon Disclosure Project (CDP) under carbon and forests categories, becoming one of the first companies in the agri sector to do so in India. Our CDP scores in both Forests and Climate were well ahead of food sector, Asia and Global averages. We remain committed to achieve our 2025 sustainability targets set by the Godrej Group and have made good progress till date.

Inside the Report…

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Disclaimer

The statements in the "Management Discussion and Analysis Report" describe your Company's objectives, projections, estimates and expectations which may be "forward-looking statements" within the meaning of the applicable laws and regulations. The actual results could differ materially from those expressed or implied, depending upon the economic and climatic conditions, government policies, taxation and other laws and other incidental factors.

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.

Corporate Information

Board of Directors

Mr. Nadir B. Godrej
Chairman

Mr. Jamshyd N. Godrej
Non-Executive,
Non-Independent Director

Ms. Tanya A. Dubash
Non-Executive,
Non-Independent Director

Ms. Nisaba Godrej
Non-Executive,
Non-Independent Director

Mr. Pirojsha A. Godrej
Non-Executive,
Non-Independent Director

Mr. Balram S. Yadav
Managing 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

Mr. Kannan Sitaram
Independent Director

Dr. Ashok Gulati
Independent Director

Crop Protection Business:
Samba (Jammu)
Lote Parshuram (Ratnagiri, Maharashtra)

Aqua Feed:
Hanuman Junction (Krishna District, Andhra Pradesh)
Kondapalli (Vijayawada, Andhra Pradesh)

Chief Financial Officer

Mr. S. Varadaraj

Statutory Auditors

B S R & Co. LLP
Chartered Accountants

Secretarial Auditors

BNP & Associates
Company Secretaries

Cost Auditors

P. M. Nanabhoy & Co.
Cost Accountants

Bankers

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

R & D Centre

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

Factories

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

Animal Feed:
Bundi (Rajasthan),
Nashik (Maharashtra)

Company Secretary & Compliance Officer

Mr. Vivek Raizada

Registered Office

"Godrej One", 3rd Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079,
Maharashtra
Telephone No.: 022 – 2519 4416
Fax No.: 022 – 2219 5124
Website: www.godrejagrovet.com
E-mail:
gavlinvestors@godrejagrovet.com
Corporate Identity Number (CIN):
L15410MH1991PLC135359

Registrar & Share Transfer Agent

KFin Technologies Limited
(Formerly KFin Technologies Pvt Ltd)
Selenium Building, Tower B, Plot No. 31 & 32, Financial District,
Nanakramguda, Serilingampally Mandal, Gachibowli,
Hyderabad – 500 032, Telangana, India
Telephone No.: (91 40) 6716 2222
Fax No.: (91 40) 2343 1551
Investor Grievance E-mail:
einward.ris@kfintech.com
Website: www.kfintech.com

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

Board of Directors



Mr. Nadir Burjor Godrej
Chairman – Non Executive

C M C C



Mr. Jamshyd N. Godrej
Non – Executive,
Non-Independent Director



Ms. Tanya A. Dubash
Non – Executive,
Non-Independent Director



Dr. Raghunath A. Mashelkar
Independent Director

C



Dr. Ritu Anand
Independent Director

M C



Ms. Aditi Kothari Desai
Independent Director

M



Dr. Ashok Gulati
Independent Director



Ms. Nisaba Godrej
Non – Executive,
Non-Independent Director

M M



Mr. Pirojsha A. Godrej
Non – Executive,
Non-Independent Director

M



Mr. B. S. Yadav
Managing Director

M M M M M



Ms. Roopa Purushothaman
Independent Director

M M



Mr. Natarajan Srinivasan
Independent Director

C M M



Mr. Kannan Sitaram
Independent Director

Audit Committee
Nomination & Remuneration Committee
Stakeholders' Relationship Committee

Corporate Social Responsibility Committee
Risk Management Committee
Managing Committee

From Chairman's Desk



Dear Shareholders,

I hope this letter finds you and your families well and safe.

The Financial Year (FY) 2021-22 turned out to be extremely eventful across business, economy, science, sports, climate change, travel and most importantly, healthcare. It started with a devastating second wave of Covid-19, countered by rapid and large vaccination drives across the country. The country is estimated to have closed the year with 95% of the adult population inoculated with the first dose and more than 85% with the second dose. On the economic front, the country recorded a sharp recovery in GDP growth rate to an estimated 8.7% in FY2021-22 from contraction in the previous year. India's merchandise exports touched a record high of $418 billion in FY 2021-22, a 40% growth over the previous year. On the climate front, in the COP26 summit held in Glasgow, India announced five pledges for the first time: net-zero emissions by 2070, non-fossil fuel energy capacity of 500 GW, 50% energy requirements from renewable sources, reducing total projected carbon emissions by 1 billion tonnes and reducing the carbon intensity of the economy to less than 45%; all before 2030. The year ended with rising geopolitical tension in the Eastern Europe between Russia and Ukraine threatening to derail an economic recovery that the world witnessed in the first 10 months of the year. The commodity prices soared to record levels due to the impending logistics and supply chain disruptions as against growing demand from large consumption driven economies.

For us, this is the time of the year to look back and reflect on what we did well, what we could have done better, and where we go from here. The year started with a rapid spread of the second wave of Covid-19 pandemic leading to another spell of severe operational difficulties for the corporate sector. However, having navigated through a similar set of challenges efficiently and with limited interruptions in the preceding year, your Company was able to swiftly implement hybrid work culture wherever necessary and drive plant operations smoothly across the country. This was possible only because of unwavering commitment and hard work of all our GAVL team members and business partners. For this, I would sincerely like to thank all our folks for their efforts and contribution in serving our customers as well as the community.

Resilience and Growth

We have a pan-India presence and we operate in five business verticals, on our own and through our subsidiaries, joint ventures and associates. This supremely diversified operational base, spread across Animal Feed, Crop Protection, Oil Palm, Dairy, and Poultry and Processed Foods, has made us fairly resilient as a group to external shocks, such as the one we witnessed over the past two years. At the same time, related diversification has equipped us with an ability to recoup rapidly and drive growth in our revenues and profitability at a decent pace. We also derive operational efficiencies and economies of scale by centralizing and sharing certain key functions across our businesses such as finance, legal, information technology, strategy, procurement and human resources.

The FY 2021-22 further reinforced our core strategic approach of running diverse but related businesses and turned out to be the best financial year in terms of top line growth with sustained rise in profitability. Your Company delivered a strong performance clocking the highest ever total income of ₹ 8,385.7 Crore in FY 2021-22, growing at 33.0% year-on-year while consolidated profit before tax and exceptional items grew by 22.4% year-on-year. Robust top line growth was witnessed across our core standalone businesses, as well as, our agrochemical and food subsidiaries; with the exception of domestic crop protection segment. Growth in profitability was largely driven by Animal Feed, Oil Palm and Astec LifeSciences. While our Crop Protection business was hit by uneven monsoon and lack of product application opportunities, our food businesses suffered from unprecedented rise in input costs and non-transmission to end-product prices.

Another solid year of new product launches, market share gains and leveraging R&D benefits

Your Company continued to develop and launch new products across categories and regions, enhancing overall product offerings to cater to growing market demands targeting various consumer segments. In the Animal Feed business, we launched two new products "Doodh Vriddhi" and "Champion" during the year. We also expanded our outreach for "Samruddhi" in the Western region of the country. This helped us to achieve highest ever monthly volumes for a single product in one state and gain leadership. In Central parts of India, we were successful in gaining market share for our cattle feed and layer feed products while our broiler feed offerings in Kerala registered double-digit growth year-on-year. In the Crop Protection segment, we launched two new products – Protraitt (herbicide) and Gracia (insecticide). Gracia has further strengthened our decade-long collaboration with Nissan after introduction of Hanabi in the previous financial year. Our subsidiary, Astec LifeSciences Limited, commissioned two new products under Contract Development and Manufacturing Organisation (CDMO) category during the year. Our Dairy subsidiary, Creamline Dairy Products Limited (CDPL), also introduced new variants of its Jersey Recharge energy drink, fruit yogurt, as well as, paneer and ghee. Your Company also launched Jersey milk beverages in the Northern states. Moreover, CDPL has registered strong market share gains in Curd, milk drinks and ghee categories in key South Indian markets.

Our continued commitment and investments into building strong R&D capabilities have been a vital differentiating factor in an intensely competitive and largely unorganised Indian agriculture sector. Sustained efforts by research team at Nadir Godrej Centre for Animal Research & Development (NGCARD) since its inception has started realising substantial benefits for our Feed business. The Oil Palm business also witnessed notable improvement in oil extraction ratio to the tune of ~140bps during the year, partly backed by enzyme-led R&D interventions. Our aquaculture focused R&D centre has started conducting trials for enhancing nutrition benefits. Another state-of-the-art R&D facility being developed by Astec LifeSciences is expected to be commercialised by December 2022.

Where we performed better

Our Animal Feed business surged ahead on the back of upbeat volume growth as well as improved realisation. Volume growth was largely driven by new products offerings and regional expansion across categories. Our joint venture, ACI Godrej Agrovet Private Limited Bangladesh, recorded yet another year of strong growth in volumes and income led by market share gains in Bangladesh across segments. Sustained rise in oil prices and record high efficiency ratios resulted in stellar performance by our Oil Palm business with a 2.9x year-on-year growth in segment results. Astec LifeSciences reported the second consecutive year of outstanding growth in both exports as well as domestic markets despite challenges faced in the first-half of the year due to temporary flooding in Mahad region. Our Dairy business was successful in leveraging on the considerable recovery on the demand side in the second-half of the year by registering high double-digit growth in value-added products category. CDPL gained market

share in key categories such as curd, milk based drinks, etc. The salience of Value-added Products (VAP) category has now reached to 29% in FY 2021-22 from 27% in FY 2020-21. In our poultry and processed food business, we were able to achieve healthy growth in volumes and realisations in the live bird and processed chicken sub-categories.

Where we could have performed better

Our performance in domestic Crop Protection business was disappointing, although it was partly attributed to erratic monsoons and extreme weather conditions. Profitability was additionally impacted by higher sales returns and increased provision for doubtful debts while our working capital management lagged our expectations. In Aqua Feed, our margins were under pressure due to rise in input costs – mainly soya and fishmeal – and lack of pricing support. Our Dairy business also suffered from voluntary pricing control by the entire industry when input costs including procurement, logistics and packaging had an exceptional run owing to variety of external factors.

How do we plan to achieve targets under our long-term sustainable growth plan

Having reflected on our performance in a year marked by a challenging business environment, I would now like to elaborate upon future opportunities. Adhering to principles that the Godrej Group has advocated since its inception, we will continue to pursue our goals in a more sustainable and responsible way. There are a few priority areas for us which we would like to focus upon in the coming year.

Firstly, we would continue to build on leadership positions achieved in Animal Feed and Oil Palm businesses which are also critical to India's food and edible oil security. We will continue to grow these businesses responsibly and by focusing on digital transformation across value chain. Having already initiated several projects on automation, geotagging and analytics solutions during the year, we plan to implement these programmes covering the entire business operations. This would involve satellite imagery and drone-based monitoring of all the oil palm plantations while salesforce, logistics automation and increased consumer engagement through chatbots in the Animal Feed business. The focus in other businesses would be to create a digital transformation roadmap, capabilities and then leveraging the same for sustainable future growth. In Oil Palm, we are well-placed to benefit from the recent policy initiative on area expansion under plantation and enhance the domestic palm oil production.

Secondly, your Company would work towards improving profitability of the food businesses and business hygiene of domestic Crop Protection business to make them more resilient to external shocks. In the Dairy business, we would focus on strengthening our milk procurement network, increasing the salience of value-added products with new quality launches and wider customer outreach initiatives to expand market share. We expect FY 2021-22 to be a good year for our food businesses with strong recovery in the critical HoReCa segment and improvement in realisations.

The agrochemical business is our next focus area wherein we have envisaged a long-term capital spending plan to augment our R&D and CDMO capabilities for robust and multi-dimensional future growth.

Embarking on a future growth with an eye on ESG – continued focus on People and Planet

While we equip our leadership, employees and entire value chain for the next level of growth plans, we also remain committed to contribute in India's climate pledge targets and to serve the society to the best of our abilities. GAVL's sustainability targets are guided by our Group's Good & Green vision of creating a more inclusive and greener world. We have made meaningful progress towards achieving our sustainability objectives by 2025. Currently, 70% of our energy consumption is from clean renewable energy sources as against target of 90% by 2025. We are already a water positive company and conserve 6 times the water than we consume which translates into 6.5 million cubic metre water recovered. Towards achieving Carbon Neutrality, we have sequestered 23,879 MT of CO_2 in FY22 which

accounts for 24% of the annual CO2 emission target of GAVL. Moreover, we have reduced our specific energy consumption by 6% and remain on track to achieve a target of 12% by 2025.

During the year, we also participated in the Carbon Disclosure Project (CDP) under carbon and forests categories, becoming one of the first companies in the agri sector to do so in India. CDP is a global non-profit that runs a prominent environmental disclosure platform. The platform scores companies on their actions on reducing greenhouse gas emissions, and protecting water resources and forests. Over 13,000 companies representing 64% of the global market capitalization disclosed their initiatives through CDP 2021. Our CDP scores of "B" in both Forests and Climate are well ahead of food sector, as well as, Asia and Global averages.

On the people front, we have implemented several farmer livelihood and entitlement enablement initiatives supporting over 1,00,000 farmers in increasing their income. As per third-party SROI (Social Return on Investment) study, every rupee invested by your Company creates more than three times social value for the farmer communities. Our CSR activities during the year, in addition to ongoing vaccine drives, were focused on two major initiatives, namely, Grameen Vikas – brighter farming and Pragati – community-based education.

For our employees, your Company undertook several measures to maintain high health and hygiene standards at the workplace, starting with vaccination for all its employees, families, contractual workforce, and channel partners. The importance was also given to physical and mental health by providing all-round support, organising expert workshops as well as setting up specific benefit programmes to help families of deceased employees.

Well, I would like to believe that in this letter I have covered all our successes, areas of improvement, key achievements and future aspirations to take the Company on a new growth path. Before I conclude, on behalf of the Board of Directors and the management, I would like to thank our employees, business partners, customers, vendors, shareholders, investors and other stakeholders for their continued trust, efforts and contribution to the Company. Let's continue our journey together on a sustainable growth path, the Godrej way.

Nadir B Godrej
(Chairman)

A DIVERSIFIED R&D FOCUSED FEED-TO-FOOD AGRI BUSINESS

1 ANIMAL FEED

- #1 compound feed player in India
- Present across Cattle, Poultry and Aqua Feed
- 50:50 JV with ACI Godrej for Animal Feed in Bangladesh





2 OIL PALM

- Largest producer of Crude Palm Oil in India with ~30% market share
- Potential area for plantation of 2,00,000 Hectares

3 CROP PROTECTION

- Agrochemical products catering to entire crop lifecycle
- Acquired majority equity stake in Astec LifeSciences in 2015



4

DAIRY

- Acquired majority equity stake in Creamline Dairy in 2015
- Products sold under the 'Godrej Jersey' brand





5

POULTRY AND PROCESSED FOOD

- 51:49 JV with Tyson India Holdings Limited for processed chicken and frozen foods
- Products sold under the 'Real Good Chicken' and 'Yummiez' brands



30 - YEAR JOURNEY
of our diversified Agri Business

1992
Agrovet business transferred from Godrej Soaps to Godrej Agrovet

1994
Entry into poultry with Real Good Chicken brand

2001
100% acquisition of Goldmohur Foods & Feeds (subsidiary of Hindustan Unilever Limited)

2004
Formation of JV (50% stake) with ACI Bangladesh

2005
Acquisition of 26% stake in Creamline Dairy

2008
Formation of JV with Tyson Foods (USA)

2012
Acquisition of ~20% stake by Temasek Group company

2015
Acquisition of majority stake in Astec LifeSciences

Acquisition of majority stake in Creamline Dairy

2017
IPO with total size of 1,157 crore, issue subscribed by 95 times and listed at a premium of 35%

2019
Godrej Tyson Foods and Godrej Maxximilk became majority owned subsidiaries

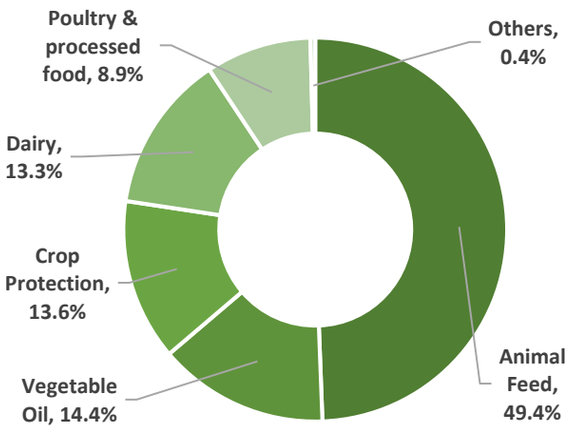
2021
Astec LifeSciences commissioned a new herbicides plant in Mahad

2022 FEBRUARY
GAVL's Crop Protection segment launched new insecticide Gracia

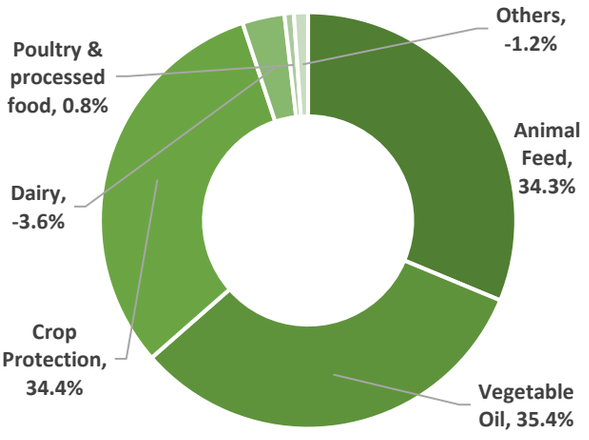
2022 MARCH
Recorded highest ever revenues of ₹8,306 Crore and profits of ₹419 Crore

Financial Highlights – At a Glance

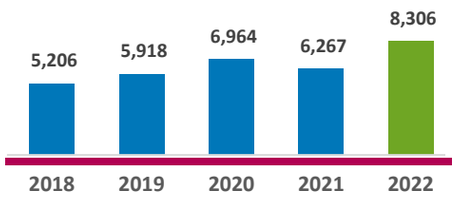
Segmental Revenue (%)



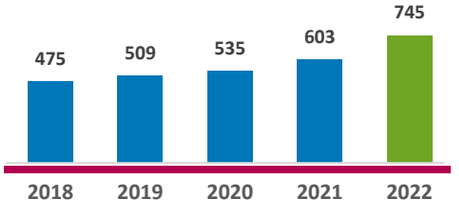
Segmental Results (%)



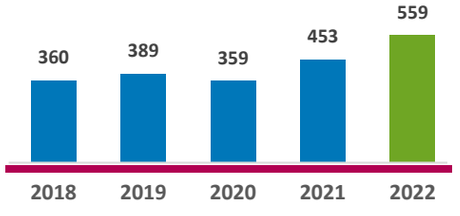
Total Revenue in ₹ Crore



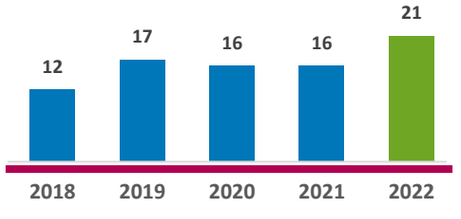
EBITDA in ₹ Crore



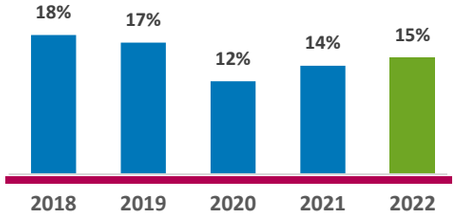
Profit Before Tax in ₹ Crore



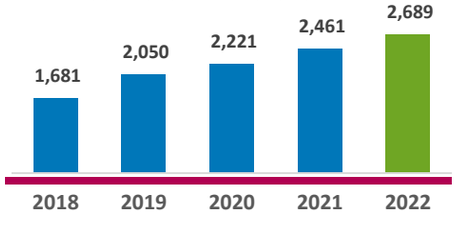
Earning Per Share in ₹



Return on Capital Employed (%)



Net Worth in ₹ Crore



Godrej Agrovet Limited – At a Glance

₹ 8,306 crore
Total revenues of growth of **32.5%** y-o-y

₹ 745 crore
EBITDA (in FY 2021– 22)

~23.5%
Growth in EBITDA Y-o-Y

~15%
10 Years EBITDA CAGR

~₹ 10,000 crore
Market Capitalization as on 31st March, 2022

14.8%
Return on Capital Employed

50 +
Pan India manufacturing units across businesses

Largest Feed
Player in India with 30+ Manufacturing Plants

1 bag
Of animal feed sold every second,

Total Volume of **1.4 million MT**

Strong R&D Capabilities

Largest Crude Palm Oil
Producer in India

AA (Stable)
ICRA Long-term rating

Water Positive

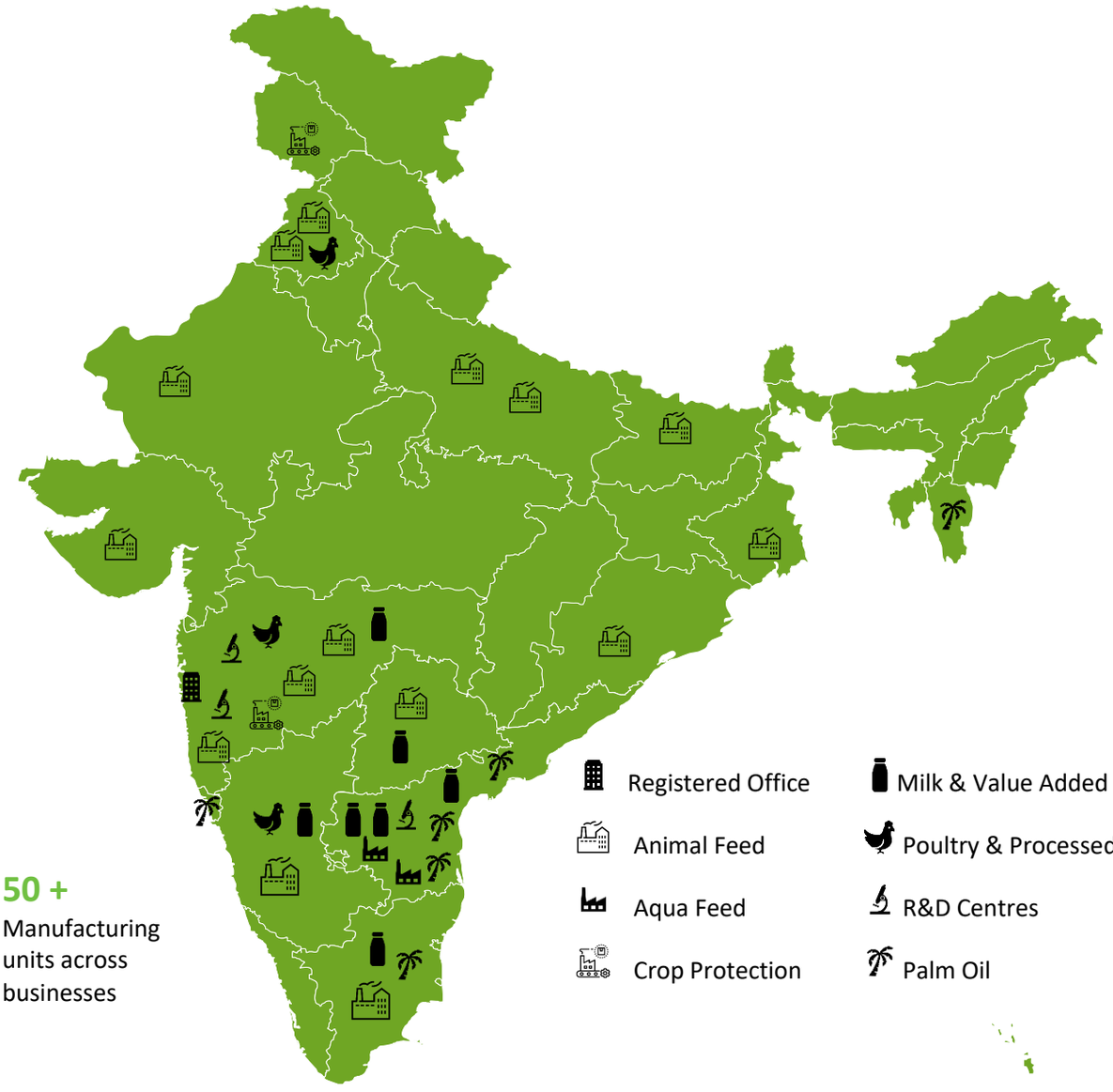
~6x
Water Conservation

69%
Energy utilization from Clean Renewable Sources

100,000
Farmers were supported through various initiatives

2,700 +
Permanent Employees

Geographical Footprints



50 +
Manufacturing units across businesses

Widespread Manufacturing Footprint

30+ Manufacturing plants for Animal Feed

6 Palm Oil Mills

4 Manufacturing facilities for Crop Protection

3 Processing facilities for Poultry

10 Milk Processing units for Dairy

Well-entrenched Distribution Network

~6,200 Distributors for Animal Feed

~6,600 Distributors for Crop Protection

~3,300 Distributors for Milk & Milk Products, **~ 400** Jersey Brand Outlets

Awards & Certification



Apex India – Safety Awards



Platinum Award – Aqua Feed



Gold Award – Creamline Dairy



Platinum Award - Creamline Dairy



Grow Care India Safety Awards



Corporate Governance Award



National Safety Award



National Safety Council Karnataka Chapter

Our R&D Capabilities



Nadir Godrej Centre for Animal Research & Development' (NGCARD)

- Explore full genetic potential of the animals through nutrition
- Improving productivity of livestock
- Optimize cost of poultry meat, eggs and milk
- Value addition in agricultural by-products
- Explore newer protein rich ingredients
- Team of Veterinary scientists leads activities with State of art farms and laboratories

R&D Centre at Nashik supporting Cattle, Broiler and Layer Feed Research

Aqua Feed R&D center

- Develop high quality, scientifically supported products for Aqua farmers
- New Product Development for region specific and varieties of Shrimp and Fish Feed and AHC
- Dissemination of Best Aquaculture practices to farmers

R&D Centre at Hanuman Junction for Aquaculture Research





Astec LifeScience New R&D Center

- Upcoming State-of-Art R&D Centre at Rabale, Maharashtra
- Equipped for New Product Generation, Process Optimization and Scale-up, and Product Lifecycle Management.
- It will further augment our chemistries and capabilities making us an attractive partner for the Contract Development and Manufacturing (CDMO) requirement

To be completed in FY 2022-23

R&D Initiatives in Oil Palm business

- Nurseries for seedlings
- R&D Farm (40 acres)
- Plantation experiments such as Precision agriculture and plant Nutrition Diagnostics Lab
- Soil & Leaf analysis
- Microbiology Lab
- Oil Mill Pilot plant
- Biomass Valorization

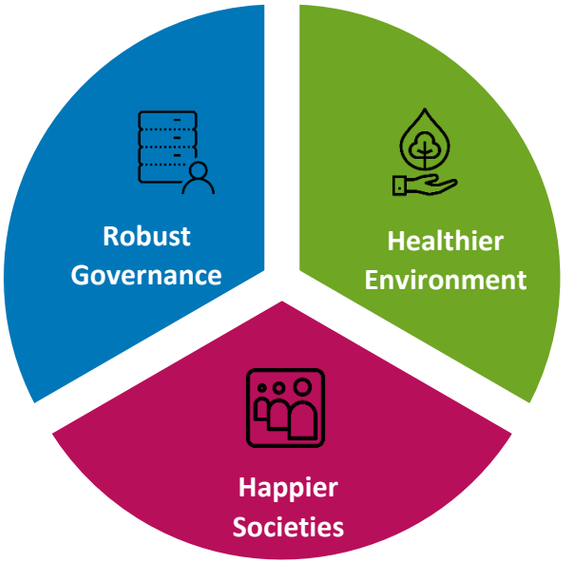


Sustainability and Us

‘Good and Green’ approach towards Sustainability

Your company constantly strives to make this world a better place. As a responsible corporate citizen, we will continue to make efforts towards reducing our environmental impact and work towards well-being & inclusive development of the society.

Our Sustainability & ESG Efforts



Robust Governance

Our key focus areas:

- Maintain sustainable governance through Board & internal committees
- Timely disclosures to our stakeholders
- Drive Ethics & Culture through Code of Conduct and Company Policies
- Compliance of statutory laws and regulations

Happier Societies

Our key focus areas:

- Inclusive & equitable development of communities through partnership programs
- Holistic upliftment of underprivileged communities through Livelihood programmes, Education & Entitlements
- Being an employer of Diversity & equal opportunities and ensuring well-being and safety of our employees

Healthier Environment

Our key focus areas:

- Reduce specific energy consumption in our processes
- Achieve Water positivity
- Increase share of Renewable energy in our overall energy portfolio
- Reduce our Greenhouse gas emissions and move towards Carbon Neutrality
- Ensure Zero waste to landfill

Your company has demonstrated its ambitious commitment towards sustainability by being a member/signatory of the following global bodies:

Environment Sustainability Snapshot For FY 2021-22

What cannot be measured cannot be improved. Therefore, we follow a target-based approach for making headway into the Environmental Sustainability. We have clearly laid down green goals for 2025 and we evaluate our performance against them.

CDP Disclosure Score	**CDP Climate change Disclosure score –** "GAVL – B" which is above the Food sector, Asia Regional and the Global average score of "B-" **Forest – Palm oil Disclosure score– "GAVL – Palm -B"** which is above the Food sector, Asia Regional and the Global average score of "B-" and "C"
Zero Liquid Discharge (ZLD)	**90%** of our sites are Zero Liquid Discharge (ZLD) sites and we aim to achieve 100% ZLD for all our sites by 2025
Carbon Neutrality	**23,879 MT** of CO_2 sequestered in FY 2021-22 (accounting for 24% of our Carbon Footprint). 89,039 MT of cumulative carbon offset achieved from 2017 – 2022
Waste Recycling	**100%** Biomass Fly Ash waste was successfully diverted from landfilling to recycling. Biomass Fly Ash finds utility in cement industry and construction activities. Our Aqua team diverted it safely for recycling to a brick manufacturer, thus avoiding the landfill.
Increase in the share of Renewable Energy	**~70%** energy used in our manufacturing plants comes from the renewable sources. Roof-top solar system has been installed that creates 17.35 million Units of sustainable energy per annum. The project has been taken up in two phases.
Reduction in the specific energy consumption	In our Hanuman Junction Aqua plant, we replaced old post-conditioning system with the new energy efficient one. The system is essential for the production of shrimp feed and pelleted fish feed. This resulted into 4% reduction in plant's specific energy consumption which is just enough to power up 40 homes per year.
Awards	'CII's Energy Efficient Unit' award won for the third time by the OPP Chintampalli plant for reducing its specific energy consumption by 12% from the baseline. 99% of the plant's energy comes from renewable sources.

Engaging With Communities

At Godrej Agrovet, we are committed toward inclusive and equitable development of our communities and the societies which are at the base of the social pyramid. In FY 2021-22, we made significant efforts towards sustainable development of the marginalised and underprivileged communities through various livelihood, education and entitlement programmes in partnership with the non-profit organisations and social enterprises.



Livelihoods & Entitlements



Education



Other work based on the community needs Livelihoods & Entitlements

COVID-19 Relief Initiatives and Vaccination awareness



As a responsible corporate citizen, Godrej Agrovet extended medical infrastructure to several locations around its operation centres. We conducted extensive drives to build vaccine-related awareness in the communities living around our operation centres across three states of India. We ensured providing vaccination services to the elderly and vulnerable people at their doorstep.



14,810
Community Members

Grameen Vikas – Livelihoods and Entitlements



Our livelihoods and Entitlement programmes are aimed at economic development of the vulnerable and low-income sections of the society, in line with our belief of their inclusive & equitable development:



2,532
people were benefited through our Entitlement programmes by connecting them with the Govt. welfare schemes Vaccinated



769
farmers were trained on improved agricultural practices that resulted into profit generation for them



1,498
women were trained on savings and enterprise management that paved way for their economic upliftment in the society



250
kitchen gardens were set up to provide nutrition and income supplement to the rural communities.

Watershed Management



Our Integrated Watershed Development Project aims at restoring the ecological balance in the drought prone areas of Magadi in Karnataka and Bharwani in Madhya Pradesh. Under this project, in partnership with NABARD, efforts are made to recharge the groundwater, make it available for irrigation and to reduce the effect of climate change on the farmers. The local communities are trained in water management and sustainable agriculture practices.



1,794

farmers have been covered through the project by providing support for livelihood and capacity building.



4,423

of land covering 100% of total area in Magadi and 54% of the total area in Bharwani has been treated under the project.



6.5 million m3

of water has been captured in the FY 2021-22

Education



Around our manufacturing plants in Maharashtra and Uttar Pradesh, with the help of our NGO partner, we have set up digital cafes with pre-loaded syllabus & videos in the educational tablets to facilitate learning for the children from class 6 – 10. The Café also serves as coaching institute for the rural students. Around our plants in Punjab and Andhra Pradesh, we initiated a mental and physical fitness programme in Government schools, and connected children and teachers at home through Whatsapp groups.



486

students watched over 15,000+ hours of digital educational content through our digital cafes.



4,075

students engaged through our mental and physical fitness programmes

Glimpses of Our CSR Work





COVID-19 Relief Initiatives & Vaccination awareness

Education










Grameen Vikas – Livelihoods and Entitlements

Management Discussion and Analysis Report

Indian Economic Overview



Indian economic growth rate in FY 2021-22 **~8.7%**

Indian economic growth rate estimated for FY 2022-23 **~7.0-8.2%**

After contracting by 7.3% in a Covid impacted year of FY 2020-21, Indian economy quickly recovered lost ground and is projected to expand by 8.7% in FY 2021-22, as per the latest advance estimates released by Central Statistical Office (CSO). Economic impact of second wave in the first quarter of FY 2021-22 was limited and much smaller than that of the first wave. Except for private consumption, all the other expenditure components are estimated to have crossed pre-pandemic levels, led by sharp uptick in Government spending. Exports also rebounded sharply to a record high level despite supply chain and logistic disruptions. Revival in capex spending above pre-pandemic level was driven by Government's continued thrust on infrastructure investments. Private consumption continues to lag other demand drivers owing to tepid consumer confidence, weak recovery in labour intensive sectors and reduced direct fiscal support. In terms of sectoral growth, all core sectors have recovered to pre-pandemic level except for Trade, Hotels and Transport which was the most affected sector dragging growth in overall services sector. Overall GDP growth is estimated to be 1.5% above pre-pandemic levels.

As per consensus forecasts, GDP growth in FY 2022-23 is expected to be in the range of 7.0% - 8.2%. The growth is expected to be driven primarily by infrastructure capex spending as reflected in Central Government's budgetary allocations. Most high-frequency indicators have exceeded pre-pandemic levels and indicate that the economic growth is expected to remain strong in FY 2022-23. Exports are also expected to maintain the momentum achieved in the previous year with some downside risks emanating from geopolitical tensions on account of a Russia-Ukraine conflict.

Indian Agricultural Sector Overview

Agriculture and allied sectors continue to remain one of the most important sectors of the Indian economy and is the main source of livelihood for more than 50% of India's population. India is the topmost producer of milk and pulses globally and continues to be the second-largest in production of rice, wheat, sugarcane, cotton, groundnuts and fruits & vegetables. India also ranks amongst the top economies in production of fish, spices, poultry and livestock. The agriculture and allied sectors have remained resilient throughout the unprecedented disruption caused by Covid-19 pandemic. The sector is estimated to have grown by 3.9% in FY 2021-22, as per second advance estimates by Central Statistical Office (CSO). Growth over the last two years was primarily driven by livestock and fishing & aquaculture sectors. The sector accounted for 18.8% of the total Gross Value Added (GVA) during the FY 2021-22.

During the year, the country witnessed very erratic and uneven spread of monsoon with significant monthly variations even amongst four geographical regions. In August, rainfall deficit was 24% vs. Long Period Average (LPA), while the month of September witnessed heavy rainfall with surplus of 34% vs. LPA. Nonetheless, overall monsoon rainfall was healthy at only 1% lower than the LPA during June to September 2021 resulting in decent growth in sowing and food-grain production during the Kharif season. Further, the water reservoir levels were above average on account of 48% higher post-monsoon rainfall during October to December 2021. This coupled with good soil moisture content resulted in higher sowing for the Rabi season, despite a high base of last year. Consequently, total food grains production was estimated to reach 314.06 million

MT in FY 2021-22, a growth of 1.72% year-on-year led mainly by rice, wheat and pulses (as per the third advanced estimates).

In FY 2022-23, monsoon is expected to be normal at 98% of LPA with no material variations projected throughout the season. Area coverage under summer crops has also increased by 6.9% year-on-year as of April 2022 supported by good reservoir levels with sharp rise in area under pulses. The agriculture sector is expected to remain on a modest growth path in FY 2022-23 with continued policy support. The sector is also expected to benefit in the medium-term from Government's focus on crop diversification, sustainable R&D initiatives and use of new technology including drones. As a result, the FY 2022-23 is expected to be a good year for both growth in farmer incomes as well as agri-input and other companies catering to the sector.

International prices of multiple agricultural commodities, energy and other inputs have risen sharply during FY 2021-22. Coal (+~176% year-on-year) and diesel (+~23% year-on-year) led the unprecedented surge in energy and logistics costs in FY 2021-22. Supply chain disruptions, exceptional rebound in global demand and most recently, uncertainties surrounding Russia-Ukraine conflict were amongst the key factors driving increase in prices across the globe. Edible oil prices, mainly sunflower, palm oil and soybean were the most impacted. We expect energy prices including palm oil to remain at elevated levels in the first quarter of FY 2022-23 with some easing in the commodity prices expected in the second half of FY 2022-23.

Key Business Segments

Your Company is a diversified, research and development focused agri-business Company with operations across 5 (five) business verticals – Animal Feed, Crop Protection, Oil Palm, Dairy, and Poultry and Processed Foods. The Company focuses on improving the productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. Detailed information on the current performance and future strategy of 5 (five) key business segments is as below:

Animal Feed Business

FY 2021-22 was a year of strong comeback post Covid-induced demand disruption for Animal feeds business as volumes and revenues grew by 20% and 41% respectively compared to previous year. The robust double-digit growth in volumes was recorded in all four quarters on the back of new product launches and increasing market penetration. Launch of cattle-feed product Samruddhi in FY 2020-21 was followed by two new products Doodh Vriddhi and Champion in FY 2021-22. All of these products have been receiving excellent response from the farmers. Our shrimp feed volumes continued to grow in FY 2021-22 in line with the industry as shrimp culture was largely successful and realisations for farmers also improved. Overall, Animal Feeds segment registered strong topline performance in FY 2021-22.



In terms of profitability, the entire feed industry was reeling under margin pressure in FY 2021-22. The industry witnessed unprecedented inflation in input commodities such as soybean meal, maize, fishmeal and de-oiled ricebran cake etc. Prices skyrocketed to record high levels owing to rising demand, supply chain disruptions, rising energy & logistics costs and natural calamities. Sharp rise in soymeal prices in first half of the year was contained by government intervention such as approval for soymeal imports, imposing stock holding limits and ban on futures trading. However, prices for all major commodities surged again in the fourth quarter of FY 2021-22 owing to geo-political uncertainties in key agri-commodity producer economies in Eastern Europe. Fish feed margins were also impacted by lower farmgate prices for major varieties of fish. However, despite all these challenges, our segment results grew by 22% y-o-y supported by timely price hikes, realisation of R&D initiatives over the years and strategic stocking.

On R&D and digitisation front, your Company made satisfactory progress. Our digital initiatives such as sales force automation, chatbots in regional languages, pan-India roll-out of complaint redressal system remained on track. We completed debottlenecking of animal feed plants to increase production capacity during the year. We also commissioned our aquaculture research and development centre. The fish feed manufacturing plant being set up in Uttar Pradesh is expected to start commercial trials in first half of FY 2022-23. It will cater to the demand in the Northern and Eastern region, which are large markets for fish feed. We are immensely proud to report that all our cattle feed plants are now BIS certified which underscores our commitment to quality.

During the year, we completed acquisition of balance stake in Godrej Maxximilk Private Limited ("GMPL") from minority investors. GMPL is now our wholly-owned subsidiary and we have infused additional investments to the tune of ₹ 50 Crore for business expansion and day-to-day operations. GMPL has made significant progress in stabilising lab operations and improving embryo production. We have also signed agreements with large customers for supply of high breed embryos in the coming year.

Godrej Agrovet's 50:50 joint venture with Advanced Chemical Industries Limited (ACI), Bangladesh, named ACI Godrej Agrovet Private Limited, recorded another year of outstanding performance and posted strong growth in revenues by 25% year-on-year. This was on account of strong volume growth across all segments, i.e., cattle, poultry and aqua feed.

Going forward, the focus will continue to be on increasing the penetration in key geographies across feed categories to drive the volume growth as well as leverage R&D efforts for margin expansion. We are actively engaged in collaboration with new age agri-tech start-ups to enable additional sales channel for our feed products and accelerate market penetration. The ongoing digital initiatives undertaken in the production processes and supply chain management will further help in improving productivity and achieve cost optimisation.

Animal Feed Business Highlights:

₹ 4,350 crore
Revenue

1.4 million MT
Volume Sold

15K +
Customer touch points across India

30 +
Manufacturing plants in India

17%
Return on Capital Employed

 # 1
Cattle feed player in Bangladesh

Crop Protection Business

For domestic crop protection industry, FY 2021-22 was a very challenging year. Especially for herbicides players, the season was fraught with erratic and uneven monsoon as well as extreme weather events. Additionally, profitability of domestic players was under severe pressure due to limited transmission of input costs inflation to end-product selling prices. However, exports business was upbeat led by higher realisations for key products and healthy demand.

Unusually dry August followed by heavy rains in September led to lower application opportunities for our products in the Kharif season. In the second half of the year, higher emphasis was given on improving channel hygiene resulting in higher sales returns and increased provision for doubtful debts. Consequently, standalone Crop Protection revenues and profitability were impacted. Nonetheless, Company continued to focus on increasing the distribution reach of the in-house products by partnering with other major agrochemical players in the industry. Company launched 'Gracia' during the year, extending our in-licensing arrangement with Nissan Chemical Corporation, Japan. Gracia, an insecticide for control on chewing and sucking pests, is our second product in collaboration with Nissan Chemicals and will help us in strengthening our presence in Insecticides sub-segment. Gracia has been receiving good customer response and will not only enhance the product portfolio but will also help enter new crops markets. In addition to Gracia, Company also launched 'Portraitt' in Herbicide category focused on controlling weeds in onion crop. Going forward, standalone Crop Protection segment will continue to focus on sustainable growth while maintaining good channel hygiene through our revamped go-to-market strategies and efficient working capital management. The Company will also continue to work towards expanding its product portfolio either through in-house developments or through in-licensing arrangements.



Our subsidiary, Astec LifeSciences Ltd ("Astec"), recorded its best-ever performance till date as total income and profit before tax (excluding non-recurring and exceptional items) grew by 22% and 36%, year-on-year, respectively. Geographically, exports were the main driver growing by 44% year-on-year while in terms of segment, growth was led by enterprise sales. During the year, Astec commissioned its new herbicide plant and remained on track to complete the state-of-the-art R&D facility by FY 2022-23. Additionally, Company has started realising benefits from investment made in backward integration to diversify raw material sourcing and to reduce dependency on international markets. During the year, Astec LifeSciences commercialized two new CDMO products.

In the next financial year, Astec will continue to focus on developing new relationships for contract manufacturing business and to diversify into other chemistries. Investment in the R&D centre will significantly increase the research capabilities and will support the growth aspirations in the long-term.

Oil Palm Business

FY 2021-22 was the remarkable year for our Oil Palm business as we achieved best ever notable improvement in oil extraction ratio on the back of R&D initiatives and operational efficiencies. This coupled with record-high oil prices and moderate increase in volumes resulted in strong growth in segment revenues and segment results by 78% and 188% respectively.

Average prices for crude palm oil (CPO) and palm kernel oil (PKO) have remained well above long-term average prices throughout the year and increased by 51% and 90% respectively as compared to previous year. The sharp rise in palm oil prices could be attributed to several factors such as elevated crude oil prices, rising demand, supply chain disruptions from largest exporters Indonesia and Malaysia and uncertainties surrounding ongoing Russia-Ukraine war.

During the year, your Company reaped enormous benefits from the R&D initiatives implemented over the past few years. This was further aided by operational efficiencies achieved through changes in plant operations, improved procurement and quality grading processes. The Company continues to work on increasing area under plantation.

In the month of Aug 2021, Government of India launched new mission on oil palm namely, the National Mission on Edible Oils – Oil Palm (NMEO-OP) with planned outlay of ₹ 11,040 Crore. Under this mission, Government has envisaged to raise area under cultivation of oil palm to 10 Lakh hectares by 2025-26 and 16.7 Lakh hectares by 2029-30 with special focus on the North east region and the Andaman and Nicobar Islands. The other important focus area is introducing concept of Viability Price (VP) of Fresh Fruit Bunches (FFBs). VP mechanism has been designed to protect the farmers from the volatility in international CPO prices and will encourage them to increase area under cultivation. This is a positive step in the right direction as farmers will benefit from guaranteed







minimum support even in case of fall in global oil prices and will result in reduction in uprooting. The Company has been working closely with the Government authorities to make this mission a success. Being a top player in this segment, your Company is well-placed to capitalize on this opportunity.

During the year, there has been significant progress in all of our several digital initiatives. Our entire plantation areas in Andhra Pradesh and Telangana have been geo-tagged with more than 95% accuracy levels on tree count. Entire plantation footprint has been digitalised which enables timely fruit care interventions at farm level. The Company has also been working on various new initiatives such as micro climate monitoring at garden level, drone imaging, AI precision farming, end-to-end traceability integrated into in-house digital platform and providing one-stop-solution to network farmers. The Company has also made satisfactory progress on our ESG goals for Oil Palm business with entire energy requirements being generated in-house and achieving net zero carbon emissions.

Going forward, the focus will remain on improving productivity through agronomic and digital interventions while improving extraction ratio through operational efficiencies.

Oil Palm Business Highlights:

30
Years of experience in Oil pam

~ 2,00,000 HA
Potential area for plantation

~ 9,000
Farmers connected

6 Palm oil mills

> 1 lakh MT
Of Crude palm oil

12
Nurseries

Dairy Business

Dairy industry witnessed a modest revival in demand in FY 2021-22 post gradual opening up of economy with easing covid restrictions. The demand recovery was largely driven by Value-Added Products (VAP), although HoReCa (Hotels, Restaurants and Catering) segment volumes were still below pre-Covid levels. Rapid spread of second wave and ensuing lockdowns restricted demand recovery in first quarter of the year. Thereafter, increased vaccination coverage and upswing in overall consumer confidence ensured strong growth in demand for VAP category.

Our dairy subsidiary, Creamline Dairy Products Limited ("CDPL"), reported 14% year-on-year increase in segment income in FY 2021-22. The notable comeback as compared to previous year was led by higher market share gains in curd, milk drinks and ghee. CDPL maintained its focus on strengthening the market position, increasing the brand awareness and new products development. CDPL launched new variants of Jersey Recharge energy drink, fruit yogurt as well as paneer and ghee. CDPL's whey drinks category has been receiving excellent market response and we introduced two more flavours during the year – Mango and Apple. CDPL also expanded sales of Jersey milk beverages to Northern parts of the country, mainly Delhi, Punjab and Himachal Pradesh. CDPL successfully carried out massive customer outreach programme for "Jersey Ghee" in Southern markets resulting in strong volume growth as compared to previous financial year. Overall, CDPL reaped benefits from continued efforts and strategic focus towards increasing salience of VAP category. Share of VAP in total sales further increased to 29% in FY 2021-22 from 27% in the previous year.



However, CDPL's profitability was impacted due to high inflationary pressure on milk procurement prices as well as fuel and packaging material costs. The sharp rise in input costs could not be transmitted as no price hike was taken by the regional players in our key markets in the first nine months of FY 2021-22. Although there was some pricing action in fourth quarter of the year by major

players, the increase was marginal and insufficient to absorb entire input cost inflation. Consequently, CDPL reported a loss for the first time in FY 2021-22. In the near-term, CDPL will continue with its aim of growing milk volumes through customer activation plans for each of its markets. This will be supplemented by strengthening the direct milk procurement network which is a prerequisite to providing quality and supply security. In the VAP category, focus will remain on launching new products based on market research coupled with accelerated consumer outreach and expansion of distribution channel in the existing markets. Higher volume growth and improvement in realisation on the back of price hikes are expected to drive CDPL's return to profitability in the coming year.

Poultry and Processed Food Business

FY 2021-22 was a year of mixed performance for our subsidiary Godrej Tyson Foods Limited ("GTFL"). Favourable demand dynamics in Real Good Chicken (RGC) and live bird segments was offset by highly volatile live bird prices and elevated commodity inflation throughout the year.

Total income grew by 30% year-on-year driven by robust volume growth in Real Good Chicken (RGC) and live bird segments. However, unprecedented rise in input costs, mainly soya, played spoilsport leading to decline in profitability for the year. GTFL closed FY 2021-22 with segment results of ₹ 5.3 Crore as compared to ₹ 24.6 Crore in the previous year. In live bird segment, volu me growth of 13% was strongly supported by similar increase in selling prices. After plunging sharply in the first quarter due to rapid rise in Covid cases during second wave, live bird prices recovered quickly and closed the year at a record high level. However, rising live bird costs due to feed inflation surpassed recovery in selling prices for part of the year. As a result, segment witnessed margin pressures and subsequent drop in profitability. In RGC category, volume growth of 61% was mainly led by Quick service restaurants (QSR) and Institutional sales. HoReCa channel, which constitutes a significant share of overall demand in RGC category, is yet to see full recovery to pre-Covid levels. Demand from HoReCa channel was sluggish in the first quarter due to channel disruption caused by Covid lockdowns. It regained its momentum quickly with fall in cases and increased out-of-home consumption. Nonetheless, limited transmission of inflated bird cost to selling prices resulted in a lower contribution margins and as a consequence, drop in segment results. In Yummiez segment, heightened demand for ready-to-eat and easy-to-cook frozen food products from the previous year started stabilising during the year. This could be attributed to easing lockdown restrictions and rising preference to out-of-home consumption. As a result, Yummiez witnessed flat growth in volume as well total income, albeit on a higher base.



In the medium term, GTFL's focus in RGC business will be on improving profitability though favourable product as well as channel mix and leveraging cost efficiencies. In Yummiez segment, GTFL's aim is to scale up volume growth through enhancing product portfolio and by adding new sales channels for increasing the distribution reach. During the year, GTFL continued to launch new products in the Yummiez segment to expand consumer offerings. At the same time, GTFL will remain committed to its primary aim of becoming the lowest cost producer of live bird with singular focus on cost control through operational efficiencies.

Opportunities, Strengths, Concerns

Opportunities and Strengths

- **Increase market share in existing business verticals:** Several sectors in which your Company operates are largely unorganized, therefore, cost leadership is a key enabler for your Company to increase the market share of its products in those segments. The Company's ability to increase sales will be strengthened by continued focus on offering a wide range of innovative products across all business verticals which will help in gaining market share. Additionally, in the medium-term, due to supply chain disruption and lack of liquidity leading to the closure of smaller business units, larger players with strong balance sheets will gain market share.

- **Pan-India presence with extensive supply and distribution network to benefit the Company in the long-run:** Your Company has a pan-India presence and operations spanning across 5 (five) business verticals. The Company has set up processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform across key agriculture verticals. As a result of its widespread network and significant operational experience, the Company is well placed to identify key market trends and introduce a range of innovative and value-added products in the market to cater to the evolving needs of the customers. The nationwide footprint also allows the Company to leverage the competitive advantages of each location to enhance competitiveness and reduce geographic and political risks in businesses.

  Diversified businesses with synergies in operations: Segmental and geographical diversification across business verticals 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 the ability to drive growth, optimize capital efficiency and maintain competitive advantage. The Company also derives operational efficiencies by centralizing and sharing certain key functions across businesses such as finance, legal, information technology, strategy, procurement and human resources.

- **Strong Research & Development (R&D) Capabilities:** The Company's emphasis on R&D has been critical to its success and a differentiating factor from competitors. Dedicated R&D is undertaken in existing products primarily with a focus to improve yields and process efficiencies. The Company also focuses on R&D efforts in areas where there is significant growth potential. Through our subsidiary Astec LifeSciences Limited, the Company has access to strong R&D capabilities in the agrochemical active ingredients category. Investment is also being made in developing innovative technologies to further grow our product portfolio across businesses.

- **Focus on inorganically growing business offerings:** Your Company will evaluate inorganic growth opportunities, in keeping with the strategy to grow and develop market share or to add new product categories. Your Company may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, amongst other things, they consolidate market position in existing business verticals or achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits. Your Company can also look at opportunities that will strengthen and expand its product portfolio and increase its sales and distribution network.

Concerns

- **Unfavourable local and global weather patterns can have an adverse effect on the business:** As an agri-based Company, the businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. The availability of raw materials required for operations and the

demand for products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India. The occurrence of any unfavourable weather patterns may adversely affect business, results of operations and financial condition.

- **Availability of raw materials and arrangements with suppliers for raw materials:** Each of the businesses depends on the availability of reasonably priced, high-quality raw materials in the quantities required by operations. The price and availability of such raw materials depend on several factors beyond the Company's control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. The Company typically sources raw materials from third-party suppliers or the open market which exposes the Company to volatility in the prices of raw materials and dependence on third-party for delivery of raw material. Also, any inability to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect operations.

- **Improper handling, processing or storage of raw materials or products:** The products that your Company manufactures or processes are subject to risks such as contamination, adulteration and product tampering during their manufacturing, transport or storage. Inherent business risks exist in form of product liability or recall claims if products fail to meet the required quality standards or are alleged to result in harm to customers. Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. Although the Company has product liability insurance cover for domestic and international markets for businesses, it cannot assure that this insurance coverage is adequate or that any losses will be adequately compensated by the insurers in the event of a product liability claim.

- **Seasonal variations in the businesses:** Your Company's businesses are subject to seasonal variations that could result in fluctuations in performance. For example, in the Animal Feed business, the Company sells lower volumes of cattle feed during the monsoons due to the availability of green fodder. In the Poultry and Processed Foods business, the demand for poultry products is higher in the second half of the Financial Year since the consumption of poultry meat and eggs is higher during winter months, while the sale of such products is lower during certain religious festivals. As a result of such seasonal fluctuations, sales and results of operations may vary by fiscal quarter. The sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or future performance. In addition, financial performance is also impacted by other risks such as inability to manage diversified operations, dependency of revenue from Animal Feed business and dependency of the utilization of services of third parties for our operations.

Internal Control System

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 adequate internal controls in place designed and developed to:

a) Safeguard its assets from unauthorised use or losses
b) Conduct its business operations efficiently in line with company's policies
c) Maintain accuracy, completeness & reliability of the Financial and accounting records
d) Compliance on laws and regulations
e) Detect and prevent any fraud the frauds in the accounting & reporting system

The Company monitors the efficacy and functioning of its internal financial controls through periodic internal audits and multiple authority levels for expenditures and budgetary controls.

Material Developments in Human Resources / Industrial Relations

Your Company treats its employee workforce as a valuable asset and strives to provide them with a workplace that brings out the best in them. The Company trains employees regularly to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety. Employees are offered performance-linked incentives and benefits and the Company conducts employee engagement programmes from time to time.

The Company also hires contract labour at few facilities, from time to time. Employees at certain facilities have formed registered unions. However, Your Company believes that it has good relations with the employees. As on March 31, 2022, the total number of permanent employees was 2,711.

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

Company's Financial and Operational Performance

Consolidated Performance:

For the FY2021-22, your Company reported consolidated total income of ₹ 8,385.7 Crore as compared to ₹ 6,306.3 Crore in the previous Financial Year. Profit before exceptional items and tax was ₹ 486.8 Crore in FY 2021-22 as compared to ₹ 397.6 Crore in the previous Financial Year.

The key highlights of Consolidated Financials for the Financial Year ended March 31, 2022 are as under:

(₹ in crore)

Particulars	Consolidated	
	2021-22	2020-21
Total Income	8,385.74	6,306.27
Earnings Before Interest, Tax, Depreciation and Amortization*	723.2	598.1
Profit Before Tax*	486.8	397.6
Profit After Tax*	408.5	344.7
Total Comprehensive Income	417.4	350.4

* Excluding non-recurring & exceptional items

Key Financial Ratios

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

Particulars	Consolidated	
	2021-22	2020-21
Debtors Turnover Ratio	9.36	7.48
Inventory Turnover Ratio	5.23	4.94
Interest Coverage Ratio	9.06	9.67
Current Ratio	1.06	1.08
Debt Equity Ratio*	0.57	0.38
Operating Profit Margin (%)	6.88%	7.17%
Net Profit Margin (%)	5.05%	5.55%
Return on Net worth (%)	16.28%	14.85%

*Consolidated Debt Equity Ratio has increased due to increase in short term borrowings on account of higher working capital requirements.

The formulae used for computation of key financial ratios are as follows:

Debtors Turnover Ratio	Net Sales / Average Trade Receivable
Inventory Turnover Ratio	Cost of Goods sold / Average Inventory
Interest Coverage Ratio	Profit Before Interest and Taxes / Finance Costs
Current Ratio	Current Assets / Current Liabilities
Debt Equity Ratio	Total Debt / Shareholder's Equity
Operating Profit Margin (%)	Profit Before Interest and Taxes / Net Sales
Net Profit Margin (%)	Profit After Tax / Net Sales
Return on Net worth (%)	Profit After Tax / Average of Total Equity

Statutory Reports

GODREJ AGROVET LIMITED

Corporate Identity Number (CIN): L15410MH1991PLC135359
Registered Office: "Godrej One", 3rd Floor, Pirojshanagar,
Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra
E-mail: gavlinvestors@godrejagrovet.com; Website: www.godrejagrovet.com
Tel. No.: +91 22-2519 4416, Fax No: +91 22-2519 5124

NOTICE OF THE 31ST (THIRTY-FIRST) ANNUAL GENERAL MEETING

NOTICE is hereby given that the **31ST (THIRTY-FIRST) ANNUAL GENERAL MEETING ("AGM")** of the Shareholders of **GODREJ AGROVET LIMITED** ("**Company**") will be held on **Friday, July 29, 2022** at **4.00 p.m. (IST)** through **Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")**, to transact the following **BUSINESS:**

ORDINARY BUSINESS:

1. **Adoption of Financial Statements for the Financial Year ended March 31, 2022:**

   To consider and adopt the Audited Financial Statements (including Standalone and Consolidated Financial Statements) of the Company for the Financial Year ended March 31, 2022 and the Reports of the Board of Directors and the Statutory Auditors thereon, including Annexures thereto.

2. **Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2022:**

   To declare Final Dividend on Equity Shares at the rate of 95% (Ninety-Five per cent) [i.e., ₹ 9.50 (Rupees Nine and Paise Fifty Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only)] for the Financial Year ended March 31, 2022.

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

   To appoint a Director in place of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195)], Non-Executive, Non-Independent Director & Chairman, who retires by rotation and, being eligible, offers himself for re-appointment, as a "Director" of the Company and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and/or the Rules framed thereunder, the approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Mr. Nadir B. Godrej [Director Identification Number (DIN): 00066195] as a "Director" of the Company, who shall be liable to retire by rotation."

4. **Re-appointment of Ms. Nisaba Godrej (DIN: 00591503) as a "Director", liable to retire by rotation, who has offered herself for re-appointment:**

   To appoint a Director in place of Ms. Nisaba Godrej [Director Identification Number (DIN): 00591503)], Non-Executive, Non-Independent Director, who retires by rotation and, being eligible, offers herself for re-appointment, as a "Director" of the Company and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 and/or the Rules framed thereunder, the approval of the Shareholders of the Company be and is hereby accorded to the re-appointment of Ms. Nisaba Godrej [Director Identification Number (DIN): 00591503] as a "Director" of the Company, who shall be liable to retire by rotation."

5. **Re-appointment of B S R & Co. LLP, Chartered Accountants as the "Statutory Auditors" of the Company for a second term of 5 (Five) years:**

   To consider and approve re-appointment of B S R & Co. LLP, Chartered Accountants as the "Statutory Auditors" of the Company for a second term of 5 (Five)

years and if thought fit, to pass, the following as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to Sections 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 [including any statutory amendment(s), modification(s) or re-enactment(s) thereof, for the time being in force] and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, B S R & Co. LLP, Chartered Accountants, having Firm Registration No. 101248W/W-100022, be and are hereby re-appointed as the "Statutory Auditors" of the Company for a second term of 5 (Five) consecutive years, commencing from the conclusion of the 31st Annual General Meeting till the conclusion of 36th Annual General Meeting (i.e., to conduct the Statutory Audit of the Company from the Financial Year 2022-23 upto the Financial Year 2026-27), at such remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors."

SPECIAL BUSINESS:

6. Ratification of Remuneration of M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, appointed as the "Cost Auditors" of the Company for the Financial Year ending March 31, 2023:

To consider and ratify the remuneration of M/s. P.M. Nanabhoy & Co., Cost Accountants, Mumbai as the "Cost Auditors" of the Company for the Financial Year ending March 31, 2023 and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 148 and other applicable provisions of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force], based on the recommendation of the Audit Committee and the Board of Directors, the remuneration of M/s. P.M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration Number: 00012), the "Cost Auditors" appointed by the Board of Directors of the Company, for the Financial Year ending March 31, 2023, for conducting audit of the cost records of the Company, of ₹ 1,38,000/- (Rupees One Lakh Thirty Eight Thousand Only) plus Goods and Service Tax and reimbursement of out-of-pocket expenses at actuals, if any, be and is hereby ratified and approved."

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

7. Appointment of Mr. Burjis Godrej (DIN: 08183082) as an "Executive Director" of the Company for a term of 5 (Five) years to be effective from November 1, 2022 upto October 31, 2027:

To consider and approve the appointment of Mr. Burjis Godrej [Director Identification Number (DIN): 08183082] as an "Executive Director" of the Company for a term of 5 (Five) years to be effective from November 1, 2022 upto October 31, 2027 and if thought fit, to pass the following resolution as a **Special Resolution:**

RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force] and the provisions of the Articles of Association of the Company and subject to such other approval(s) (if required) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on February 4, 2022, the approval of Shareholders be and is hereby accorded for appointment of Mr. Burjis Godrej [Director Identification Number (DIN: 08183082)] as an "Executive Director" of the Company for a term of 5 (Five) years, to be effective from November 1, 2022 upto October 31, 2027, on such terms and conditions as stated hereinbelow and elaborated in the Explanatory Statement and mutually agreed between the Company and Mr. Burjis Godrej."

1) **Fixed Compensation**, including basic salary, allowances, perquisites and Company's contribution to Provident Fund, Superannuation Fund, Gratuity and other benefits, facilities and amenities as may be applicable as per the rules of the Company, provided that:

   (a) Basic Salary shall be in the range of ₹ 30,00,000/- (Rupees Thirty Lakh Only) per

annum to ₹ 50,00,000/- (Rupees Fifty Lakh Only) per annum;

(b) the revisions in annual Basic Salary and increments in remuneration may be as approved by the Nomination & Remuneration Committee and/or the Board of Directors, depending on the performance of Mr. Burjis Godrej as an "Executive Director", the profitability of the Company and other relevant factors.

2) **Flexible Compensation**, comprising of the following, as may be determined from time to time by the Nomination and Remuneration Committee and / or the Board of Directors, having regard to the performance of Mr. Burjis Godrej as an Executive Director, the profitability of the Company and other relevant factors:

(a) **Performance Linked Variable Remuneration (PLVR)** payable according to the applicable scheme of the Company for each of the Financial Year as relevant to the period of appointment;

(b) **Long Term Incentives (LTI),** in a manner and form as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company."

"**RESOLVED FURTHER THAT** the remuneration as stated above be allowed and paid to Mr. Burjis Godrej in his capacity as an "Executive Director" for the period from November 1, 2022 to October 31, 2027 and LTI payable, as may be approved by the Nomination and Remuneration Committee and / or the Board of Directors of the Company, as minimum remuneration, notwithstanding any loss or inadequacy of profit during the said period, subject to necessary compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force]."

"**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and / or the Board of Directors be and is hereby authorized to alter and vary the terms and conditions of the said appointment and remuneration of Mr. Burjis Godrej at its discretion and as it may deem fit from time to time."

"**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and / or the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and execute all such document(s), instrument(s) and writing(s) as may be deemed fit, necessary, expedient or desirable, to delegate all or any of its powers herein conferred to give effect to the aforesaid resolution and to settle any question, or doubt that may arise in relation thereto, without being required to seek any further consent or approval of the Members to this end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution."

8. <u>Re-appointment of Mr. Balram S. Yadav (DIN: 00294803) as the "Managing Director" of the Company for a further period commencing from September 1, 2022 upto April 30, 2025:</u>

To consider and approve the re-appointment of Mr. Balram S. Yadav [Director Identification Number (DIN): 00294803] as the "Managing Director" for a further period commencing from September 1, 2022 upto April 30, 2025 and if thought fit, to pass the following resolution as a **Special Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [including any statutory modification(s), amendment(s) or re-enactment(s) thereof for the time being in force] and the provisions of the Articles of Association of the Company and subject to such other approval(s) (if required) and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors at their respective Meetings held on May 9, 2022, approval of the Shareholders of the Company be and is hereby accorded for re-appointment of Mr. Balram S. Yadav [Director Identification Number (DIN): 00294803] as the "Managing Director" of the Company for a further period commencing from September 1, 2022 upto April 30, 2025, on such terms and conditions as stated hereinbelow and elaborated in the Explanatory Statement and mutually agreed between the Company and Mr. Balram S. Yadav:

1) **Fixed Compensation**, including basic salary, allowances, perquisites and Company's contribution to Provident Fund, Superannuation Fund, Gratuity and other benefits, facilities and amenities as may be applicable as per the rules of the Company, provided that:

(a) Basic Salary shall be in the range of ₹ 1,57,00,000/- (Rupees One Crore and Fifty Seven Lakh Only) per annum to ₹ 2,50,00,000/-

(Rupees Two Crore and Fifty Lakh Only) per annum;

(b) the revisions in annual Basic Salary and increments in remuneration may be as approved by the Nomination and Remuneration Committee and/or the Board of Directors, depending on the performance of Mr. Balram S. Yadav as Managing Director, the profitability of the Company and other relevant factors.

2) **Flexible Compensation**, comprising of the following, as may be determined from time to time by the Nomination & Remuneration Committee and / or the Board of Directors, having regard to the performance of Mr. Balram S. Yadav as Managing Director, the profitability of the Company and other relevant factors:

(a) **Performance Linked Variable Remuneration (PLVR)** payable according to the applicable scheme of the Company for each of the Financial Year as relevant to the period of appointment;

(b) **Long Term Incentives (LTI)** upto an amount not exceeding ₹ 27 Crore (Rupees Twenty Seven Crore Only), payable in the form of cash and/or stock options under the Company's existing Employees Stock Grant Scheme, 2018, in two tranches in the Financials Years 2025-26 and 2026-27, subject to fulfilment of thresholds to be achieved during the 4 (Four) Financial Years, i.e., from 2021-22 upto 2024-25."

"**RESOLVED FURTHER THAT** the remuneration as stated above be allowed and paid to Mr. Balram S. Yadav in his capacity as the "Managing Director" for the period from September 1, 2022 to April 30, 2025 and LTI payable during the Financial Year 2025-26 and Financial Year 2026-27, as minimum remuneration, notwithstanding any loss or inadequacy of profit during the said period, subject to necessary compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder [including any statutory modification(s), amendment(s) or re-enactment(s) thereof, for the time being in force]."

"**RESOLVED FURTHER THAT** the Board of Directors and/or the Nomination and Remuneration Committee be and is hereby authorized to alter and vary the terms and conditions of the said re-appointment and remuneration of Mr. Balram S. Yadav at its discretion and as it may deem fit from time to time."

"**RESOLVED FURTHER THAT** the Nomination and Remuneration Committee and/or the Board of Directors be and is hereby authorized to do all such acts, deeds, matters and things and execute all such document(s), instrument(s) and writing(s) as may be deemed fit, necessary, expedient or desirable, to delegate all or any of its powers herein conferred to give effect to the aforesaid resolution and to settle any question, or doubt that may arise in relation thereto, without being required to seek any further consent or approval of the Members to this end and intent that they shall be deemed to have given approval thereto expressly by the authority of this resolution."

By Order of the Board of Directors

Sd/-
Vivek Raizada
Head – Legal & Company Secretary & Compliance Officer

Date: July 6, 2022
Place: Mumbai

Registered Office:

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

NOTES:

1. In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("**MCA**") has, vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No.17/2020 dated April 13, 2020, General Circular No. 20/2020 dated May 5, 2020, General Circular No.02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 (collectively referred to as "**MCA Circulars**"), permitted the holding of the Annual General Meeting ("**AGM**") through Video Conferencing ("**VC**") or Other Audio Visual Means ("**OAVM**"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("**the Act**"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**") and MCA Circulars, the 31st AGM of the Company will be conducted through VC / OAVM.

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

2. The relative Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, setting out all the material facts relating to Ordinary / Special Businesses to be transacted at the AGM, as set out in this Notice, is annexed hereto.

Further additional information, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ("SS-2"), in respect of Directors seeking appointment / re-appointment at this Annual General Meeting ("AGM") as mentioned in Item Nos. 3, 4, 7 and 8 of this Notice of AGM is also annexed hereto.

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

4. Institutional / Corporate Shareholders (i.e. other than individuals, HUF, NRI, etc.) intending to appoint their Authorized Representative(s) to attend the AGM, pursuant to Section 113 of the Companies Act, 2013, are requested to send to the Scrutinizer (Mr. B. Narasimhan, Proprietor of BNP & Associates, Practicing Company Secretaries and M/s. BNP & Associates, Practicing Company Secretaries), NSDL and the Company, a scanned certified true copy of the Board Resolution with attested specimen signature of the duly authorized signatory(ies) who are authorized to attend and vote on their behalf at the AGM. The said Resolution / Authorization shall be sent to the Scrutinizer by email through its registered email address to: narasimhan.b8@gmail.com, ab@bnpassociates.in, venkatk1960@gmail.com and venkatk60@yahoo.co.in
with a copy marked to evoting@nsdl.co.in and gavl.secretarial@godrejagrovet.com.

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

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

7. Any request for inspection of the Register of Directors and Key Managerial Personnel and their Shareholding, maintained under Section 170 of the Act, Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Act and Certificate from Auditors of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, may please be sent to gavl.secretarial@godrejagrovet.com.

8. The Register of Members and Share Transfer Books of the Company will remain closed **from Tuesday, July 26, 2022 to Thursday, July 28, 2022 (both days inclusive)** for annual closing and determining the entitlement of the Shareholders to the Final Dividend for the Financial Year 2021-22.

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

10. Shareholders are requested to register / intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), bank details including change in bank account number, IFSC Code, MICR Code, name of bank and branch details:

a. **In case of Equity Shares held in Electronic form:** To their Depository Participant(s) (DPs);

b. **In case of Equity Shares held in Physical form:** To Kfin Technologies Limited (formerly known as "Kfin Technologies Private Limited"), Registrar and Share Transfer Agent of the Company ("**Kfintech**") or the Company in prescribed Form ISR–1 along with the supporting documents pursuant to Circular issued by the Securities and Exchange Board of India ("**SEBI**"), bearing No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The format of the Form is available on the Company's website at https://www.godrejagrovet.com/investors/investor-service-request and on the website of Kfintech at https://ris.kfintech.com/clientservices/isc/default.aspx.

11. Shareholders are also requested note that SEBI, vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the listed companies to issue securities in dematerialized form only while processing service requests, viz., issue of duplicate share certificate, claim from unclaimed suspense account, renewal / exchange of share certificate, endorsement, sub-division, splitting of share certificate, consolidation of share certificates / folios, transmission and transposition. Accordingly, the Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR–4, the format of which is available on the Company's website at https://www.godrejagrovet.com/investors/investor-service-request and on the website of the Kfintech at https://ris.kfintech.com/clientservices/isc/default.aspx.

12. In accordance with, the General Circular No. 20/2020 dated May 5, 2020, General Circular No.02/2021 dated January 13, 2021, General Circular No. 19/2021 dated December 8, 2021, General Circular No. 21/2021 dated December 14, 2021 and General Circular No. 2/2022 dated May 5, 2022 issued by the MCA, Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI and Sections 101 and 136 of the Companies Act, 2013 read with the relevant Rules framed thereunder, the Standalone and Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, including the Report of Board of Directors, Statutory Auditors' Report and/or other documents required to be attached therewith and the Notice of AGM are being sent through electronic mode to Members whose e-mail addresses are registered with the Company or the Depository Participant(s) or Kfintech. Members are requested to support the "Green Initiative" by registering / updating their e-mail address(es) in the manner specified in Point No. 10 above, to enable the Company to send electronic communications.

13. Pursuant to Sections 101 and 136 of the Act read with relevant Rules framed thereunder, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository Participant(s). To support this **Green Initiative**, Members holding shares in dematerialised form are requested to register their e-mail address with their Depository Participant(s).

14. Members may also note that the Notice of 31st AGM and the Annual Report for the Financial Year 2021-22 will be available on the Company's website www.godrejagrovet.com, on the websites of the Stock Exchanges where the Equity Shares of the Company are listed, i.e., BSE Limited (at www.bseindia.com) and National Stock Exchange of India Limited (at www.nseindia.com) and on the website of National Securities Depository Limited (NSDL) at www.evoting.nsdl.com.

15. The Final Dividend for the Financial Year 2021-22, as recommended by the Board of Directors, if approved at the AGM, would be paid by **Wednesday, August 3, 2022**, subject to deduction of tax at source, to the Shareholders or their mandates:

(a) whose names appear as Beneficial Owners as at the end of the business hours on **Monday, July 25, 2022**, in the list of Beneficial Owners to be furnished by National Securities Depository

Limited and Central Depository Services (India) Limited in respect of the Equity Shares held in electronic form; and

(b) whose names appear as Shareholders in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company / Kfintech on or before **Monday, July 25, 2022**.

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

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

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

Unclaimed / Unpaid Dividend:

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

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

(a) For Resident Shareholders, TDS shall be deducted under Section 194 of the Income Tax Act, 1961, at rate in force on the amount of Dividend declared and paid by the Company during Financial Year 2022-23, provided Permanent Account Number (PAN) is registered by the Shareholder. If PAN is not registered or if they are specified person (non-filers) as per Section 206AB of the Income Tax Act,1961, TDS would be deducted at rate in force (at present 20%) as per provisions of the Income Tax Act, 1961 and/or the Rules framed thereunder.

However, no tax shall be deducted on the Dividend payable to a resident individual if the total dividend to be received by such resident individual during the Financial Year 2022-23 does not exceed Rs.5,000/-. Please note that this includes future dividends, if any, which may be declared by the Company during the Financial Year 2022-23.

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

(b) For Mutual Fund Shareholders, TDS is exempt under Section 10(23D), provided Mutual Funds provide SEBI Registration / Central Board of Direct Taxes (CBDT) notification and declaration that their income is exempt under Section 10 (23D) of the Income Tax Act, 1961.

(c) For Foreign Institutional Investors (FII) / Foreign Portfolio Investors (FPI), tax will be deducted under Section 196D of the Income Tax Act, 1961, at applicable rate, including surcharge and cess.

(d) For Other Non-resident Shareholders, taxes are required to be withheld in accordance with, the provisions of Section 195 of the Income Tax Act, 1961 at the rates in force. However, as per Section 90 of the Income Tax Act, 1961, the Non-Resident Shareholder has the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the Shareholder, if they are more beneficial to them. For this purpose, i.e., to avail the Tax Treaty benefits, the Non- Resident Shareholder will have to provide the following:

- Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the shareholder is resident.

- Self-declaration in Form 10F if all the details required in this form are not mentioned in the TRC.

- Self-attested copy of the Permanent Account Number (PAN Card) allotted by the Indian Income Tax authorities.

- Self-declaration, certifying the following points:

  i. Member is and will continue to remain a tax resident of the country of its residence during the financial year 2022-23;

  ii. Member is eligible to claim the beneficial DTAA rate for the purposes of tax withholding on dividend declared by the Company;

  iii. Member has no reason to believe that its claim for the benefits of the DTAA is impaired in any manner;

  iv. Member is the ultimate beneficial owner of its shareholding in the Company and Dividend receivable from the Company; and

  v. Member does not have a taxable presence or a permanent establishment in India during the financial year 2022-23.

Please note that the Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by Non-Resident Shareholder.

Kindly note that the aforementioned documents are required to be submitted by 11.59 p.m. IST on Monday, July 25, 2022 to the Company at gavl.secretarial@godrejagrovet.com and to Kfintech at web-link (https://ris.kfintech.com/form15), in order to enable the Company to determine and deduct appropriate TDS / withholding tax rate. No communication on the tax determination / deduction received post Monday, July 25, 2022 shall be considered for payment of Final Dividend. No claim shall lie against the Company for such taxes deducted. In case of any queries / difficulties, Shareholders may write to Kfintech at einward.ris@kfintech.com. Shareholders are also requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

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

The Company shall arrange to send the soft copy of TDS certificate to a Shareholder on its registered email ID or make such functionality available on its website in due course, post payment of the said Dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://incometaxindiaefiling.gov.in.

18. 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 demand drafts / dividend warrants and the Bank details as furnished by the respective Depositories to the Company will be printed on their demand drafts / dividend warrants as per the applicable regulations. For Shareholders who have not updated their Bank account details, dividend warrants / demand drafts will be sent to their registered addresses.

19. SEBI has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in dematerialized form are, therefore requested to submit their PAN to the Depositary Participant(s) with whom they are maintaining their dematerialized accounts.

SEBI has mandated the submission of PAN, KYC details and nomination by holders of physical securities by March 31, 2023, and linking PAN with Aadhaar by March 31, 2022 vide its Circular dated November 3, 2021 and December 15, 2021. Shareholders are requested to submit their PAN, KYC and nomination details to the Registrar and

Share Transfer Agent of the Company, viz., Kfintech at einward.ris@kfintech.com. The forms for updating the same are available at https://www.godrejagrovet.com/investors/investor-service-request.

In case a holder of physical securities fails to furnish these details or link their PAN with Aadhaar before the due date, our registrars are obligated to freeze such folios. The securities in the frozen folios shall be eligible to receive payments (including dividend) and lodge grievances only after furnishing the complete documents. if the securities continue to remain frozen as on December 31, 2025, the Registrar / the Company shall refer such securities to the administering authority under the Benami Transactions (Prohibitions) Act, 1988, and / or the Prevention of Money Laundering Act, 2002.

20. 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.

21. Shareholders who hold shares in physical form and who have not provided the information regarding Bank particulars, are requested to immediately notify the name of the Bank and the branch, 9-digit MICR number, 11-digit IFS Code and the nature of account and other required information in Form ISR-1 along with the supporting document(s) to Kfintech. The said Form ISR-1 is available on the Company's website at https://www.godrejagrovet.com/investors/investor-service-request and on the website of the Kfintech at https://ris.kfintech.com/clientservices/isc/default.aspx.

22. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and re-lodged transfers of securities. Further, SEBI vide its Circular No. SEBI/ HO/MIRSD/RTAMB/ CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In In view of the same and to avail various benefits of dematerialization and to eliminate all risks associated with physical shares and for ease of portfolio management, Members are advised to dematerialize shares held by them in physical form. Shareholders can contact the Company or KFintech for assistance in this regard.

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

23. Shareholders are requested to send in their queries at least a week in advance of the AGM, to the Company Secretary & Compliance Officer at gavl.secretarial@godrejagrovet.com to facilitate clarifications during the AGM.

24. The venue of the 31st AGM shall be deemed to be the Registered Office of the Company situated at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400079.

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

a) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of SEBI Listing Regulations (as amended), and the Circulars issued by the MCA, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the ensuing 31st AGM. For this purpose, the Company has entered into an agreement with NSDL for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a Shareholder using remote e-voting system as well as e-voting on the day of the AGM will be provided by NSDL.

b) The remote e-voting period commences on **Tuesday, July 26, 2022 (at 9.00 a.m. IST)** and ends on **Thursday, July 28, 2022 (at 5.00 p.m. IST)**. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date), i.e., **Monday, July 22, 2022**, may cast their vote electronically.

c) The voting rights of Members shall be in proportion to their share in the Paid-up Equity Share Capital of the Company as on the cut-off date, i.e., **Monday, July 22, 2022**.

INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING:

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

The way to vote electronically on NSDL e-Voting system consists of two steps which are mentioned below:

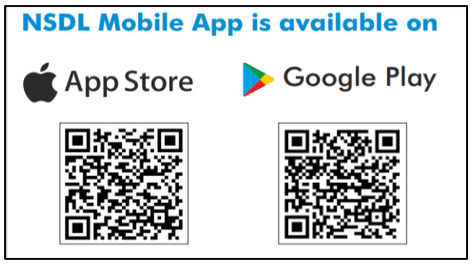
STEP 1: ACCESS TO NSDL E-VOTING SYSTEM

A. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode:

In terms of Circular dated December 9, 2020 issued by SEBI on e-Voting facility provided by listed companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and e-mail Id in their demat accounts in order to access e-Voting facility.

Login method for Individual Shareholders holding Securities in Demat Mode:

Type of Shareholders	Login Method
Individual Shareholders holding Securities in Demat mode with NSDL	1. If you are already registered for **NSDL IDeAS facility**, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the **"Beneficial Owner"** icon under "Login" which is available under **"IDeAS"** section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or **e-Voting service provider - NSDL** and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM. 2. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select **"Register Online for IDeAS"** Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e., your 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or **e-Voting service provider - NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during AGM. 4. Shareholders / Members can also download NSDL Mobile App "**NSDL Speede**" facility by scanning the QR code mentioned below for seamless voting experience. 

Individual Shareholders holding Securities in Demat mode with CDSL	1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. 2. After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider, i.e., NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi / Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4. Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered mobile and e-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP, i.e., **NSDL** where the e-Voting is in progress.
Individual Shareholders (holding Securities in Demat mode) login through their Depository Participants	User can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL / CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against the company name or **e-Voting service provider-NSDL** and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual AGM and voting during the AGM.

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

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

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

B. Login Method for e-Voting and joining virtual AGM for Shareholders other than Individual Shareholders holding Securities in Demat Mode and Shareholders holding Securities in Physical Mode:

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

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder / Member' section.

3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

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

4. Your User ID details are given below:

Manner of holding Shares, i.e., Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in Demat Account with NSDL	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******.
b) For Members who hold shares in Demat Account with CDSL	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
c) For Members holding shares in Physical Form.	EVEN Number 120362 of the Company, followed by Folio Number registered with the Company For example, if Folio Number is 001*** and EVEN is 120362 then user ID is 120362001***

5. Password Details for Shareholders other than Individual Shareholders are given below:

   a) If you are already registered for e-Voting, then you can user your existing password to login and cast your vote.

   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

   c) How to retrieve your 'initial password'?

      i) If your email ID is registered in your Demat Account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the email and open the attachment, i.e., a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit Client ID for NSDL Account, last 8 digits of Client ID for CDSL account or Folio Number for shares held in physical form. The .pdf file contains your 'User ID' and your 'Initial password'.

      ii) If your e-mail ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

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

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

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

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your Demat Account number / Folio Number, your PAN, your name, your registered address etc.

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

7. After entering your password, tick on "Agree to Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your Vote Electronically and Join General Meeting on NSDL e-Voting system:

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

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of Company, which is 120362, for which you wish to cast your vote during the remote e-Voting period or cast your vote during the AGM. For joining virtual AGM, you need to click on "VC/OAVM" link placed under "Join Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options, i.e., Assent or Dissent, verify / modify the number of Equity Shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

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

General Guidelines for Shareholders:

1. Institutional Shareholders (i.e., other than individuals, Hindu Undivided Family (HUF), NRI etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution Power of Authority / Authority Letter, etc., with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to narasimhan.b8@gmail.com and ab@bnpassociates.in, with a copy marked to gavl.secretarial@godrejagrovet.com and evoting@nsdl.co.in. Institutional Shareholders can also upload their Board Resolution / Power of Authority / Authority Letter, etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-voting" tab in their login.

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

3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and E-voting User Manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Pallavi Mhatre, Manager, NSDL at the designated e-mail ID: evoting@nsdl.co.in.

Process for those Shareholders whose E-mail Ids are not registered with the Depositories for procuring User Id and Password and Registration of E-mail Ids for E-voting for the Resolutions set out in the Notice of the AGM:

1. In case shares are held in physical mode, please provide Folio No., Name of Shareholder, scanned copy of the Share Certificate (front and back), Permanent Account Number (PAN) Card (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to KFintech on its website at https://www.kfintech.com/.

2. In case shares are held in demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit

beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy), Aadhaar Card (self-attested scanned copy) to your Depository Participant (DP). If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at Step 1(A), i.e., Login method for e-Voting and joining virtual AGM for Individual Shareholders holding securities in demat mode.

3. Alternatively, Shareholder / Member may send a request to evoting@nsdl.co.in for procuring User Id and Password for e-voting by providing above mentioned documents.

4. In terms of SEBI Circular dated December 9, 2020 on e-Voting facility provided by listed companies, Individual Shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and e-mail ID correctly in their Demat account in order to access e-Voting facility.

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

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

2. Only those Members / Shareholders, who will be present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

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

1. Member will be provided with a facility to attend the AGM through VC / OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under **"Join meeting"** menu against the Company's name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC / OAVM will be available in Shareholder / Member login where the EVEN of Company (120362) will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the AGM Notice to avoid last minute rush.

2. The Members can join the AGM in the VC / OAVM mode 30 (Thirty) minutes before and after the scheduled time of commencement of the AGM, by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC / OAVM will be made available for 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee, Auditors, etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

3. Members are encouraged to join the Meeting through Laptops for better experience.

4. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the AGM.

5. Please note that Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to fluctuation in their respective network. It is, therefore, recommended to use a stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.

6. Shareholders who would like to express their views / have questions may send their questions in advance, mentioning their name Demat Account number / Folio Number, e-mail Id, mobile number at gavl.secretarial@godrejagrovet.com. The same will be replied by the company suitably, either in advance or at the time of AGM.

7. Members who would like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered e-mail address mentioning their name, DP ID and Client ID / Folio Number, PAN,

mobile number at gavl.secretarial@godrejagrovet.com **from Monday, July 18, 2022 to Saturday, July 23, 2022**. Those Members who have registered themselves as a speaker will only be allowed to express their views / ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

8. Members who need assistance before or during the AGM, can contact Ms. Pallavi Mhatre, Manager, NSDL at the designated e-mail ID: evoting@nsdl.co.in.

9. Any person holding Shares in physical form and Non-individual Shareholder, who acquires shares of the Company and becomes a Member of the Company after the Notice of AGM is sent through e-mail and holding Shares as of the Cut-off date, i.e., Friday, July 22, 2022, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or the Company or KFintech. However, if he/she is already registered with NSDL for remote e-voting, then he/she can use his/her existing User ID and password for casting the vote. If he/she has forgot his/her password, he/she can reset his/her password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30. In case of Individual Shareholder holding securities in Demat mode who acquires Shares of the Company and becomes a Member of the Company after sending of the Notice of AGM and holding Shares as of the Cut-off date, i.e., Friday, July 22, 2022 may follow steps mentioned in the Notice of the AGM under "Access to NSDL e-Voting system".

26. The Scrutinizer shall, after the conclusion of voting at the Meeting, unblock and count the votes cast during the meeting and through remote e-voting, in the presence of at least 2 (Two) witnesses not in the employment of the Company and shall make a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a Director or Company Secretary authorized in writing, who shall countersign the same and declare the result of the voting forthwith.

27. The results shall be declared not later than 2 (Two) working days of conclusion of the AGM. The results declared along with the Scrutinizer's Report will be placed on the website of the Company at www.godrejagrovet.com immediately after the result is declared by the Chairman and will simultaneously be forwarded to BSE Limited and National Stock Exchange of India Limited, where Equity Shares of the Company are listed.

28. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e., **Friday, July 29, 2022**.

29. The Board of Directors of the Company, vide a Resolution by Circulation passed on May 28, 2022, upon recommendation of the Nomination and Remuneration Committee, has approved the re-appointment of Mr. Natarajan Srinivasan (DIN: 00123338), as an "Independent Director" of the Company, for a second term of 5 (Five) years with effect from July 18, 2022, i.e., upto July 27, 2027. The Shareholders, by a Special Resolution passed through Postal Ballot whose results were declared on July 2, 2022, has approved the said re-appointment.

By Order of the Board of Directors

Sd/-
Vivek Raizada
Head – Legal & Company Secretary & Compliance Officer

Place: Mumbai
Date: July 6, 2022

Registered Office:

"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;
Corporate Identity Number (CIN): L15410MH1991PLC135359

ANNEXURE TO THE NOTICE OF THE 31st (THIRTY-FIRST) ANNUAL GENERAL MEETING (AGM) OF GODREJ AGROVET LIMITED

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

The Explanatory Statement in terms of the provisions of Section 102(1) of the Act, sets out all material facts relating to the Business mentioned at Item Nos. 5 to 8 in the accompanying Notice for convening the 31st (Thirty-First) Annual General Meeting ("AGM") of **Godrej Agrovet Limited** on **Friday, July 29, 2022 at 4.00 p.m. (IST)**:

ORDINARY BUSINESS:

Ordinary Resolution under Item No.5:

Re-appointment of BSR & Co. LLP, Chartered Accountants as the "Statutory Auditors" of the Company for a second term of 5 (Five) years:

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

B S R & Co. LLP are eligible and willing to be re-appointed for a second term of 5 (Five) years. B S R & Co. LLP have conveyed their eligibility and consent in writing for re-appointment as the "Statutory Auditors" of the Company and have issued certificate confirming that their re-appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

Upon recommendation by the Audit Committee, the Board of Directors of the Company, at its Meeting held on the same day, i.e., on May 9, 2022, has recommended for approval of the Shareholders at the ensuing 31st (Thirty First) AGM of the Company, the re-appointment of B S R & Co. LLP, Chartered Accountants, as the "Statutory Auditors" of the Company, for a second term of 5 (Five) Years, to hold office from the conclusion of the 31st (Thirty First) AGM till the conclusion of the 36th (Thirty Sixth) AGM, i.e., to conduct the Statutory Audit of the Company from the Financial Year 2022-23 upto the Financial Year 2026-27, at such remuneration as may be mutually agreed between the Board of Directors and Statutory Auditors for conducting the audit. The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

BSR & Co. LLP is a member entity of BSR & Affiliates, a network registered with the Institute of Chartered Accountants of India ("ICAI"). The other entities which are part of the BSR & Affiliates include, BSR & Associates LLP, BSR & Company, BSR and Co., BSR and Associates, BSR and Company. The firm has offices in various cities across the country. BSR & Co. LLP is a multi-disciplinary audit firm catering to various clients in diverse sectors. BSR & Co. LLP holds the 'Peer Review' Certificate as issued by ICAI, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015.

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

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

SPECIAL BUSINESSES:

Ordinary Resolution under Item No. 6:

Ratification of Remuneration of M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai, appointed as the "Cost Auditors" of the Company for the Financial Year ending March 31, 2023:

Upon recommendation made by the Audit Committee, the Board of Directors of the Company, at its Meeting held on May 9, 2022, 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 2022-23, pursuant to Section 148 and other applicable provisions of the Companies Act, 2013 ("the Act"), the Companies (Audit

and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014.

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

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

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

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

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

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

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

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

Special Resolution under Item No. 7:

Appointment of Mr. Burjis Godrej (DIN: 08183082) as an "Executive Director" of the Company for a term of 5 (Five) years to be effective from November 1, 2022 upto October 31, 2027:

The Board of Directors of the Company at its Meeting held on February 4, 2022, has approved the appointment of Mr. Burjis Godrej (DIN: 08183082), as an "Executive Director" on the Board of the Company, for a term of 5 (Five) Years to be effective from November 1, 2022 upto October 31, 2027, subject to approval of the Shareholders at the ensuing 31st Annual General Meeting ("AGM") of the Company.

The Company has received the requisite consent, disclosure(s) and declaration(s) from Mr. Burjis Godrej as required under the provisions of the Companies Act, 2013 ("the Act") and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Act and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Burjis Godrej debarring him from accessing the capital markets or restraining him from holding the position of Director in any listed company.

In accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, the proposed remuneration of Mr. Burjis Godrej as an "Executive Director" of the Company and the terms and conditions of his re-appointment require approval of the Shareholders by way of a **Special Resolution**.

The brief profile of Mr. Burjis Godrej in terms of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) 2015 and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) is provided in this Notice.

The proposed remuneration and terms and conditions of appointment of Mr. Burjis Godrej are as given below:

Term:

Period of 5 (Five) years, with effect from November 1, 2022 upto October 31, 2027

Nature of Duties:

Mr. Burjis Godrej shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in its absolute discretion determine and entrust to him.

Remuneration:

- Basic salary in the range of ₹ 30,00,000/- (Rupees Thirty Lakh Only) per annum to ₹ 50,00,000/- (Rupees Fifty Lakh Only) per annum with such increments each year, as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors from time to time, based on merit and taking into account the Company's performance for the year.

- Other benefits, perquisites and allowances, including variable pays, performance linked incentives and long term incentives, as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors, from time to time, as per the Rules of the Company.

- Contribution to Provident Fund, Gratuity Fund and/or Superannuation Fund as per the Rules of the Company.

- Mr. Burjis Godrej shall not be paid any sitting fees for attending Meetings of the Board or of any Committee thereof.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained where in any Financial Year during the currency of the tenure of Mr. Burjis Godrej, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above, subject to compliance with the applicable provisions of Schedule V to the Companies Act, 2013, if and to the extent necessary.

Other Terms of Appointment:

- In terms of the Article 130 of the Articles of Association of the Company, Mr. Burjis Godrej shall not be liable to retire by rotation.

- The terms and conditions of his appointment, including any change in his designation or remuneration, may be altered and varied from time to time by the Nomination and Remuneration Committee and / or Board of Directors as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V to the Companies Act, 2013, or any amendments made hereinafter in this regard, in such manner as may be agreed to between the Board and Mr. Burjis Godrej, subject to such approvals as may be required.

- Mr. Burjis Godrej shall not become interested or otherwise concerned, directly or through his spouse and/or children, in any selling agency of the Company.

- The employment of Mr. Burjis Godrej may be terminated by the Company without notice or payment in lieu of notice:

  a) If, he is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

  b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement executed between the Company and Mr. Burjis Godrej; or

  c) In the event the Board expresses its loss of confidence in him.

- If and when the Agreement expires or is terminated for any reason whatsoever, Mr. Burjis Godrej will cease to be the "Executive Director" and may cease to be a "Director". If at any time, Mr. Burjis Godrej ceases to be a "Director" of the Company for any reason whatsoever, he shall cease to be the "Executive Director" and the Agreement shall forthwith terminate. If at any time, Mr. Burjis Godrej ceases to be in the employment of the Company for any reason whatsoever, will cease to be the "Executive Director" and may cease to be a "Director" of the Company.

- The appointment may be terminated by either party by giving to the other party 3 (Three) months' notice of such termination or the Company paying 3 (Three) months' basic salary in lieu thereof.

- The terms and conditions of the appointment of Mr. Burjis Godrej also include clauses pertaining to adherence to the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company.

The Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013 is annexed to this Notice.

The Board of Directors recommends the **Special Resolution** as set out in **Item No. 7** in the Notice for approval of the Shareholders.

Except Mr. Nadir B. Godrej, Mr. Jamshyd Godrej, Ms. Tanya A. Dubash, Ms. Nisaba Godrej and Mr. Pirojsha Godrej, none of the other Directors or Key Managerial Personnel or their relatives are in any way, whether financially or otherwise, concerned or interested in this Resolution.

Special Resolution under Item No. 8:

Re-appointment of Mr. Balram S. Yadav (DIN: 00294803) as the "Managing Director" of the Company for a further period commencing from September 1, 2022 upto April 30, 2025

The Board of Directors of the Company, at its Meeting held on May 12, 2017, had approved re-appointment of Mr. Balram S. Yadav for a period of 5 (Five) years commencing from September 1, 2017 upto August 31, 2022, upon recommendation of the Nomination and Remuneration Committee at its Meeting held on the same day. The said re-appointment, along with the remuneration and the terms and conditions of appointment, were also approved by the Shareholders by way of a Special Resolution at the Extra-ordinary General Meeting held on May 12, 2017.

As the current tenure of Mr. Balram S. Yadav as the "Managing Director" of the Company will expire on August 31, 2022, the Board of Directors, at its Meeting held on May 9, 2022, upon recommendation of the Nomination and Remuneration Committee at its Meeting held on the same day, approved the re-appointment of Mr. Balram S. Yadav as the "Managing Director" of the Company for a further period from September 1, 2022 upto April 30, 2025, subject to the approval of the Shareholders of the Company at the ensuing 31st Annual General Meeting of the Company.

The Company has received the requisite consent, disclosure(s) and declaration(s) from Mr. Balram S. Yadav as required under the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Balram S. Yadav debarring him from accessing the capital markets or restraining him from holding the position of Director in any listed company.

In accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, the proposed remuneration of Mr. Balram S. Yadav as the "Managing Director" of the Company and the terms and conditions of his re-appointment require approval of the Shareholders by way of a **Special Resolution**.

The brief profile of Mr. Balram S. Yadav in terms of Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this Notice.

The proposed remuneration and terms and conditions of re-appointment of Mr. Balram S. Yadav are as given below:

Term:

Period commencing from September 1, 2022 upto April 30, 2025

Nature of Duties:

Mr. Balram S. Yadav shall carry out such functions, exercise such powers and perform such duties as the Board shall, from time to time, in its absolute discretion determine and entrust to him.

Remuneration:

- Basic salary in the range of ₹ 1,57,00,000/- (Rupees One Crore Fifty Seven Lakh Only) per annum to ₹ 2,50,00,000/- (Rupees Two Crore Fifty Lakh Only) per annum with such increments each year, as may be decided by the Nomination and Remuneration Committee and/or the Board of Directors from time to time, based on merit and taking into account the Company's performance for the year.
- Other benefits, perquisites and allowances, including variable pays, performance linked incentives and long term incentives (in the form of cash and/or stock options under the Company's existing Employees Stock Grant Scheme, 2018), as may be determined by the Nomination and Remuneration Committee and/or the Board of Directors, from time to time, as per the Rules of the Company.
- Contribution to Provident Fund, Gratuity Fund and/or Superannuation Fund as per the Rules of the Company.
- Mr. Balram S. Yadav shall not be paid any sitting fees for attending Meetings of the Board of Directors or of any Committee thereof.

Minimum Remuneration:

Notwithstanding anything to the contrary herein contained, where in any Financial Year during the currency of the tenure of Mr. Balram S. Yadav, the Company has no profits or its profits are inadequate, the Company will pay remuneration by way of salary and perquisites and allowances as specified above, subject to compliance with the applicable provisions of

Schedule V to the Companies Act, 2013 and the Rules framed thereunder, if and to the extent necessary, with the requisite approvals.

Other Terms of Re-appointment:

- In terms of the Article 130 of the Articles of Association of the Company, Mr. Balram S. Yadav shall not be liable to retire by rotation.

- The terms and conditions of his re-appointment, including any change in his designation or remuneration, may be altered and varied from time to time by the Nomination and Remuneration Committee and / or Board of Directors as it may, in its discretion, deem fit, irrespective of the limits stipulated under Schedule V to the Companies Act, 2013, or any amendments made hereinafter in this regard, in such manner as may be agreed to between the Board and Mr. Balram S. Yadav, subject to such approvals as may be required.

- Mr. Balram S. Yadav shall not become interested or otherwise concerned, directly or through his spouse and/ or children, in any selling agency of the Company.

- The employment of Mr. Balram S. Yadav may be terminated by the Company without notice or payment in lieu of notice:

  a) If, he is found guilty of any gross negligence, default or misconduct in connection with or affecting the business of the Company or any subsidiary or associated company to which he is required by the Agreement to render services; or

  b) In the event of any serious repeated or continuing breach (after prior warning) or non-observance by him of any of the stipulations contained in the agreement executed between the Company and Mr. Balram S. Yadav; or

  c) In the event the Board expresses its loss of confidence in him.

- If and when the Agreement expires or is terminated for any reason whatsoever, Mr. Balram S. Yadav will cease to be the "Managing Director" and may cease to be a "Director". If at any time, Mr. Balram S. Yadav ceases to be a "Director" of the Company for any reason whatsoever, he shall cease to be the "Managing Director" and the Agreement shall forthwith terminate. If at any time, Mr. Balram S. Yadav ceases to be in the employment of the Company for any reason whatsoever, will cease to be the "Managing Director" and may cease to be a "Director" of the Company.

- The re-appointment may be terminated by either party by giving to the other party, 3 (Three) months' notice in writing of such termination or the Company paying 3 (Three) months' basic salary in lieu thereof.

- The terms and conditions of the re-appointment of Mr. Balram S. Yadav also include clauses pertaining to adherence to the Code of Conduct for the Board of Directors and Senior Management Personnel of the Company.

The Statement as required under Section II of Part II of Schedule V to the Companies Act, 2013 is annexed to this Notice.

The Board of Directors recommends the **Special Resolution** as set out in **Item No. 8** in the Notice for approval of the Shareholders.

Except Mr. Balram S. Yadav, none of the other Directors or Key Managerial Personnel or their relatives are in any way, whether financially or otherwise, concerned or interested in this Resolution.

By Order of the Board of Directors
Sd/-
Vivek Raizada
Head – Legal & Company Secretary &
Compliance Officer

Date: July 6, 2022
Place: Mumbai

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

ANNEXURE TO THE NOTICE OF 31ST (THIRTY-FIRST) ANNUAL GENERAL MEETING:

Statement as per item (iv) of third proviso of Section II of Part II of Schedule V to the Companies Act, 2013:

I. GENERAL INFORMATION:

(1) Business Object of the Company / Nature of Industry:

The Company's Main Object as per the Memorandum of Association of the Company is to carry on the business of processing, converting, producing, manufacturing, formulation, using, buying, acquiring, storing, packing, selling, transporting, distributing, importing, exporting, trading and disposing off all types of animal, poultry feeds, articles of food for consumption of animals, birds, insects, fish, plants of any other living organism, Agro chemicals including long chain alcohols, its precursors and derivatives, sterols, futures, chemical pesticides, plant growth promoters, plant growth suppressors, including succericide, bio-fertilizers, organic and inorganic fertilizers, manures, herbal pesticides including neem based pesticides, slow nitrogen release urea, and other chemicals based agricultural inputs, agricultural implements, including tractors, harvesters, pumps, drip irrigation, sprinklers, bore-well, plant protection appliance, sprayers, dusting equipment, veterinary medicines, diagnostics, vaccines, syringes, tissue culture, aqua culture, vegetable and oil seeds pulses, cereals and multiplication thereof.

(2) Date or Expected Date of Commencement of Commercial Production: The Company is in business since November 25, 1991.

(3) In case of New Companies, Expected Date of Commencement of Activities as per Project approved by Financial Institutions appearing in the Prospectus: Not Applicable as the Company is an existing Company

(4) Financial Performance based on given Indicators:

(Amount ₹ in Crore)

Particulars	Financial Year ended March 31, 2022	Financial Year ended March 31, 2021	Financial Year ended March 31, 2020
Revenue from Operations	**6,170.44**	**4,389.83**	**4,976.29**
Other Income	106.74	100.77	41.01
Total Income	**6,289.34**	**4,513.81**	**5,159.69**
Total Expenses	**(5,828.99)**	**(4,161.25)**	**(4,800.47)**
Profit Before Tax	**460.35**	**352.56**	**359.22**
Tax Expense	(100.13)	(73.56)	(65.91)
Profit for the Year	**360.22**	**279.00**	**293.31**
Total Comprehensive Income	**358.37**	**281.71**	**290.86**
Earnings per Equity Share (Nominal value of Rs.10/- each, fully paid-up)			
Basic (in Rs.)	18.75	14.53	15.27
Diluted (In Rs.)	18.74	14.52	15.27

(1) Foreign Investments and collaborations, if any:

The Company has made investment in the following foreign entities:

1. ACI Godrej Agrovet Private Limited, Bangladesh
2. Al Rahba International Trading LLC, Abu Dhabi, United Arab Emirates (UAE)

II INFORMATION ABOUT THE APPOINTEES:

<table>
<tr><th></th><th>Mr. Balram S. Yadav
(Managing Director)</th><th>Mr. Burjis Godrej
(Proposed Executive Director)</th></tr>
<tr><td>Background Details</td><td>Mr. Balram S. Yadav holds a Bachelor’s degree of Science in Agriculture from The Haryana Agricultural University and a Post Graduate Diploma in Management from the Indian Institute of Management, Ahmedabad. He has completed agribusiness seminar from Harvard Business School. He has been associated with our Company since March 1, 1992. He has experience in sales, marketing and operations in animal feed, crop protection, poultry and oil palm businesses. He began his career with the Godrej group in 1990 and over the years he has handled various roles across businesses and regions. He became a business head in 1999 for the integrated poultry business. He was involved in establishing the Real Good Chicken and Yummiez brands in India.

In 2007, he was appointed the Executive Director and President of our Company and as the Managing Director of our Company in 2009. He is the former Chairman of Compound Livestock Feed Manufacturers Association of India, an association of livestock industry. He was appointed as a Director of the Company with effect from September 1, 2007.

Thus, Mr. B. S. Yadav possesses adequate qualification with expert and specialized knowledge in the field of his profession.</td><td>Mr. Burjis Godrej is currently Head of Special Projects at Godrej Agrovet Limited (“GAVL”), where he focuses on coordinating projects between different divisions of GAVL and intrapreneurship. He completed his MBA from Harvard Business School in 2021.

He first joined GAVL in 2017 working on new product development in the strategy division. His role involved monitoring R&D activities, product quality improvement, new product trials and innovation partnerships with external organizations.

Before joining GAVL, he worked for Conservis Corporation, a firm that provides software for farmers (now a Joint Venture between RaboBank and Tellus Corporation). His role there involved software implementation, customer success, water quality monitoring and sales development.

Thus, Mr. Burjis Godrej possesses adequate qualification with expert and specialized knowledge in the field of his profession.</td></tr>
<tr><td>Past Remuneration</td><td>The remuneration received by Mr. Balram S. Yadav as the “Managing Director” during the last 3 (Three) years was as follows:

<table><tr><th colspan="2">Period of Payment</th><th rowspan="2">Remuneration (Amount in ₹)</th></tr><tr><th>From (DD/MM/YYYY)</th><th>To (DD/MM/YYYY)</th></tr><tr><td>01/04/2019</td><td>31/03/2020</td><td>3,83,64,800</td></tr><tr><td>01/04/2020</td><td>31/03/2021</td><td>3,90,51,539</td></tr><tr><td>01/04/2021</td><td>31/03/2022</td><td>7,45,62,170</td></tr></table>
*Includes perquisite value of Shares granted under Employees Stock Grant Scheme, 2018 (ESGS).</td><td>Not Applicable</td></tr>
<tr><td>Recognition / Awards / Accolades</td><td>B.Sc. (Agronomy) – 2nd Rank holder & PGDM</td><td>• Keynote speaker at FALI Convention, Jalgaon - 2022
• Speaker at CII Agrivision Conference, Hyderabad - 2019
• Speaker at CLFMA annual conference, Goa - 2018
• Completed AMP – Executive education for agribusiness- Cornell University College of Agriculture and Life Sciences - Ithaca, NY, USA - 2018</td></tr>
<tr><td>Job profile and his Suitability</td><td>Mr. B. S. Yadav, Managing Director looks after the overall management of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company.

Considering the qualification and experience of Mr. Balram Singh Yadav and his excellent performance as the “Executive Director & President” of the Company (from September 1, 2007 to May 19, 2009) and as the “Managing Director” (since May 20, 2009), the Nomination and Remuneration Committee and thereafter the Board of Directors, have recommended payment of managerial remuneration to him as per Schedule V to the Companies Act, 2013, in case of loss or inadequacy of profits.</td><td>Mr. Burjis Godrej, proposed Executive Director, will look after the management of day-to-day affairs of the Company, subject to the superintendence, control and direction of the Board of Directors of the Company.

Considering the qualification and experience of Mr. Burjis Godrej and his excellent performance at the various Positions of the Company since 2017, the Nomination and Remuneration Committee and thereafter the Board of Directors, have recommended payment of managerial remuneration to him as per Schedule V to the Companies Act, 2013, in case of loss or inadequacy of profits.</td></tr>
</table>

Proposed Remuneration	The remuneration of Mr. Balram S. Yadav shall be as per the Resolution stated above.	The remuneration of Mr. Burjis Godrej shall be as per the Resolution stated above.
Comparative remuneration profile with respect to industry, size of the company, profile of the position and person	The remuneration of Mr. Balram S. Yadav will be in tune with the remuneration in similar sized industries in same segment of business. The proposed remuneration compares favourably with that being offered to similarly qualified and experienced persons from the industry and the professionals with an entrepreneurial background.	The remuneration of Mr. Burjis Godrej will be in tune with the remuneration in similar sized industries in same segment of business. The proposed remuneration compares favourably with that being offered to similarly qualified and experienced persons from the industry and the professionals with an entrepreneurial background.
Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel & other directors, if any	Other than the remuneration stated above, Mr. Balram S. Yadav has no other pecuniary relationship, directly or indirectly, with the Company, except that he is holding 1.72% of the Paid-up Equity Share Capital of the Company.	Other than the remuneration stated above, Mr. Burjis Godrej has no other pecuniary relationship, directly or indirectly, with the Company. Mr. Burjis Godrej is a: • Son of Mr. Nadir Godrej, Chairman & Non-Executive Director; • Nephew of Mr. Jamshyd Godrej, Non-Executive, Non-Independent Director; and • Cousin Brother of Ms. Tanya Dubash (Non-Executive, Non-Independent Director), Ms. Nisaba Godrej (Non-Executive, Non-Independent Director) and Mr. Pirojsha Godrej (Non-Executive, Non-Independent Director).

I. Other Information:

1.	Reasons of loss or inadequate profits	Your Company is a diversified, research and development focused agri-business Company with operations across 5 (Five) business verticals – animal feed, crop protection, oil palm, dairy and poultry and processed foods. The Company focuses on improving the productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. The Company has not incurred loss in the preceding Financial Year 2021-22. However, the ever changing domestic and international market conditions, loss or inadequacy of profit cannot be ruled out. Hence, approvals of the Shareholders by Special Resolutions are being sought to pay remuneration as minimum remuneration to Mr. Balram S. Yadav, Managing Director and Mr. Burjis Godrej, proposed Executive Director, during their respective tenure of re-appointment / appointment. With the expansion of manufacturing capacity of certain existing products and introduction of certain new products as planned by the Company, it is likely to increase the productivity and consequent increase in profits.
2.	Steps taken or proposed to be taken for improvement	
3.	Expected increase in productivity and profits in measurable terms	

BRIEF RESUME OF DIRECTOR(S) / PERSON(S) SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 31ST (THIRTY-FIRST) ANNUAL GENERAL MEETING OF THE COMPANY

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

Name of Director	Mr. Nadir B. Godrej (Non-Executive & Non-Independent Director)	Ms. Nisaba Godrej (Non-Executive & Non-Independent Director)	Mr. Burjis Godrej (Proposed Executive Director)	Mr. Balram S. Yadav (Managing Director)
Director Identification Number (DIN)	00066195	00591503	08183082	00294803
Date of Birth (DD/MM/YYYY)	26/08/1951	12/02/1978	14/12/1992	15/07/1964
Age (In years)	70 years	44 years	29 years	57 years
Nationality	Indian	Indian	Indian	Indian
Date of Appointment (DD/MM/YYYY)	25/11/1991	24/07/2006	Not Applicable	01/09/2007
Tenure on the Board	30 Years	15 Years	Not Applicable	14 Years
Qualification	• Master of Science degree in Chemical Engineering from Stanford University • MBA from Harvard Business School	• Bachelor's Degree of Science in Economics from the University of Pennsylvania • MBA from Harvard University	• MBA from Harvard Business School	• B.Sc. (Hons.) in Agricultural Science from Haryana Agricultural University • MBA from IIM - Ahmedabad
Nature of Expertise in Specific Functional Areas	• Strategy & Business • Industry & Market Expertise • Technology Perspective • Governance, Finance & Risk	• Strategy & Business • Market Expertise • People & Talent Understanding • Governance, Finance & Risk • Diversity of Perspective	• Strategy & Business • Industry & Market Expertise • Technology Perspective • Governance, Finance & Risk	• Strategy & Business • Industry & Market Expertise • Governance, Finance & Risk
Number of Equity Shares held in the Company:				
By self	**102** Equity Shares	34 Equity Shares	Nil	33,10,255 Equity Shares
As a Beneficial Owner of	**8,61,001** Equity Shares Each (as Trustee of SNG Family Trust, BNG Family Trust and HNG Family Trust)	**8,61,001** Equity Shares (as Trustee of NG Family Trust)	Nil	Nil

	1 Equity Share Each (as Trustee of SNG Successor Trust, SNG Lineage Trust, BNG Successor Trust, BNG Lineage Trust, NBG Family Trust & RNG Family Trust)	**1** Equity Share (as Trustee of NG Children Trust)		
Number of Board Meetings attended during the Financial Year 2021-22	4	4	Not Applicable	4
Directorships in other Listed Companies*	1. Godrej Industries Limited 2. Godrej Consumer Products Limited 3. Godrej Properties Limited 4. Astec LifeSciences Limited	1. Godrej Consumer Products Limited 2. VIP Industries Limited 3. Mahindra and Mahindra Limited 4. Bharti Airtel Limited	Nil	1. Astec LifeSciences Limited
Directorships in other Companies (Excluding Listed Entities, Foreign Companies and Section 8 Companies)	1. Godrej & Boyce Manufacturing Company Limited 2. Creamline Dairy Products Limited 3. Godrej Tyson Foods Limited 4. Isprava Vesta Private Limited 5. Isprava Hospitality Private Limited	1. Godrej Seeds & Genetics Limited 2. Innovia Multiventures Private Limited	1. Godrej Maxximilk Private Limited	1. Godrej Tyson Foods Limited 2. Creamline Dairy Products Limited 3. Behram Chemicals Private Limited 4. SEALAC Agro Ventures Limited
Chairmanships / Membership of Committees in other Companies**	**1. Godrej Consumer Products Limited:** - Chairman of Corporate Social Responsibility Committee - Member of Sustainability Committee - Member of Risk Management Committee **2. Godrej Industries Limited** - Chairman of Corporate Social Responsibility Committee - Chairman of Risk Management Committee	**1. Godrej Consumer Products Limited:** - Member of Corporate Social Responsibility Committee - Chairperson of Sustainability Committee - Chairperson of Management Committee - Member of Risk Management Committee **2. Godrej Seeds and Genetics Limited** - Member of Corporate Social Responsibility Committee	Nil	**1. Astec LifeSciences Limited:** - Chairman of Managing Committee - Chairman of Stakeholders' Relationship Committee - Member of Risk Management Committee - Member of Corporate Social Responsibility Committee - Member of Nomination and Remuneration Committee **2. Creamline Dairy Products Limited** - Member of Nomination and

	- Chairman of Management Committee - Member of Stakeholders Relationship Committee **3. Godrej Tyson Foods Limited** - Member of Nomination and Remuneration Committee	**3. VIP Industries Limited** - Member of Nomination and Remuneration Committee **4. Mahindra and Mahindra Limited:** - Member of Governance, Nomination and Remuneration Committee		Remuneration Committee - Member of Managing Committee **3. Godrej Tyson Foods Limited:** - Chairman of Corporate Social Responsibility Committee - Member of Audit Committee - Member of Managing Committee
Names of listed entities from which the Director has resigned in the past 3 (Three) years	• Mahindra And Mahindra Limited • The Indian Hotels Company Limited	Nil	Nil	Nil
Relationships between Directors of the Company *inter-se*	Father of Mr. Burjis Godrej, Proposed Executive Director	Sister of Ms. Tanya Dubash and Mr. Pirojsha Godrej, Non-Executive & Non-Independent Directors	Son of Mr. Nadir Godrej, Chairman & Non-Executive & Non-Independent Director	None [No relationship in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]
Brief Profile / Resume of the Director	Mr. Nadir Godrej is the Chairman of Godrej Agrovet Limited. Mr. Nadir Godrej holds B.S. degree in Chemical Engineering in 1973 from the Massachusetts Institute of Technology and a M.S. in Chemical Engineering in 1974 from the Stanford University. He has done an MBA from Harvard Business School in 1976. Since 1977, Mr. Nadir Godrej has been a Director of Godrej Soaps Limited. He has been very active in developing the animal feed, agricultural inputs and chemicals businesses of Godrej Industries Limited and associate companies. He has been very active in research	Ms. Nisaba Godrej is the Non-Executive Director of Godrej Agrovet Limited. Ms. Nisaba Godrej is the Executive Chairperson of Godrej Consumer Products Limited ("GCPL"). She has been a key architect of GCPL's strategy and transformation in the last fifteen years. Ms. Nisaba Godrej is also the Chairperson of Teach for India and sits on the Board of Bharti Airtel Limited, Mahindra and Mahindra Limited and VIP Industries Limited. Ms. Nisaba Godrej has a B.Sc. degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School.	Mr. Burjis Godrej is currently head of Special Projects at Godrej Agrovet Limited ("GAVL"), where he focuses on co-ordinating projects between different divisions of GAVL and intrapreneurship. He completed his MBA from Harvard Business School in 2021. He first joined GAVL in 2017 working on new product development in the Strategy division. His role involved monitoring Research & Development activities, product quality improvement, new product trials and innovation partnerships with external organizations. Before joining GAVL, he worked for Conservis Corporation, a firm	Mr. Balram S. Yadav completed his B.Sc. (Hons.) in Agricultural Science at Haryana Agricultural University, where he ranked 2nd in his class. He earned his MBA from IIM - Ahmedabad. He began his career with Godrej in 1990 and over the years, he has handled roles of increasing responsibility across businesses and regions in the Company. He became the Business Head in 1999 when he was asked to establish and lead the Poultry Business. He established the Real Good Chicken and Yummiez as the leading processed poultry brand in India. In 2007, he took over reins of Godrej Agrovet Limited ("GAVL") as the

and has several patents in the field of agricultural chemicals and surfactants. In 2001, Godrej Soaps Limited was renamed as Godrej Industries Limited and he was appointed as the Managing Director of Godrej Industries Limited. He is also the Chairman of Godrej Industries Limited and Director of Godrej Properties Limited, subsidiary of Godrej Industries Limited. He is a Director of Godrej and Boyce Manufacturing Company Limited, Godrej Consumer Products Limited and other Godrej Group companies.

Mr. Nadir Godrej has been active in CLFMA (Compound Livestock Feed Manufacturers Association of India), ICC (Indian Chemical Council) [erstwhile ICMA (Indian Chemical Manufacturers Association)], OTAI (Oil Technologists' Association of India) and the Alliance Française de Bombay. He is currently the President of the Alliance Française de Bombay. He is on the National Council of CII (Confederation of Indian Industry). He is also very active in the Harvard Business School and MIT Alumni Association in India.

The French government awarded Mr. Nadir Godrej the Ordre national du Mérite in 2002 and the Légion d'Honneur in 2008. He has also received Life Time Achievement Awards from OTAI (Oil

Ms. Nisaba Godrej is passionate about education, the human mind, trekking and equestrian sports.

that provides software for farmers (now a Joint Venture between RaboBank and Tellus Corporation). His role there involved software implementation, customer success, water quality monitoring and sales development.

"Executive Director & President" and thereafter as the "Managing Director" and since then he has put GAVL on the path of rapid growth. In 2017, Mr. Balram S. Yadav was instrumental in taking GAVL public.

He also serves as the "Managing Director" of Godrej Tyson Foods Limited, a subsidiary of GAVL. He has been the Chairman of CLFMA of India (twice), an Association of Livestock Industry.

He is a regular contributor to National and International fora in areas of Food & Agriculture.

	Technologist Association of India) and Chemexcil and the All India Liquid Bulk Importers and Exporters Association (AILBIEA). The Board of Management of Manav Rachna University has unanimously conferred Mr. Nadir Godrej with an Honorary Degree of Doctor of Philosophy and he has been inducted as Fellow of Indian National Academy of Engineering (INAE). Mr. Nadir Godrej is deeply committed to the Good and Green strategies and achievement of set targets for the Godrej Group. He encourages and supports a shared vision value for all programs of Good and Green.			
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 Profits as a Non- 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 on Profits as a Non-Executive Director	Terms and conditions of appointment and remuneration of the proposed "Executive Director" are as per the Nomination and Remuneration Policy of the Company, as displayed on the Company's website, i.e., www.godrejagrovet.com and as per the resolution at Item No. 7 of this Notice read with Explanatory Statement thereto.	Terms and conditions of re-appointment and remuneration of the "Managing Director" are as per the Nomination and Remuneration Policy of the Company, as displayed on the Company's website, i.e., www.godrejagrovet.com and as per the resolution at Item No. 8 of this Notice read with Explanatory Statement thereto.
Last Drawn Remuneration	The details pertaining to last drawn remuneration are provided in the Corporate Governance Report forming part of the Annual Report for the Financial Year 2021-22.	The details pertaining to last drawn remuneration are provided in the Corporate Governance Report forming part of the Annual Report for the Financial Year 2021-22.	Not Applicable	The details pertaining to last drawn remuneration are provided in the Corporate Governance Report forming part of the Annual Report for the Financial Year 2021-22.

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

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

CORPORATE GOVERNANCE REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

In accordance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**Listing Regulations**"), the Board of Directors of **Godrej Agrovet Limited** ("**the Company**" / "**GAVL**") have pleasure in presenting the Company's Report on Corporate Governance for the Financial Year ended March 31, 2022.

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, over and above the provisions of the Companies Act, 2013 **("the Act")** and the Rules framed thereunder, which are required to be complied by every company, whether listed or unlisted.

We, at GAVL, strongly believe that 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 conduct which is in harmony with the interests of all its stakeholders. Corporate Governance requires professionals to enhance their knowledge, competencies and capabilities, in order to upgrade systems and processes which help in managing the enterprise and its resources effectively, with the highest standards of ethics.

Effective Corporate Governance practices and strong foundation of Godrej values have been GAVL's hallmark. The Company is a part of the 120 plus years-old Godrej Group which has an established reputation of honesty, integrity and sound governance since inception. Your Company is, therefore, committed to maintaining the highest standards of Corporate Governance in its conduct towards Shareholders, employees, regulators, customers, suppliers, lenders and other stakeholders. Your Company believes that Corporate Governance is a journey which leads to corporate growth and long-term gain in Shareholders' value.

Your Company is in compliance with the requirements of Corporate Governance as prescribed under the Listing Regulations.

2. Board of Directors:

a. Board Structure:

Your Company has an active, well-experienced and a well-informed Board with an optimum combination of 13 (Thirteen) Directors comprising of 12 (Twelve) Non-Executive Directors [out of which 5 (Five) are Non-Independent Directors and 7 (Seven) are Independent Directors) and 1 (One) Executive Director. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

Your Company has 5 (Five) Women Directors out of which 3 (Three) are Independent Directors. More than half of the Board comprises of Independent Directors. The Board is headed by Mr. Nadir B. Godrej, Chairman (Non-Executive and Non-Independent Director), who is not related to the Managing Director of the Company as per the definition of "Relative" provided under the Companies Act, 2013. The detailed profiles of the Directors are available on the Company's website at https://www.godrejagrovet.com/know-us/board-of-directors.

The Company has a right mix of Directors on the Board who possess the requisite qualifications, competence, expertise, professionalism and practical knowledge in General Management, Finance, Human Resources, Compliances, Legal, Corporate Social Activities, Research and other allied activities connected to the area of operation of the Company, which enables the Board to function effectively.

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

The composition of the Board of Directors as on March 31, 2022 is summarized below:

	Chairman (Non-Executive)	Managing Director (Executive)	Non-Executive Directors		Total
			Non-Independent	Independent	
Number of Directors	1	1	4 (Of which 2 are Women Directors)	7 (Of which 3 are Women Directors)	13

b. Board Training and Induction:

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

c. Familiarization Programmes for Independent Directors:

All Directors, including Independent 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 web-link https://www.godrejagrovet.com/investors /compliance

d. Board Procedure and Meetings:

The Board of Directors, *inter alia*, focuses on and oversees Strategic Planning, Risk Management, Compliance, Corporate Governance, Financial Controls, Succession Planning for Directors, etc., with high standards of ethical conduct and integrity, in order to protect the best interests of all the stakeholders, including Shareholders.

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

The Agenda for the Meetings of the Board and its Committees are circulated in advance as per the provisions of the Companies Act, 2013 and the Rules framed thereunder and Secretarial Standard – 1 ("SS-1"), i.e., Secretarial Standard on Meetings of Board issued by the Institute of Company Secretaries of India ("ICSI") (which prescribes a set of principles for convening and conducting Meetings of the Board of Directors and matters related thereto) and also to ensure sufficient time is provided to Directors to prepare for the Meetings.

The Board meets at least once in a Quarter to, *inter alia*, review, approve and take note of Quarterly / Half-Yearly / Annual Standalone and Consolidated Financial Results of the Company (along with the Reports of the Statutory Auditors thereon, as may be applicable), Cost Audit Reports, Secretarial Audit Reports, annual operating plan and budgets, capital budgets and updates thereon, various Compliance Report(s) under the applicable laws, major legal issues, regulatory developments, Minutes of the Meeting(s) of the Board and its Committees and those of its Subsidiary Companies, Significant Transactions entered into with Related Parties and note compliances with other law(s) as applicable to the Company and the Listing Regulations. The Meetings of the Board of Directors are usually held at the Registered Office of the Company at "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079 (Maharashtra). During the Financial Year 2021-22, the Company had provided Video Conferencing (VC) facility to its Directors to enable their participation in the midst of COVID-19 pandemic, so that they can contribute in the discussions at the Meetings.
The Board is provided access to all the Company-related information, including but not limited to, information mentioned under Regulation 17 read with Part A of Schedule II to the Listing Regulations.

In the path of digitization and with a view to ensure its commitment to "*Go-Green*" Initiative of the Ministry of

Corporate Affairs, Government of India and the "Good & Green" policy of the Godrej Group, the Company has started circulating to its Directors, Notices, Agenda and other relevant notes and documents for the Meetings of the Board and Committees thereof through an electronic platform, thereby ensuring seamless access, high standards of security and confidentiality of Board and its Committee Meetings related documents.

The Company Secretary attends all the Meetings of the Board and its Committees and is, *inter alia*, responsible for recording the Minutes of such Meetings. The draft Minutes of the Meeting of the Board and its Committees are sent to the Members for their comments in accordance with the Secretarial Standards and then, the Minutes are entered in the Minutes Book within 30 (Thirty) days from the conclusion of the Meetings, subsequent to incorporation of the comments, if any, received from the Directors. The Company adheres to the provisions of the Companies Act, 2013 read with the Rules framed thereunder, Secretarial Standards and Listing Regulations with respect to convening and holding the Meetings of the Board of Directors and its Committees.

During the Financial Year 2021-22, 4 (Four) Board Meetings were held, i.e., on May 7, 2021, August 10, 2021, November 9, 2021 and February 4, 2022 and the maximum interval between any 2 (Two) consecutive Board Meetings was well within the maximum allowed time gap of 120 (One Hundred and Twenty) days. The necessary quorum was present for all the Meetings.

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

Sr. No.	Name of Director	Category of Director	*Inter-se* Relationship amongst Directors	Appointment / Cessation during the Financial Year 2021-22	No. of Board Meetings attended during the Financial Year 2021-22	Whether attended last AGM held on August 10, 2021 (Yes / No)	Directorships held in public Companies incorporated in India as on March 31, 2022 (^)	Number of Chairmanship / Membership in Board Committees in other Companies as on March 31, 2022 ($) (Including the Company)	
								Chairmanship	Membership
1.	Mr. Nadir B. Godrej	Promoter, Non-Executive & Non-Independent	-	-	4 out of 4	Yes	8	1	2
2.	Mr. Jamshyd N. Godrej	Non-Executive & Non-Independent	-	Re-appointed at 30th AGM held on August 10, 2021 as a Director liable to retire by rotation	1 out of 4	Yes	5	0	0
3.	Mr. Vijay M. Crishna	Non-Executive & Non-Independent	-	Resigned w.e.f. closure of business hours on November 8, 2021	0 out of 2	No	4	0	1
4.	Ms. Tanya A. Dubash	Non-Executive & Non-Independent	Sister of Ms. Nisaba Godrej & Mr. Pirojsha Godrej	-	3 out of 4	Yes	8	0	2
5.	Ms. Nisaba Godrej	Non-Executive & Non-Independent	Sister of Ms. Tanya A.Dubash and Mr. Pirojsha Godrej	-	4 out of 4	Yes	6	0	0
6.	Mr. Pirojsha Godrej	Non-Executive & Non-Independent	Brother of Ms. Tanya A. Dubash and Ms. Nisaba Godrej	Re-appointed at 30th AGM held on August 10, 2021 as a Director liable to retire by rotation	4 out of 4	Yes	6	1	4
7.	Mr. Balram S. Yadav	Executive & Non-Independent	-	-	4 out of 4	Yes	6	1	4
8	Dr. Raghunath A. Mashelkar	Non-Executive & Independent	-	-	4 out of 4	Yes	4	0	1

9.	Dr. Ritu Anand	Non-Executive & Independent	-	-	4 out of 4	Yes	2	0	2
10.	Ms. Aditi Kothari Desai	Non-Executive & Independent	-	-	4 out of 4	Yes	1	0	1
11.	Ms. Roopa Purushothaman	Non-Executive & Independent	-	-	4 out of 4	Yes	2	0	0
12.	Mr. Natarajan Srinivasan	Non-Executive & Independent	-	-	4 out of 4	Yes	4	3	6
13.	Mr. Kannan Sitaram	Non-Executive & Independent	-	-	4 out of 4	Yes	2	0	1
14.	Dr. Ashok Gulati	Non-Executive & Independent	-	Appointed as an "Additional Director" (Non-Executive & Independent) by the Board of Directors on May 7, 2021, for a term of 5 (Five) years, i.e., from May 7, 2021 upto May 6, 2026, and approved by the Shareholders at the 30th Annual General Meeting of the Company held on August 10, 2021	4 out of 4	Yes	3	0	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 have been considered.

Details of Directorship of Directors in other Listed Entities and the Category of Directorship as on March 31, 2022:

Sr. No.	Name of Director	Name of Listed Entity where Directorship is held	Category of Directorship
1.	Mr. Nadir B. Godrej	Godrej Agrovet Limited	Chairman & Non-Executive Director
		Godrej Industries Limited	Chairman & Managing Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Non-Executive Director
		Astec LifeSciences Limited	Chairman & Non-Executive Director
2.	Mr. Jamshyd N. Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Industries Limited	Non-Executive Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Non-Executive Director
3.	Ms. Tanya A. Dubash	Godrej Agrovet Limited	Non-Executive Director
		Godrej Industries Limited	Executive Director
		Godrej Consumer Products Limited	Non-Executive Director

		Britannia Industries Limited	Independent Director
		Escorts Limited	Independent Director
4.	Ms. Nisaba Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Consumer Products Limited	Executive Director
		VIP Industries Limited	Independent Director
		Mahindra and Mahindra Limited	Independent Director
		Bharti Airtel Limited	Independent Director
5.	Mr. Pirojsha Godrej	Godrej Agrovet Limited	Non-Executive Director
		Godrej Consumer Products Limited	Non-Executive Director
		Godrej Properties Limited	Executive Director
6.	Mr. Balram S. Yadav	Godrej Agrovet Limited	Managing Director
		Astec LifeSciences Limited	Non-Executive Director
7.	Dr. Raghunath A. Mashelkar	Godrej Agrovet Limited	Independent Director
		Reliance Industries Limited	Independent Director
8.	Dr. Ritu Anand	Godrej Agrovet Limited	Independent Director
9.	Ms. Aditi Kothari Desai	Godrej Agrovet Limited	Independent Director
10.	Ms. Roopa Purushothaman	Godrej Agrovet Limited	Independent Director
11.	Mr. Natarajan Srinivasan	Godrej Agrovet Limited	Independent Director
		Infrastructure Leasing and Financial Services Limited	Nominee Director
		CG Power and Industrial Solutions Limited	Managing Director
		Computer Age Management Services Limited	Independent Director
12.	Mr. Kannan Sitaram	Godrej Agrovet Limited	Independent Director
13.	Dr. Ashok Gulati	Godrej Agrovet Limited	Independent Director
		Kotak Mahindra Bank Limited	Independent Director

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;

   a Director in more than 8 (Eight) Listed Companies as per Regulation 17A of the Listing Regulations;

b) 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;

c) a Member of more than 10 (Ten) Committees and Chairman of more than 5 (Five) Committees across all the Indian Public Limited Companies in which he / she is a Director as per Regulation 26 of the Listing Regulations.

e. Number of Equity Shares held by Directors as on March 31, 2022 and Dividend paid to Directors during the Financial Year 2021-22:

Sr. No.	Name of Director	No. of Equity Shares held as on March 31, 2022	Dividend paid during the Financial Year 2021-22 (Amount ₹)
1.	Mr. Nadir B. Godrej	102	816
2.	Mr. Jamshyd N. Godrej	Nil	-
3.	Mr. Vijay M. Crishna (resigned on November 8, 2021)	Nil	-
4.	Ms. Tanya A. Dubash	93,884	1,68,272
5.	Ms. Nisaba Godrej	34	272
6.	Mr. Pirojsha Godrej	4,41,034	33,12,272
7.	Mr. Balram S. Yadav	32,95,010	2,63,60,080
8.	Dr. Raghunath A. Mashelkar	Nil	Nil
9.	Dr. Ritu Anand	300	2,408

10.	Ms. Aditi Kothari Desai	Nil	Nil
11.	Ms. Roopa Purushothaman	992	7,936
12.	Mr. Natarajan Srinivasan	Nil	Nil
13.	Mr. Kannan Sitaram	Nil	Nil
14.	Dr. Ashok Gulati (appointed w.e.f. May 7, 2021)	Nil	Nil

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

f. Directors seeking Appointment / Re-appointment:

i. Directors Liable to Retire by Rotation and seeking Re-appointment:

Mr. Nadir B. Godrej (DIN: 00066195) and Ms. Nisaba Godrej (DIN: 00591503), Non-Executive & Non-Independent Directors of the Company, are liable to retire by rotation at the ensuing 31st (Thirty-First) Annual General Meeting of your Company and being eligible, have offered themselves for re-appointment.

Their brief profiles are given below:

Brief Profile of Mr. Nadir B. Godrej:

Mr. Nadir Godrej is the Chairman of Godrej Agrovet Limited.

Mr. Nadir Godrej holds a B.S. degree in Chemical Engineering in 1973 from the Massachusetts Institute of Technology and a M.S. in Chemical Engineering in 1974 from the Stanford University. He has done an MBA from Harvard Business School in 1976.

Since 1977, Mr. Nadir Godrej has been a Director of Godrej Soaps Limited. He has been very active in developing the animal feed, agricultural inputs and chemicals businesses of Godrej Industries Limited and associate companies. He has been very active in research and has several patents in the field of agricultural chemicals and surfactants. In 2001, Godrej Soaps Limited was renamed as Godrej Industries Limited and he was appointed as the Managing Director of Godrej Industries Limited. He is also the Chairman of Godrej Industries Limited and Director of Godrej Properties Limited, subsidiary of Godrej Industries Limited. He is a Director of Godrej and Boyce Manufacturing Company Limited, Godrej Consumer Products Limited and other Godrej Group Companies.

Mr. Nadir Godrej has been active in CLFMA (Compound Livestock Feed Manufacturers Association of India), ICC (Indian Chemical Council) [erstwhile ICMA (Indian Chemical Manufacturers Association)], OTAI (Oil Technologists' Association of India) and the Alliance Française de Bombay. He is currently the President of the Alliance Française de Bombay. He is on the National Council of CII (Confederation of Indian Industry). He is also very active in the Harvard Business School and MIT Alumni Association in India.

The French government awarded Mr. Nadir Godrej the Ordre national du Mérite in 2002 and the Légion d'Honneur in 2008. He has also received Life Time Achievement Awards from OTAI (Oil Technologist Association of India) and Chemexcil and the All India Liquid Bulk Importers and Exporters Association (AILBIEA). The Board of Management of Manav Rachna University has unanimously conferred Mr. Godrej with an Honorary Degree of Doctor of Philosophy and he has been inducted as Fellow of Indian National Academy of Engineering (INAE). Mr. Nadir Godrej is deeply committed to the Good and Green strategies and achievement of set targets for the Godrej Group. He encourages and supports a shared vision value for all programs of Good and Green.

Brief Profile of Ms. Nisaba Godrej:

Ms. Nisaba Godrej is the Non-Executive Director of Godrej Agrovet Limited.

Ms. Nisaba Godrej is the Executive Chairperson of Godrej Consumer Products Limited ("GCPL"). She has been a key architect of GCPL's strategy and transformation in the last fifteen years.

Ms. Nisaba Godrej is also the Chairperson of Teach for India and sits on the Board of Bharti Airtel Limited, Mahindra and Mahindra Limited and VIP Industries Limited.

Ms. Nisaba Godrej has a B.Sc. degree from The Wharton School at the University of Pennsylvania and an MBA from Harvard Business School.

Ms. Nisaba Godrej is passionate about education, the human mind, trekking and equestrian sports.

ii. Appointment of Mr. Burjis Godrej as an "Executive Director":

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its Meeting held on February 4, 2022, has approved the appointment of Mr. Burjis Godrej (DIN: 08183082), as an "Executive Director" on the Board of the Company for a term of 5 (Five) years, to be effective from November 1, 2022 upto October 31, 2027, subject to approval of the Shareholders at the ensuing 31st (Thirty First) Annual General Meeting of the Company.

The Company has received the requisite consent, disclosure(s) and declaration(s) from Mr. Burjis Godrej as required under the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of the Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Burjis Godrej debarring him from accessing the capital markets and restraining from holding the position of Director in any listed company.

In accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, approval of the Shareholders is sought at the ensuing 31st (Thirty First) Annual General Meeting of the Company, by way of a Special Resolution, for the proposed remuneration of Mr. Burjis Godrej as an "Executive Director" of the Company and the terms and conditions of his appointment.

Brief Profile of Mr. Burjis Godrej:

Mr. Burjis Godrej is currently head of Special Projects at Godrej Agrovet Limited ("GAVL"), where he focuses on co-ordinating projects between different divisions of GAVL and intrapreneurship. He completed his MBA from Harvard Business School in 2021.

He first joined GAVL in 2017 working on new product development in the Strategy division. His role involved monitoring Research & Development activities, product quality improvement, new product trials and innovation partnerships with external organizations.

Before joining GAVL, he worked for Conservis Corporation, a firm that provides software for farmers (now a Joint Venture between RaboBank and Tellus Corporation). His role there involved software implementation, customer success, water quality monitoring and sales development.

iii. Re-appointment of Mr. Balram S. Yadav as the "Managing Director":

The Board of Directors of the Company, at its Meeting held on May 12, 2017, had approved re-appointment of Mr. Balram S. Yadav for a period of 5 (Five) years commencing from September 1, 2017 upto August 31, 2022, upon recommendation of the Nomination and Remuneration Committee, at its Meeting held on the same day and the same was also approved by the Shareholders at the Extra-ordinary General Meeting held on May 12, 2017.

As the current tenure of Mr. Balram S. Yadav as the "Managing Director" of the Company will expire on August 31, 2022, upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on May 9, 2022 approved the re-appointment of Mr. Balram S. Yadav as the "Managing Director" of the Company for a further period from September 1, 2022 upto April 30, 2025, subject to the approval of the Shareholders of the Company at the ensuing 31st Annual General Meeting of the Company.

The Company has received the requisite consent, disclosure(s) and declaration(s) from Mr. Balram S. Yadav as required under the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also declaration confirming that he is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and that no order of the Securities and Exchange Board of India (SEBI) or any other such authority has been passed against Mr. Balram S. Yadav debarring him from accessing the capital markets and restraining from holding the position of Director in any listed company.

In accordance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, read with Schedule V to the Companies Act, 2013, approval of the Shareholders is sought at the ensuing 31st AGM of the Company, by way of a Special Resolution, for the proposed remuneration of Mr. Balram S. Yadav as the "Managing Director" of the Company and the terms and conditions of his re-appointment.

Brief Profile of Mr. Balram S. Yadav:

Mr. Balram S. Yadav completed his B.Sc. (Hons.) in Agricultural Science at Haryana Agricultural University, where he ranked 2nd in his class. He earned his MBA from IIM-Ahmedabad.

He began his career with Godrej in 1990 and over the years he has handled roles of increasing responsibility across businesses and regions in the Company.

He became the Business Head in 1999 when he was asked to establish and lead the Poultry Business. He established the Real Good Chicken and Yummiez as the leading processed poultry brand in India.

In 2007, he took over reins of Godrej Agrovet Limited ("GAVL") as the "Executive Director & President" and thereafter as the "Managing Director" and since then he has put GAVL on the path of rapid growth. In 2017, Mr. Balram S. Yadav was instrumental in taking GAVL public.

He also serves as the "Managing Director" of Godrej Tyson Foods Limited, a subsidiary of GAVL. He has been the Chairman of CLFMA of India (twice), an Association of Livestock Industry.

He is a regular contributor to National and International fora in areas of Food & Agriculture.

g. Skills Matrix for the Board of Directors:

Your Company recognizes the importance of having a Board comprising of Directors who have a range of experiences, capabilities and diverse points of view which helps in creating an effective and well-rounded Board.

The list of core skills / expertise / capabilities for the Board members have been outlined by the Nomination and Remuneration Committee and approved by the Board of Directors are as under:

- **Strategy and Business -** Is or has been the Chief Executive Officer, Chief Operating Officer or held any other leadership position in an organization leading to significant experience in strategy or business management. Brings ability to identify and assess strategic opportunities and threats in the context of the business.
- **Industry Expertise -** Expertise with respect to the sector the organization operates in. Has an understanding of the 'big picture' in the given industry and recognizes the development of industry segments, trends, emerging issues and opportunities.
- **Market Expertise -** Expertise with respect to the geography the organization operates in. Understands the macro-economic environment, the nuances of the business, consumers and trade in the geography, and has the knowledge of the regulations & legislations of the market(s) the business operates in.
- **Technology Perspective -** Expertise with respect to business specific technologies such as in the field of Research and Development, Manufacturing etc.; Has experience and adds perspective on the future ready skills required by the organization such as e-commerce, digital, sustainability etc.
- **People and Talent Understanding -** Experience in Human Resource Management such that they bring in a considered approach to the effective management of people in an organization.
- **Governance, Finance and Risk –** Has an understanding of the law and application of Corporate Governance principles in a commercial enterprise of similar scale. Capability to provide inputs for strategic financial planning, assess Financial Statements and oversee budgets for the efficient use of resources. Ability to identify key risks for the business in a wide range of areas including legal and regulatory.
- **Diversity of Perspective -** Provides a diversity of views to the Board that is valuable to manage our customer, consumer, employee, key stakeholder or Shareholders.

List of Directors as on March 31, 2022, along with the skills / expertise / competence possessed by them:

Sr. No.	Director Names / Skills	Strategy and Business	Industry Expertise	Market Expertise	Technology Perspective	People and Talent Understanding	Governance, Finance and Risk	Diversity of Perspective
1.	Mr. Nadir B. Godrej	✔	✔	✔	✔		✔	
2.	Mr. Jamshyd N. Godrej	✔		✔			✔	✔
3.	Ms. Tanya A. Dubash	✔		✔			✔	✔
4.	Ms. Nisaba Godrej	✔		✔		✔	✔	✔
5.	Mr. Pirojsha Adi Godrej	✔		✔			✔	✔
6.	Mr. Balram S. Yadav	✔	✔	✔			✔	
7.	Dr. Raghunath A. Mashelkar				✔		✔	✔
8.	Dr. Ritu Anand					✔	✔	✔
9.	Ms. Aditi Kothari Desai	✔		✔			✔	✔
10.	Ms. Roopa Purushothaman	✔		✔	✔	✔		✔
11.	Mr. Natarajan Srinivasan	✔		✔			✔	✔
12.	Mr. Kannan Sitaram	✔		✔		✔	✔	✔
13.	Dr. Ashok Gulati	✔	✔	✔				

3. Committees of the Board of Directors – Composition and Terms of Reference:

A. Composition of the Committees:

The composition of various Committees constituted by the Board of Directors of the Company as on March 31, 2022 is summarized below:

Sr. No.	Name of the Director	Independent/ Non-Independent	Audit Committee	Nomination and Remuneration Committee	Stakeholder's Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Managing Committee
1.	Mr. Nadir B. Godrej	Non-Independent	N/A	N/A	Chairman	Member	Chairman	Chairman
2.	Mr. Jamshyd N. Godrej	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A
3.	Mr. Vijay M. Crishna (*)	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A
4.	Ms. Tanya A. Dubash	Non-Independent	N/A	N/A	N/A	N/A	N/A	N/A
5.	Ms. Nisaba Godrej	Non-Independent	N/A	Member	N/A	N/A	N/A	Member
6.	Mr. Pirojsha Godrej	Non-Independent	N/A	N/A	N/A	N/A	N/A	Member
7.	Mr. Balram S. Yadav	Non-Independent	Member	N/A	Member	Member	Member	Member
8.	Dr. Raghunath A. Mashelkar	Independent	N/A	N/A	N/A	Chairman	N/A	N/A
9.	Dr. Ritu Anand	Independent	Member	Chairperson	N/A	N/A	N/A	N/A
10.	Ms. Aditi Kothari Desai	Independent	Member	N/A	N/A	N/A	N/A	N/A
11.	Ms. Roopa Purushothaman	Independent	N/A	Member	N/A	Member	N/A	N/A
12.	Mr. Natarajan Srinivasan ($)	Independent	Chairman	N/A	Member	N/A	Member	N/A
13.	Mr. Kannan Sitaram	Independent	N/A	N/A	N/A	N/A	N/A	N/A
14.	Dr. Ashok Gulati (#)	Independent	N/A	N/A	N/A	N/A	N/A	N/A

("N/A" denotes "Not Applicable" as not being a Chairperson / Member of the Committee.)

(*) Mr. Vijay M. Crishna resigned with effect from closure of business hours on November 8, 2021.

($) Mr. Natarajan Srinivasan has been appointed as the Chairman of the Audit Committee with effect from April 23, 2021.

(#) Dr. Ashok Gulati has been appointed as an Independent Director with effect from May 7, 2021, for a term of 5 (Five) years, i.e., upto May 6, 2026.

Strategy Committee has been dissolved with effect from May 7, 2021.

Mr. Vivek Raizada, Company Secretary & Compliance Officer acts as the Secretary to the Committees.

B. Attendance Details of Committee Meetings held during the Financial Year 2021-22:

Sr. No.	Name of Director	Audit Committee	Nomination and Remuneration Committee	Stakeholder Relationship Committee	Corporate Social Responsibility Committee	Risk Management Committee	Managing Committee
1.	Mr. Nadir B. Godrej	-	-	1 of 1	2 of 2	2 of 2	12 of 12
2.	Mr. Jamshyd N. Godrej	-	-	-	-	-	-
3.	Mr. Vijay M. Crishna (*)	-	-	-	-	-	-
4.	Ms. Tanya A. Dubash	-	-	-	-	-	-
5.	Ms. Nisaba Godrej	-	3 of 3	-	-	-	2 of 12
6.	Mr. Pirojsha Godrej	-	-	-	-	-	3 of 12
7.	Mr. Balram S. Yadav	5 of 5	-	1 of 1	2 of 2	2 of 2	12 of 12
8.	Dr. Raghunath A. Mashelkar	-	-	-	2 of 2	-	-
9.	Dr. Ritu Anand	3 of 5	3 of 3	-	-	-	-
10.	Ms. Aditi Kothari Desai	4 of 5	-	-	-	-	-
11.	Ms. Roopa Purushothaman	-	3 of 3	-	2 of 2	-	-
12.	Mr. Natarajan Srinivasan ($)	5 of 5	-	1 of 1	-	2 of 2	-
13.	Mr. Kannan Sitaram	-	-	-	-	-	-
14.	Dr. Ashok Gulati (#)	-	-	-	-	-	-

("-" denotes not a Member of the Committee)

(*) Mr. Vijay M. Crishna resigned with effect from closure of business hours on November 8, 2021.

($) Mr. Natarajan Srinivasan has been appointed as the Chairman of the Audit Committee with effect from April 23, 2021.

(#) Dr. Ashok Gulati has been appointed as an Independent Director with effect from May 7, 2021, for a term of 5 (Five) years, i.e., upto May 6, 2026.

Notes:

- As per the request received from the Directors, stating their inability to attend the Meetings, leave of absence was granted to them.
- Strategy Committee has been dissolved with effect from May 7, 2021, hence no Meeting of the Strategy Committee was held during the Financial Year 2021-22.

C. Composition and Terms of Reference of the Committees:

I. AUDIT COMMITTEE:

a) Composition:

In terms of Regulation 18 of the Listing Regulations and Section 177 of the Act, the Audit Committee of the Board of Directors as on March 31, 2022, comprised of the following 4 (Four) Directors as Members:

Sr. No.	Name of the Member	Nature of Membership & Designation
1.	Mr. Natarajan Srinivasan (*)	Chairman (Independent Director)
2.	Mr. Balram S. Yadav	Member (Managing Director)
3.	Dr. Ritu Anand	Member (Independent Director)
4.	Ms. Aditi Kothari Desai	Member (Independent Director)

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

All the Members of the Audit Committee are financially literate and possess sound knowledge of Financial Management, Accounting Practices and Internal Controls.

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

b) Terms of Reference:

The terms of reference of the Audit Committee include the matters specified in Section 177 of the Companies Act, 2013 as well as Part C of Schedule II to the Listing Regulations.

The terms of reference of the Audit Committee as on March 31, 2022, are as follows:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

2. Recommendation of the appointment, remuneration and terms of appointment of the Auditors, including Statutory Auditors, Internal Auditors, 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:

   a. 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;

   b. Changes, if any, in accounting policies and practices and reasons for the same;

   c. Major accounting entries involving estimates based on the exercise of judgment by Management;

   d. Significant adjustments made in the Financial Statements arising out of audit findings;

   e. Compliance with listing and other legal requirements relating to Financial Statements;

   f. Disclosure of any Related Party Transactions;

   g. Modified opinion(s) in the draft audit report.

5. Reviewing, with the Management, the Quarterly Financial Statements before submission to the Board for approval;

6. Reviewing, with the Management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for the purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

7. Monitoring the end use of funds raised through public offers and related matters;

8. Reviewing and monitoring the Auditor's independence and performance and effectiveness of audit process;

9. Approval or any subsequent modification of transactions with Related Parties of the Company;

10. Scrutiny of Inter-Corporate Loans and Investments;

11. Considering valuation of undertakings or assets of the Company, wherever it is necessary;

12. Evaluation of internal financial controls and risk management systems;

13. (a) Reviewing, with the Management, performance of Statutory Auditors, Internal Auditors, Cost Auditors and Secretarial Auditors;

    (b) Reviewing with the Management adequacy of the internal control systems;

14. Reviewing the adequacy of Internal Audit Function, if any, including the structure of Internal Audit Department, staffing and seniority of the official

heading the department, reporting structure coverage and frequency of internal audit;

15. Discussion with Internal Auditors of any significant findings and follow up thereon;

16. Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of Internal Control Systems of a material nature and reporting the matter to the Board;

17. 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;

18. 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;

19. Reviewing the functioning of the Whistle Blower Mechanism / oversee the Vigil Mechanism;

20. Approval of appointment of Chief Financial Officer after assessing qualifications, experience and background etc. of the candidate;

21. Mandatorily reviewing the following:

    a. Management Discussion and Analysis of financial condition and results of operations.

    b. Statement of significant Related Party Transactions (as defined by the Audit Committee), submitted by the Management.

    c. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.

    d. Internal Audit Reports relating to internal control weaknesses.

    e. Appointment, removal and terms of remuneration of the Chief Internal Auditor.

    f. Statement of deviations:

        i. 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.

        ii. Annual statement of funds utilized for purpose other than those stated in the offer document / prospectus in terms of Regulation 32(7) of the Listing Regulations;

22. Reviewing financial statements, in particular, the investments made by the Company's unlisted subsidiaries;

23. Review of compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015, as may be amended from time to time, at least once in a financial year and shall verify that the systems for internal control are adequate and are operating effectively;

24. Noting the report of Compliance Officer as per SEBI (Prohibition of Insider Trading) Regulations, 2015;

25. Formulating the scope, functioning, periodicity of and methodology for conducting the internal audit;

26. Reviewing show cause, demand, prosecution notices and penalty notices, which are materially important;

27. Reviewing any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company;

28. 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;

29. Reviewing details of any Joint Venture or collaboration agreement;

30. Reviewing sale of investments, subsidiaries, assets which are material in nature and not in normal course of business;

31. Reviewing quarterly details of foreign exchange exposures and the steps taken by Management to limit the risks of adverse exchange rate movement, if material;

32. Reviewing the utilization of loans and / or advances and 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;

33. 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 take external professional advice, if necessary;

34. Considering and commenting on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the Company and its Shareholders;

35. Making necessary amendments / revisions in the Policy on Materiality of Related Party Transactions and Dealing with Related Party Transactions of the Company and the Whistle Blower Policy of the Company from time to time, as it may deem fit;

36. Carrying out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

Further, the quorum for a Meeting of the Audit Committee shall be either 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. 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.

The representatives of the Statutory Auditors and Internal Auditors are invited to the quarterly Audit Committee Meetings. They have attended all the quarterly Meetings held during the year. The Internal Auditor reports directly to the Audit Committee.

The Audit Committee has made recommendations to the Board of Directors at its every Meeting and the Board of Directors has duly noted and accepted the same during the Financial Year 2021-22.

c) Meetings and Attendance:

During the Financial Year 2021-22, there were 5 (Five) Meetings of the Audit Committee of the Board of Directors which were held – on May 7, 2021, August 9, 2021, November 9, 2021, December 7, 2021 and February 4, 2022. The necessary quorum was present at all the Meetings of the Audit Committee.

II. NOMINATION AND REMUNERATION COMMITTEE:

a) Composition:

In terms of Regulation 19 of the Listing Regulations and Section 178 of the Act, the Nomination and Remuneration Committee, as on March 31, 2022, 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)

All the Members of the Nomination and Remuneration Committee are Non-Executive Directors and more than half of the Members are Independent Directors. The Chairperson of the Nomination and Remuneration Committee is an Independent Director.

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

There was no change in the composition of the Nomination and Remuneration Committee during the year under review.

b) Terms of Reference:

The terms of reference of Nomination and Remuneration Committee include the matters specified in Section 178 of the Act as well as Part D Para A of Schedule II of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee as on March 31, 2022 were as follows:

1. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board of Directors a policy relating to the

appointment and remuneration in whatever form payable to the Directors, Key Managerial Personnel and other Senior Management employees;

2. To formulate criteria for evaluation of performance of Independent Directors and the Board of Directors in accordance with the Nomination and Remuneration Policy;

3. To devise a policy on diversity of Board of Directors;

4. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and or removal;

5. To consider extension or continuation of the term of appointment of the Independent Directors on the basis of the report of performance evaluation of Independent Directors;

6. To specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Board or by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;

7. To recommend to the Board of Directors, qualifications, appointment, remuneration (in whatever form) and removal of Directors, Key Managerial Personnel and persons in Senior Management positions in accordance with the Nomination and Remuneration Policy;

8. To consider grant of stock options to eligible Directors and employees, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS;

9. To make necessary recommendation(s) to the Board of Directors for amendment /revision of the Nomination and Remuneration Policy of the Company from time to time, as it may deem fit;

10. To carry out any other function as mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The quorum for a Meeting of the Nomination and Remuneration Committee shall either be 2 (Two) Members or 1/3rd (One-Third) of the total strength of the Committee, whichever is higher (including at least one Independent Director in attendance) and the Nomination and Remuneration Committee shall meet at least once in a year.

c) Meetings and Attendance:

During the Financial Year 2021-22, 3 (Three) Meetings of the Nomination and Remuneration Committee were held, viz., on May 7, 2021, November 8, 2021 and February 4, 2022. The necessary quorum was present in all the Meetings of the Nomination and Remuneration.

d) Performance Evaluation Criteria for Independent Directors:

Performance evaluation of Directors is carried out through a structured questionnaire which was prepared after taking into consideration various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

The evaluation of Independent Directors shall be done by the entire Board of Directors which shall include:

(a) Performance of the Directors; and

(b) Fulfilment of the independence criteria as specified in SEBI Listing Regulations and their independence from the Management.

Provided that in the above evaluation, the Directors who are subject to evaluation shall not participate.

In particular, an Independent Director shall be a person who shall:

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

e) Remuneration to Directors:

Directors with Material Significant Related Party Transactions, Pecuniary or Business Relationship with the Company:

Except for drawing remuneration by Managing Director, receipt of Commission by the Non-Executive Directors (including Independent and Non-Independent Directors but excluding Managing Director) and receipt of Sitting Fees by Independent Directors for attending the Board & Committee Meetings, none of the Directors have any other Material Significant Related Party Transactions, pecuniary or business relationship with the Company. Attention of the Shareholders is drawn to the disclosures of transactions with Related Parties set out in Note No. 54 to the Standalone Financial Statements forming part of the Annual Report 2021-22.

In preparation of the Financial Statements, your Company has adopted accounting policies which are in line with the Indian Accounting Standards (Ind-AS) notified under Section 133 of the Companies Act, 2013 read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. The Suitable disclosure as required by the Ind-AS 24 has been made in the Notes to the Financial Statements.

Remuneration to the Non-Executive Directors:

1) Remuneration / Commission:

The remuneration / commission to the Non-Executive Directors of the Company shall be in accordance with the statutory provisions of the Act and the Rules made thereunder for the time being in force.

2) Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending the Meetings of the Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Act, per Meeting of the Board or Committee or such amount as may be prescribed by the applicable law from time to time.

Provided that Independent Directors are entitled to receive Sitting Fees for attending the Meetings of the Board and of Committees thereof in which they are Members.

3) Limit of Remuneration / Commission:

Remuneration / Commission paid to Non-Executive Directors is within the monetary limits as approved by Shareholders, as per Section 197 of the Companies Act, 2013.

Stock Options:

The Company has not granted Stock Options to any of its Promoter Directors / Independent Directors during the Financial Year 2021-22.

The details of Sitting Fees & Commission paid to Non-Executive Directors during the Financial Year 2021-22 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. Nadir B. Godrej	Nil	Nil	7,50,000	7,50,000
2.	Mr. Jamshyd N. Godrej	Nil	Nil	7,50,000	7,50,000
3.	Mr. Vijay M. Crishna (upto November 8, 2021)	Nil	Nil	4,56,164	4,56,164
4.	Ms. Tanya A. Dubash	Nil	Nil	7,50,000	7,50,000
5.	Ms. Nisaba Godrej	Nil	Nil	7,50,000	7,50,000
6.	Mr. Pirojsha Godrej	Nil	Nil	7,50,000	7,50,000
7.	Dr. Raghunath A. Mashelkar	4,00,000	1,00,000	7,50,000	12,50,000
8.	Dr. Ritu Anand	4,00,000	3,00,000	7,50,000	14,50,000
9.	Ms. Aditi Kothari Desai	4,00,000	2,00,000	7,50,000	13,50,000
10.	Ms. Roopa Purushothaman	4,00,000	2,50,000	7,50,000	14,00,000
11.	Mr. Natarajan Srinivasan	4,00,000	4,00,000	7,50,000	15,50,000
12.	Mr. Kannan Sitaram	4,00,000	Nil	7,50,000	11,50,000
13.	Dr. Ashok Gulati (w.e.f. May 7, 2021)	4,00,000	Nil	6,76,027	10,76,027
	Total	**28,00,000**	**12,50,000**	**93,82,191**	**1,34,32,191**

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

Remuneration to the Managing Director:

The remuneration paid to Mr. Balram S. Yadav, Managing Director of the Company for the Financial Year 2021-22, is recommended by the Nomination and Remuneration Committee and approved by the Board of Directors and the Shareholders of the Company. The remuneration and the terms of appointment of the Managing Director are governed by an Agreement executed by the Company with him.

The current tenure of Mr. Balram S. Yadav as the "Managing Director" of the Company is for a term of 5 (Five) years i.e., from September 1, 2017 upto August 31, 2022.

Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors at its Meeting held on May 9, 2022 has approved the re-appointment of Mr. Balram S. Yadav as the "Managing Director" of the Company from September 1, 2022 upto April 30, 2025, subject to approval of the Shareholders of the Company at the ensuing 31st AGM of the Company.

The details of remuneration paid to Mr. Balram S. Yadav, Managing Director during the Financial Year 2021-22 are as follows:

Particulars	Amount in ₹
(a) Salary as per the provisions contained in Section 17(1) of the Income Tax Act, 1961	6,36,15,140
(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	1,09,47,030
(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0
Stock Option	0
Sweat Equity	-
Commission	-
As a % of profit	-
Others (specify)	-
Total	7,45,62,170

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

Terms of Remuneration of the Managing Director:

a. Fixed Compensation:

Fixed Compensation shall include Basic Salary, Company's Contribution to Provident Fund and Gratuity.

The Basic Salary shall be in the range of ₹ 9,08,333/- to ₹ 20,00,000/- per month, payable monthly. The annual increments will be decided by the Nomination and Remuneration Committee and/or 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 or as may be decided by the Board of Directors.

c. Flexible Compensation:

In addition to the fixed compensation, long term incentives and PLVR, Mr. Balram S. Yadav will be entitled to the following allowances, perquisites, benefits, facilities and amenities as per the rules of the Company and subject to the relevant provisions of the Companies Act, 2013 and Rules framed thereunder (collectively called "perquisites and allowances").

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

Year	Grant during 2019 (Grant-2)	Grant during 2020 (Grant-3)	Grant during 2021 (Grant-4)	Grant during 2022 (Grant-5)	Total
No. of Options Granted	14,481	16,548	14,706	14,257	59,992
No. of Options Vested as on date	14,481	5,516	4,902	Nil	24,899
No. of Options Exercised and Shares Allotted as on date	(14,481)	(5,516)	(4,902)	Nil	(24,899)
No. of Options Outstanding as on date	Nil	11,032	9,804	14,257	35,093

Note: The Nomination and Remuneration Committee of the Board of Directors at its Meeting held on May 9, 2022 has allotted 9,729 Equity Shares to Mr. Balram S. Yadav, under Godrej Agrovet Limited – Employee Stock Grant Scheme, 2018 against stock Options which were granted during the year 2019 and 2021.

d. Long Term Incentives (LTI):

In order to align the interests of the Company's leadership with the strategic vision of the business and to enable sustainable growth, the Long-Term Incentive (LTI) plan incentivizes collective team effort and is built on a belief that collaboration drives extraordinary results. The LTI plan is effective from April 1, 2021, with a tenure of 4 (Four) years (i.e., from the Financial Year 2021-22 upto the Financial Year 2024-25).

The plan is linked to incremental and cumulative growth in Profit measure (Profit Before Tax) over the plan tenure. The plan is designed to pay the incentive basis the cumulative incremental Profit Before Tax delivered during the tenure with the recipient.

The plan envisages making potential payouts in two tranches in the Financial Years 2025-26 and 2026-27, subject to fulfilment of thresholds to be achieved during the 4 (Four) Financial Years, i.e., from 2021-22 upto 2024-25, subsequent to the release of Audited Financial Results.

The maximum payout to the Managing Director shall not exceed ₹ 27 Crore.

Overall Remuneration:

The aggregate of salary and perquisites as specified above or paid additionally in accordance with the rules of the Company in any Financial Year, which the Board of Directors, in its absolute discretion, may pay to the Managing Director from time-to-time, shall not exceed the limits prescribed from time-to-time under Section 197 and other applicable provisions of the Companies Act, 2013 read with Schedule V to the said Act as may, for the time being, be in force unless specific approvals are taken as may be applicable under relevant laws.

Minimum Remuneration:

Notwithstanding the foregoing, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the remuneration will be subject to Schedule V to the Companies Act, 2013.

Other Terms and Conditions:

a. The Managing Director is not liable to retire by rotation. The appointment is terminable by giving 3 (three) months' notice in writing on either side.

b. The Managing Director shall not, during the continuance of his employment or at any time thereafter, divulge or disclose to whomsoever, or make any use whatsoever, whether for his own or for any other purpose other than that of the Company, any information or knowledge obtained by him during his employment concerning / in connection with the business or affairs or other matters whatsoever of the Company and it shall be the Managing Director's endeavor, during the continuance of his employment, to prevent any other person from disclosing the aforesaid information.

c. If the Managing Director found guilty of such in attention to or negligence in the conduct of the business of the Company or of misconduct or

of any other act or omission inconsistent with his duties as a Director or any breach of this Agreement, as in the opinion of all other Directors renders his retirement from the office desirable, the opinion of such other Directors shall be final, conclusive and binding on the Managing Director and the Company may, by giving 30 (thirty) days' notice in writing to the Managing Director, determine this Agreement and he shall cease to be the Managing Director of the Company, upon expiration of such notice.

d. In the event of any re-enactment or re-codification of the Companies Act, 2013 or the Income Tax Act, 1961 or amendment(s) thereto, the foregoing shall continue to remain in force and the reference to various provisions of the Companies Act, 2013 or the Income Tax Act, 1961 shall be deemed to be substituted by the corresponding provisions of the new Act or the amendment(s) thereto or the Rules and notifications issued thereunder.

e. The terms and conditions of this Agreement are subject to such alterations / variations as may be mutually agreed upon in writing between the Company and the Managing Director from time to time.

f. Policy for Selection and Appointment of Directors and their Remuneration:

The Nomination and Remuneration Committee has adopted a Policy which, inter alia, deals with the manner of selection / appointment of Directors on the Board of Directors, including Managing Director and Whole Time Director, if any, and their remuneration.

The Nomination & Remuneration Committee evaluates the candidature of prospective in line with the Nomination and Remuneration Policy and the skill sets stated above and makes suitable recommendation to the Board for final approval.

The appointment of all Directors is also subject to Shareholders' approval.

The Nomination and Remuneration Policy of the Company has been uploaded on the Company's website and can be accessed through the weblink https://www.godrejagrovet.com/sustainability /codes-and-policies.

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

a) Composition:

In terms of Regulation 20 of the Listing Regulations and Section 178 of the Act, the Stakeholders' Relationship Committee of the Board, as on March 31, 2022, comprised of the following 3 (Three) Directors as Members:

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

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

b) Terms of Reference:

The terms of reference of the Stakeholders' Relationship Committee include the matters specified in Section 178 of the Companies Act, 2013 as well as Part D Para B of Schedule II of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee, as on March 31, 2022 were as follows:

1. To oversee and review all matters connected with transfer of Company's securities;
2. To approve issue of duplicate of shares / debentures certificates;
3. To oversee the performance of the Company's Share Transfer Agent;
4. To resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;
5. To investigate into complaints relating to allotment of shares, approval of transfers or transmission of shares, debentures or any other securities;

6. To review the measures taken for effective exercise of voting rights by Shareholders;

7. To review adherence to the service standards adopted by the Company in respect of various services being rendered by the Share Transfer Agent and recommend methods to upgrade the service standards adopted by the Company;

8. To review various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the security holders of the Company;

9. To investigate into complaints relating to allotment of Shares, approval of Transfer or Transmission of Shares, Debentures or any other securities;

10. To specifically look into various aspects of Shareholders, Debenture holders and other security holders;

11. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modifications as may be applicable.

The Stakeholders' Relationship Committee shall comprise of at least 3 (Three) Directors, at least 1 (One) being Independent Director or the composition shall be as may be prescribed by the Companies Act and the Listing Regulations. The Chairperson of the Stakeholders' Relationship Committee shall be a Non-Executive Director and shall present at the Annual General Meeting.

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

c) Meetings and Attendance:

During the Financial Year 2021-22, 1 (One) Meeting of the Stakeholders' Relationship Committee was held on November 9, 2021. The requisite quorum was present at the Meeting of the Stakeholders' Relationship Committee.

Name and Designation of Compliance Officer:

Mr. Vivek Raizada is the Company Secretary & Compliance Officer of the Company.

Details of Investor Complaints received during the Financial Year 2021-22, are as follows:

Particulars	No. of Complaints
Complaints outstanding as on April 1, 2021	Nil
Complaints received during the Financial Year 2021-22	51
Complaints resolved during the Financial Year 2021-22	51
Complaints outstanding as on March 31, 2022	Nil

During the Financial Year 2021-22, no shares in physical form were processed for transfer. There were no pending shares for transfer as on March 31, 2022.

IV. RISK MANAGEMENT COMMITTEE ("RMC"):

a) Composition:

In terms of Regulation 21 of the Listing Regulations, the Risk Management Committee of the Board of Directors, as on March 31, 2022, comprised of the following 3 (Three) Members:

Sr. No.	Name of the Director(s)	Nature of Membership and Designation
1.	Mr. Nadir. B. Godrej	Chairman (Non- Executive, Non- Independent Director)
2.	Mr. Balram S. Yadav	Member (Managing Director)
3.	Mr. Natarajan Srinivasan	Member (Independent Director)

All the Members of the Risk Management Committee, including Chairman, are Directors of the Company and none of the Senior Executives is a Member of the Committee.

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

b) Terms of Reference:

The terms of reference of the Risk Management Committee as on March 31, 2022 were as follows: -

1. To lay down procedures to inform Board Members about the risk assessment and minimization procedures;

2. To frame, implement and monitor the risk management plan for the Company;
3. To monitor and review the risk management plan;
4. To ensure proper procedures and mechanism exists for monitoring and reviewing cyber security risks;
5. Perform such other functions as may be necessary or appropriate for the performance of its duties;
6. To make necessary recommendation(s) to the Board of Directors for amendment /revision of the Risk Management Policy of the Company, from time to time, as it may deem fit;
7. To review the appointment, removal and terms of remuneration of the Chief Risk Officer (if any);
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for the performance of its duties.

c) Meetings and Attendance:

During the Financial Year 2021-22, 2 (Two) Meetings of the Risk Management Committee of the Board of Directors were held, viz., on November 9, 2021 and February 4, 2022. The requisite quorum was present at both the Meetings of the Risk Management Committee.

V. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

a) Composition:

In terms of Section 135 of the Act read with the corresponding Rules framed thereunder, the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company consists of the following 4 (Four) Directors as Members as on March 31, 2022:

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

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

b) Terms of Reference:

The terms of Reference of the CSR Committee as on March 31, 2022 are as follows:

1. To formulate and recommend to the Board of Directors, the Corporate Social Responsibility Policy, indicating the Corporate Social Responsibility activities to be undertaken;
2. To recommend the amount of expenditure to be incurred on the Corporate Social Responsibility activities;
3. To monitor the Corporate Social Responsibility Policy and its implementation by the Company from time to time;
4. To constitute a transparent monitoring mechanism for implementation of Corporate Social Responsibility projects or programs or activities undertaken by the Company;
5. To review, approve and sign the Annual Report on Corporate Social Responsibilities (CSR) to be annexed to the Board's Report; and
6. To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act and the Rules framed thereunder.

c) Meetings and Attendance:

During the Financial Year 2021-22, 2 (Two) Meetings of the CSR Committee of the Board of Directors were held i.e., on May 7, 2021 and November 9, 2021. The requisite quorum was present at both the Meetings of the CSR Committee.

VI. OTHER COMMITTEES:

A. MANAGING COMMITTEE:

The terms of reference of the Managing Committee includes handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors, from time to time.

The Managing Committee comprises of the following 4 (Four) Members, as on March 31, 2022:

Sr. No.	Name of the Director(s)	Nature of Membership and Designation
1.	Mr. Nadir B. Godrej	Chairman (Non- Executive, Non- Independent Director)
2.	Ms. Nisaba Godrej	Member (Non- Executive, Non- Independent Director)
3.	Mr. Pirojsha Godrej	Member (Non- Executive, Non- Independent Director)
4.	Mr. Balram S. Yadav	Member (Managing Director)

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

During the Financial Year 2021-22, 12 (Twelve) Meetings of the Managing Committee of the Board of Directors were held i.e., on April 6, 2021, May 7, 2021, June 7, 2021, July 8, 2021, July 29, 2021, August 10, 2021, September 14, 2021, October 28, 2021, November 25, 2021, December 7, 2021, January 17, 2022, February 4, 2022. The requisite quorum was present at all the Meetings of the Managing Committee.

B. STRATEGY COMMITTEE:

The Company had constituted a Strategy Committee and the terms of reference included, identification of the organic as well as inorganic growth prospects of the Company and the businesses in which the Company and / or any of its subsidiaries or associates operate, thereby exploring strategic options for its growth.

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

C. MEETING OF INDEPENDENT DIRECTORS:

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

During the Financial Year 2021-22, the Independent Directors once met on May 7, 2021, *inter alia*, to:

a. Review the assessment /evaluation of performance of Non – Independent Directors and the Board of Directors as a whole;

a. Review the assessment /evaluation of performance of the Chairman of the Company, taking into account the views of the Executive Director and Non – Executive Directors;

b. Assess the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Independent Directors have submitted declarations that they meet the criteria of Independence laid down under the Companies Act, 2013 and the Listing Regulations and are Independent from the Management. The Company has also issued formal appointment letters to all the Independent Directors in the manner provided under the Companies Act, 2013 read with the Rules issued thereunder. The terms and conditions for appointment of independent directors and letter(s) of appointment issued to the Independent Directors are hosted on the Company's website and can be accessed through the web-link https://www.godrejagrovet.com/investors/shareholder-information.

Confirmation by the Board of Directors:

In the opinion of the Board of Directors, the Independent Directors of the Company fulfil the conditions specified in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 (as amended from time to time) and are independent of the Management of the Company.

Resignation of Independent Director(s):

During the Financial Year 2021-22, none of the Independent Directors ceased Directorship of the Company, due to resignation or otherwise.

4. GENERAL BODY MEETINGS:

a) Details of last three Annual General Meetings:

The date, time and venue of Annual General Meetings (AGMs) held during the preceding 3 (Three) Financial Years are as follows:

AGM for the Financial Year	Date	Time	Venue
2018-19 (28th AGM)	August 2, 2019	3.30 p.m.	Auditorium, "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India
2019-20 (29th AGM)	July 31, 2020	4.00 p.m.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")
2020-21 (30th AGM)	August 10, 2021	4.00 p.m.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")

b) Details of Special Resolutions passed during the previous three Financial Years (i.e., 2019-20, 2020-21 and 2021-22):

i. Special Resolutions passed in Annual General Meetings (AGMs):

Date of AGM	Number of Special Resolutions passed	Details of Special Resolution passed
August 2, 2019	-	-
July 31, 2020	1	Appointment of Mr. Vijay M. Crishna (DIN: 00066267) as a 'Non-Executive & Non-Independent Director' of the Company, pursuant to Section 17(1)(a) of the SEBI Listing Regulations.
August 10, 2021	-	-

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

No Extra- Ordinary General Meeting of the Shareholders was held during the Financial Years 2019-20, 2020-21 and 2021-22.

iii. Special Resolutions passed by Postal Ballot:

During the Financial Year 2021-22, the Shareholders of the Company have passed the following Special Resolution through postal ballot: -

Date of Postal Ballot Results	Number of Special Resolutions passed	Details of Special Resolution passed
March 20, 2022	4	1. Re-appointment of Dr. Ritu Anand (DIN: 00363699), as an "Independent Director" of the Company for a second term of 5 (five) years i.e., from July 18, 2022 upto July 17, 2027. 2. Re-appointment of Ms. Aditi Kothari Desai (DIN: 00426799), as an "Independent Director" of the Company for a second term of 5 (five) years i.e., from July 18, 2022 upto July 17, 2027. 3. Re-appointment of Ms. Roopa Purushothaman (DIN: 02846868), as an "Independent Director" of the Company for a second term of 5 (five) years, i.e., from July 18, 2022 upto July 17, 2027. 4. Re-appointment of Mr. Kannan Sitaram (DIN: 01038711), as an "Independent Director" of the Company for a second term of 5 (five) years i.e., from July 18, 2022 upto July 17, 2027.

Mr. B. Narasimhan, Company Secretary, Proprietor of BNP and Associates, (ICSI Membership No.: 1303; Certificate of Practice No.: 10440), appointed by the Board of Directors at its Meeting held on February 4, 2022, vide its Scrutinizers' Report dated March 20, 2022, had declared that the number of votes cast in favour of the aforementioned Resolutions are more than three times the number of votes cast against the resolution and that the Special Resolutions as per Item No.1,2,3,4 as set forth in the Postal Ballot Notice dated February 4, 2022, have been passed by the Shareholders with requisite majority.

5. MEANS OF COMMUNICATION:

All vital information relating to the Company and its performance, including Quarterly and Annual Financial Results, official press releases, disclosures of material events are posted on the website of the Company, viz., www.godrejagrovet.com

The Quarterly Financial Results of the Company's performance are published in leading English daily newspapers 'Financial Express' and 'Business Standard' and in regional language (Marathi) daily newspapers 'Loksatta' and 'Mumbai Lakshadeep'. The Financial Results of the Company are also available on the websites of BSE Limited and National Stock Exchange of India Limited, viz., www.bseindia.com and www.nseindia.com , respectively.

The Company files electronically the Quarterly and Annual Financial Results, Corporate Governance Report, Shareholding Pattern, etc. through BSE Listing Centre and NSE Electronic Application Processing System (NEAPS).

All the disclosures of presentations made to Institutional Investors or to the Analysts are posted on the website of the Company and is available on the weblink viz., https://www.godrejagrovet.com/investors/financial-updates. The presentations made to Institutional Investors or to the Analysts are also available on the websites of BSE Limited and National Stock Exchange of

India Limited, viz., www.bseindia.com and www.nseindia.com , respectively.

6. DISCLOSURE:

I. Material Significant Related Party Transactions:

Except as disclosed below, all the transactions entered into with the Related Parties as defined under the Act and the Listing Regulations, during the Financial Year 2021-22, were in the ordinary course of business and at arm's length price.

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

1. The price for execution of an agreement for sale of property at Thiruvaranga Village and Bagur Village at Anugondanahalli Hobli, Hoskote Taluk, Bangalore Rural District, Karnataka, as a project in "as is where is condition" to/in favour of Godrej Properties Limited was revised to ₹ 5.72 Crore (approximately) in terms of approvals granted by the Audit Committee and the Board of Directors during the previous Financial Year

2. The Company has obtained approval of the Audit Committee on December 7, 2021 and of the Board of Directors on February 4, 2022, for entering into a transaction with Godrej and Boyce Manufacturing Company Limited, for sale / disposal of a land admeasuring 71 Cents situated at Ambattur, Tamil Nadu, for an approximate aggregate consideration of ₹ 11.15 Crore.

There were no material significant transactions with Related Parties during the Financial Year 2021-22 that may have potential conflict with the interests of the Company at large.

In preparation of the Financial Statements for the Financial Year 2021-22, your Company has adopted accounting policies which are in line with the Indian Accounting Standards notified under Section 133 of the Act, read together with the Companies (Indian Accounting Standards) Rules, 2015. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Accounts. Suitable disclosure as required by the Indian Accounting Standards (Ind-AS 24) has been made in the Notes to the Financial Statements. Attention of the Shareholders is drawn to the disclosure of transactions with Related Parties as set out for the Financial Year 2021-22 in Note No. 54 of the Standalone Financial Statement, forming a part of this Annual Report. None of the transactions with any of the Related Parties were in conflict with the Company's interest.

The Related Party Transactions are entered into based on considerations of various business exigencies, such as synergy in operations, sectoral specialization and the Company's long-term strategy for sectoral investments, profitability, liquidity and capital resources. All Related Party Transactions are on arm's length basis and are intended to further the Company's interests.

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

Except for drawing remuneration by the Managing Director and payment of sitting fees to Independent Directors and commission to Non- Executive Directors, (including Independent and Non-Independent Directors, but excluding the Managing Director) none of the Directors have any other material significant Related Party Transactions, pecuniary or business relationship with the Company.

II. Policy on Material Subsidiaries:

Your Company has formulated a Policy for determining the Material Subsidiaries as defined in Regulation 16 of the Listing Regulations. Creamline Dairy Products Limited, is a Material Subsidiary Company of your Company whose income or net worth (i.e., Paid-up capital and free reserves) exceeds 10% (ten per cent) of the consolidated income or net worth respectively of the Company and its subsidiary in the immediately preceding accounting year. Copies of the Minutes of the Board Meetings of Subsidiary Companies are circulated at the subsequent Board Meetings.

The Management of the unlisted subsidiary periodically brings to the notice of the Board of Directors of your Company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary.

This Policy on Material Subsidiaries is available on the website of the Company at the weblink https://www.godrejagrovet.com/sustainability/codes-and-policies

III. Vigil Mechanism and Whistle Blower Policy:

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

any unethical practice, fraud, or violation of any law, rule, or regulation.

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

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

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

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

The Audit Committee reviews reports made under this policy and implements corrective action, wherever necessary.

Vigil Mechanism / Whistle Blower Policy is available on the website of the Company through the weblink https://www.godrejagrovet.com/sustainability/codes-and-policies.

IV. Details of Compliance with Mandatory Requirements and Adoption of Non-Mandatory Requirements:

The Company complies with all the mandatory requirements of Company law, Securities law & other applicable laws and has also adopted and complied with the following non-mandatory requirements:

- **Separate Positions of Chairperson and Managing Director:**

  The Company has separate positions for Chairman and Managing Director. Mr. Nadir B. Godrej is the "Chairman" of the Company and Mr. Balram S. Yadav is the "Managing Director" of the Company.

- **Reporting of Internal Auditors:**
  The Internal Auditors of the Company give their quarterly report to the Audit Committee and the same is taken for review at the time of meetings of the Audit Committee.

V. Policy for Prevention of Sexual Harassment at the Workplace:

Your Company is committed to create and maintain an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited. Your Company has constituted an Internal Complaints Committee pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act") to deal with complaints relating to sexual harassment at workplace. While the said Act is applicable only to the women employees, your Company's policy covers all employees.

The details of complaints received during the Financial Year ended March 31, 2022 are as follows:

a)	Number of complaints pending as at beginning of the Financial Year 2021-22	0
b)	Number of complaints filed during the Financial Year 2021-22	1
c)	Number of complaints disposed-off during the Financial Year 2021-22	1
d)	Number of complaints pending as at end of the Financial Year 2021-22	0

VI. Details of Non-compliance on Matters related to Capital Markets:

There has not been any non-compliance by the Company and no penalties or strictures were imposed on your Company by any of the Stock Exchange(s) or the Securities and Exchange Board of India or any Statutory Authority, on any matter related to Capital Markets, during the last 3 (three) Financial Years.

VII. Details of Utilization of Funds raised through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32 (7A) of the Listing Regulations:

During the Financial Year 2021-22, the Company has not raised funds through any kind of issue (public issue, rights issue, preferential issue, etc.), except issue of Shares pursuant to Employee Stock Grant Scheme, 2018.

VIII. A Certificate from a Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such Statutory Authority:

Certificate issued by BNP and Associates, Company Secretaries, who are also the Secretarial Auditors of the Company, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India (SEBI) / Ministry of Corporate Affairs (MCA) or any such statutory authority is annexed to this Corporate Governance Report.

IX. Disclosure about instances where the Board had not accepted any recommendation of any Committee of the Board which is mandatorily required, in the relevant Financial Year, the same to be disclosed along with the reasons thereof:

During the Financial Year 2021-22, there were no instances reported / recorded, where the Board of Directors of the Company did not accept recommendation(s) of any of its Committees.

X. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the Statutory Auditor and all entities in the network firm /network entity of which the Statutory Auditor is a part:

(₹ in Crore)

Name of the Company	Name of Statutory Auditor	Particulars	Amount
Godrej Agrovet Limited	BSR and Co. LLP	Audit Fees (including limited reviews)	0.70
		Other matters	0.02
		Reimbursement of Expenses	0.00
		Total	0.72
Astec LifeSciences Limited	BSR and Co. LLP	Audit fees	0.20
		Other matters	0.01
		Reimbursement of Expenses	0.00
		Total	0.21
Creamline Dairy Products Limited	BSR and Co. LLP	Audit fees	0.24
		Other matters	0.09
		Reimbursement of Expenses	0.02
		Total	0.35
Godrej Tyson Foods Limited	BSR and Co. LLP	Audit Fees	0.19
		Other Matters	0.00
		Reimbursement of Expenses	0.00
		Total	0.19
Godrej Maxximilk Private Limited	Kalyaniwalla and Mistry LLP	Audit Fees	0.03
		Audit under Other Statutes	0.02
		Certification	0.01
		Total	0.06
Godvet Agrochem Limited	Kalyaniwalla and Mistry LLP	Audit Fees	0.01
		Audit under Other Statutes	0.01
		Certification	0.00
		Total	0.02

XI. Risk Management:

Your Company continuously monitors business and operational risks. All key functions and divisions are

independently responsible to monitor risks associated within their respective areas of operations such as production, insurance, legal and other issues like health, safety, and environment. Your Company has formulated Risk Management Policy for identification of risks and has formed a Risk Management Committee to ensure implementation of the Policy.

Risk Management Policy is also made available on the website of the Company at the weblink https://www.godrejagrovet.com/sustainability/codes-and-policies.

The Risk Management Committee meets at least 2 (Two) times in a year, to ensure that appropriate methodologies, processes and systems are in place to monitor and evaluate risks associated with the business of the Company and also to monitor and oversee the implementation of the Risk Management Policy.

The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of your Company.

XII. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Commodity Price Risk:

The Company is an Agri Company manufacturing Agri-products. Hence, volatility in raw material input prices poses risk for the business.

Currency Risk:

The functional currency of Company is primarily the local currency in which it operates. The currencies in which the transactions are primarily denominated are in Indian Rupees (INR). The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import purchases. The Company's Risk Management Policy requires to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value; therefore, the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instruments and hedged item based on the currency, amount and timing of their respective cash flows.

The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting the changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions are the main source of hedge ineffectiveness.

XIII. GENERAL SHAREHOLDER INFORMATION:

a) Registered Office:

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai - 400079, Maharashtra, India.

b) 31st Annual General Meeting:

Date	Day	Time	Venue
July 29, 2022	Friday	4.00 p.m.	Registered Office: "Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400079, Maharashtra, India OR Through Video Conferencing (VC) / Other Audio Video Means (OAVM)

c) Financial Year:

Financial Year: From April 1 to March 31

Financial Results for the Financial Year 2021-22 were announced on the Stock Exchanges / published in the newspapers as under:

Quarter / Annual	Date of Announcement on the Stock Exchanges	Date of Newspaper Publication
First Quarter	August 10, 2021	August 11, 2022
Half Year	November 9, 2021	November 10, 2021
Third Quarter	February 4, 2022	February 5, 2022
Annual	May 9, 2022	May 10, 2022

d) Book Closure Dates and Dividend Payment Date:

The Book Closure dates are from Tuesday, July 26, 2022 to Thursday, July 28, 2022 (both days inclusive). The Final Dividend, if declared by the Shareholders at the 31st Annual General Meeting, will be paid by Wednesday, August 3, 2022.

e) Corporate Identification Number (CIN):

Your Company's CIN, allotted by the Ministry of Corporate Affairs is L15410MH1991PLC135359. Your Company is registered at Mumbai in the State of Maharashtra, India.

f) Listing Details and Listing Fees:

Payment of Listing Fees:

The Company is listed on BSE Limited ("BSE") and National Stock Exchange of India Ltd ("NSE").

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

Your Company has paid the Annual Listing fees for the Financial Year 2022-23 to BSE and NSE.

Payment of Depository Fees:

Annual Custody / Issuer Fee for the Financial Year 2021-22 has been paid by your Company to National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited.

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, India	GODREJAGRO
BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400 001, Maharashtra, India	540743

Table - 1 below, gives the monthly high and low prices and volumes of Equity Shares of the Company at BSE and the NSE for the Year ended March 31, 2022.

Table - 2 below, compares the Company's share price at the BSE with the Sensex.

Table - 3 below, compares the Company's share price at the NSE with the NSE Nifty 50.

Table - 4 and 5 below respectively give the distribution of shareholding by size and by ownership, respectively as on March 31, 2022.

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, 2022:

Stock Exchange	BSE			NSE		
Month	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)	HIGH (₹)	LOW (₹)	VOLUME (No. of Shares)
April 2021	531.80	480.05	2,94,807	532.35	480.00	19,84,622
May 2021	596.00	494.60	11,20,725	596.20	492.60	1,00,89,069
June 2021	661.05	544.40	63,90,913	661.15	543.80	1,71,46,423
July 2021	700.00	615.60	7,11,993	700.00	615.45	82,56,259
August 2021	746.80	603.50	5,71,648	746.80	597.00	61,28,681
September 2021	688.00	620.85	3,15,329	688.95	620.00	34,57,951
October 2021	663.25	583.05	1,98,623	662.85	584.00	18,19,811
November 2021	635.00	534.90	1,49,250	637.00	525.00	18,82,150
December 2021	554.95	511.75	2,44,138	555.00	511.00	30,13,001
January 2022	569.90	493.85	1,84,685	561.35	493.30	23,85,329
February 2022	545.85	458.00	2,03,270	545.00	457.77	17,67,173
March 2022	507.95	441.00	5,19,000	505.00	441.00	31,03,895

Table - 2: Company's Share Performance as compared to BSE Sensex for the Financial Year 2021-22:

Month	GAVL Monthly Close Price on BSE (in ₹)	BSE Sensex Monthly Close
April 2021	498.80	15,322.41
May 2021	551.40	16,321.15
June 2021	633.20	16,482.07
July 2021	698.10	16,547.50
August 2021	632.80	17,989.26
September 2021	637.75	18,469.91
October 2021	591.90	18,517.39
November 2021	527.90	17,810.75
December 2021	518.60	18,199.47
January 2022	534.20	18,175.16
February 2022	464.55	17,596.12
March 2022	442.25	18,299.21

Monthly Close Share Price in comparison with BSE Sensex:

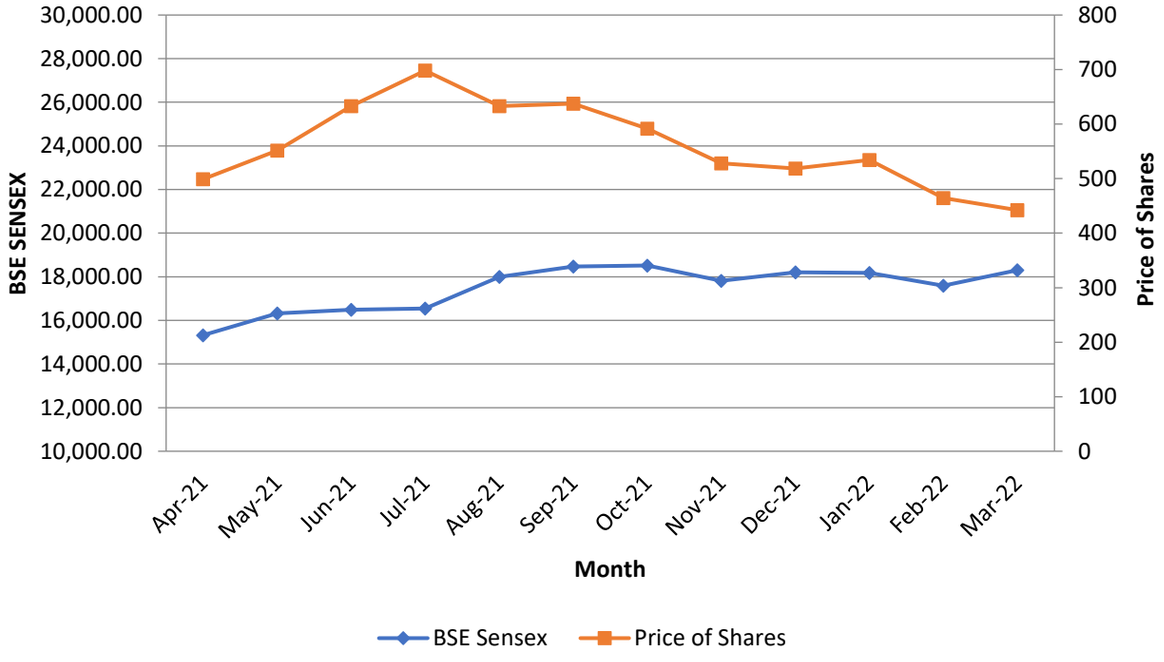


Table - 3: Company's Share Performance as compared to NSE Nifty 50 for the Financial Year 2021-22:

Month	GAVL Monthly Close Price on NSE (in ₹)	NSE NIFTY 50 Monthly Close
April 2021	499.35	14,631.10
May 2021	550.90	15,582.80
June 2021	634.15	15,721.50
July 2021	697.20	15,763.05
August 2021	632.00	17,132.20
September 2021	640.00	17,618.15
October 2021	593.60	17,671.65
November 2021	527.25	16,983.20
December 2021	517.75	17,354.05
January 2022	534.95	17,339.85
February 2022	464.35	16,793.90
March 2022	442.15	17,464.75

Monthly Close share price comparison with NSE Nifty 50:

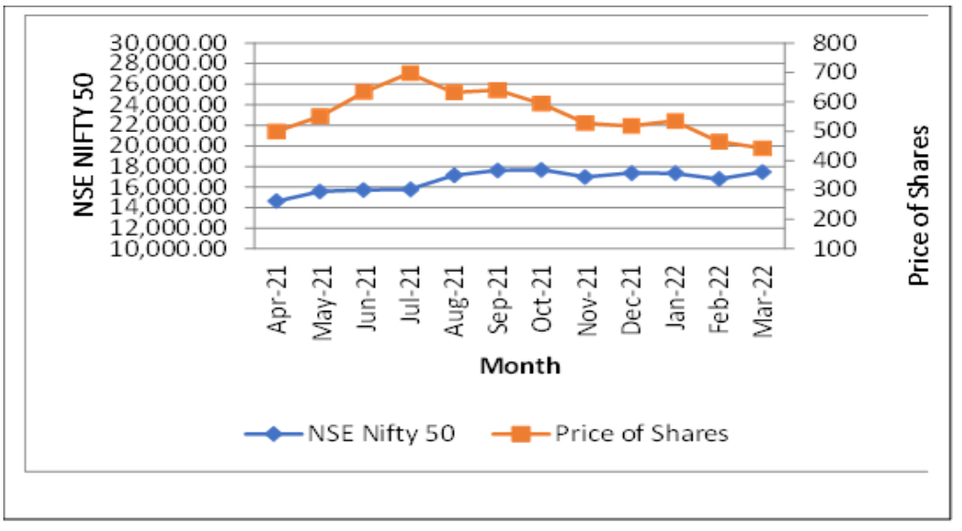


Table - 4: Distribution of Shareholding by Size as on March 31, 2022:

Number of Shares	Number of Shareholders	Shareholders %	Shareholding %
1-5,000	1,01,892	97.19	2.68
5,001- 10,000	1,661	1.58	0.68
10,001- 20,000	632	0.60	0.49
20,001- 30,000	205	0.20	0.27
30,001- 40,000	92	0.09	0.17
40,001- 50,000	82	0.08	0.20
50,001- 1,00,000	107	0.10	0.41
1,00,001 & above	170	0.16	95.09
Total	**1,04,841**	**100.00**	**100.00**

Table - 5: Distribution of Shareholding by Ownership as on March 31, 2022:

Category	No. of Equity Shares	% Of Shareholding
Alternative Investment Fund	0	0.00
Banks	4,748	0.00
Bodies Corporates	20,49,739	1.07
Clearing Members	90,105	0.05
Directors	32,96,302	1.72
Employees	21,54,892	1.12
Foreign Corporate Bodies	2,27,20,743	11.83
Foreign Portfolio – Corporate	46,61,936	2.43
Hindu Undivided Family (HUF)	3,40,000	0.18
Mutual Funds	30,85,196	1.61
Non-Banking Financial Companies (NBFC)	7,73,922	0.40
Non-Resident Indians (Non Repatriable)	1,40,850	0.07
Non-Resident Indians	3,72,550	0.19
Promoter Director	5,198	0.00
Promoter Group	1,76,04,576	9.16
Promoter Trust	19	0.00
Promoters Bodies Corporate	12,00,18,596	62.47
Qualified Institutional Buyers	47,68,756	2.48
Resident Individual	1,00,17,983	5.21
Trust	6,849	0.00
Total	19,21,12,960	100.00

The details given above are as per BENPOS received from KFin Technologies Limited, Registrar and Share Transfer Agent of the Company, as on March 31, 2022.

I. Shares held in Physical and Dematerialized form:

As on March 31, 2022, 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	18,62,90,175	97.97%
Demat shares with CDSL	58,20,548	3.03%
Shares held in physical mode	2,237	0.00%
Total	**19,21,12,960**	**100.00%**

II. Liquidity:

For the Financial Year 2021-22 higher trading activity is witnessed on NSE. Relevant data for the daily turnover on both the Stock Exchange for the said Financial Year is given below:

Particulars	Stock Exchange		Total
	BSE	NSE	
Shares	1,09,04,381	6,10,34,427	7,19,38,808
Values (₹ in Crore)	644.39	3647.48	4291.87

III. Share Transfer System:

Share transfer is given effect within a maximum period of 30 (Thirty) days from the date of receipt, subject to documents being valid and complete in all respects. The Board has delegated the authority for approving transfer / transmission / transposition of securities of the Company pursuant to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the Stakeholders' Relationship Committee / Chief Financial Officer and Compliance officer of the Company / Registrar and Share Transfer Agent as per the following limits:

Sr. No.	Particulars	Limit
1	Stakeholders' Relationship Committee	Above 2,000 Equity Shares
2	Chief Financial Officer and Compliance Officer	From 500 Equity Shares to 2,000 Equity Shares
3	Registrar and Share Transfer Agent	Upto 500 Equity Shares

Further, the Chief Financial Officer or Compliance Officer of the Company are authorized by the Board of Directors of the Company to effect issue or re-materialization 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.

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

The Company obtains from a Company Secretary in Practice, a Half Yearly Certificate (April 1, 2021 to September 31, 2021 & October 1, 2021 - March 31, 2022) to the effect that all certificates have been issued within 30 (thirty) days of the date of lodgement of the transfer, sub-division, consolidation and renewal, as required under Regulation 40(9) of the Listing Regulations and files a copy of the said certificate with the Stock Exchanges where the Company's shares are listed.

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2020, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holding to dematerialized form. Transfers of equity shares in electronic form are affected through the depositories with no involvement of the Company.

IV. Reconciliation of Share Capital Audit Report:

As per Regulation 76 of the Securities and Exchange Board of India (Depositary and Participants) Regulations, 2018, a qualified Practicing Company Secretary carried out an Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and total physical holding with the total issued and listed capital.

This Audit is carried out every Quarter and report thereon is submitted to the Stock Exchange(s) where the Company's shares are listed. The Audit confirms that the total listed and paid-up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form, as stated in the Reconciliation Share Capital Audit Report submitted to the Stock Exchange(s).

V. 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.

VI. Disclosure of Commodity Price Risk / Foreign Exchange Risk and Hedging Activities:

1. **Risk Management Policy of the listed entity with respect to commodities including through hedging:**

   Commodities form a major part of the raw materials required for Company's products portfolio and hence commodity price risk is one of the important market risks for the Company. Your Company enters into fixed price contracts with vendors and also uses commodity derivatives on recognized exchanges to hedge the commodity prices volatility.

   The commodity procurement team, based on intelligence and monitoring, forecasts commodity prices and movements and finalizes the commodity stocking strategy. A robust planning and strategy help to manage the risks despite volatility in commodity prices.

   Your Company does not enter into any derivative instruments for speculative purposes.

In respect of Commodities which are imported, there is a foreign currency risks and mitigation of the same is managed by the Forex Committee. The Forex Committee meets periodically and reviews the overall foreign exchange currency exposure and the Company enters into forward contracts to hedge the currency risks. The details of hedged and un-hedged of foreign currency exposures are available in the notes to Financial Statements of the Annual Report.

Exposure to commodity and commodity risks faced by the entity throughout the Financial Year 2021-22, is as follows:

Commodity Name	Exposure in INR towards the particular commodity (₹ in Crore)	Exposure in Quantity terms towards the particular commodity (MT)	% of such exposure hedged through commodity derivatives				Total
			Domestic Market		International Market		
			OTC	Exchange (QT MT.)	OTC	Exchange	
Crude Palm Oil (CPO)	1,031.58	92,610		400			400

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

The Registrar and Share Transfer Agents of your Company and their contact details are as under:

KFin Technologies Limited

(Formerly KFin Technologies Private Limited)
Selenium Building, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Gachibowli,
Hyderabad - 500 032, Telangana, India
Tel. No.: (040) 6716 2222 Fax: (040) 2343 1551
Investor Grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

VIII. Credit Ratings:

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

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

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

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

IX. Plant Locations:

The Company has plants at various locations across the country, including the following:

Animal Feed

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

Aqua Feed

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

Crop Protection

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

Vegetable Oils

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

X. Address for Correspondence:

Mr. S. Varadaraj
Chief Financial Officer

"Godrej One", 3rd Floor, Pirojshanagar,
Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
E-mail id: s.varadaraj@godrejagrovet.com
Website: www.godrejagrovet.com

Mr. Vivek Raizada
Company Secretary & Compliance Officer

"Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra
Phone: 022 – 2519 4416, Fax: 022 - 2519 5124
E-mail id: vivek.raizada@godrejagrovet.com
Website: www.godrejagrovet.com

Investor Correspondence should be addressed to:
KFin Technologies Limited

(Formerly known as KFin Technologies Private Limited)
Selenium Building, Tower B, Plot No. 31 & 32,
Financial District, Nanakramguda, Gachibowli,
Hyderabad - 500 032, Telangana, India
Tel.: (040) 6716 2222 Fax: (040) 2343 1551
Investor Grievance E-mail: einward.ris@kfintech.com
Website: www.kfintech.com

Exclusive E-mail ID for Investors / Shareholders:

The Company has designated gavlinvestors@godrejagrovet.com as an e-mail ID to enable the Shareholders and Investors to correspond with the Company.

XI. 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.

XII. 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.

XIII. Code of Conduct:

The Code of Conduct for the Board of Directors and the Senior Management Personnel has been disclosed on the website of your Company at the weblink https://www.godrejagrovet.com/sustainability/codes-and-policies.

The declaration by the Managing Director stating that all the Board Members and Senior Management Personnel have affirmed their compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2022, is annexed to this Corporate Governance Report.

XIV. Disclosures by Management to the Board of Directors:

Your Company had received disclosures from all the Senior Management Personnel stating that none of them had any personal interest in any of the financial and commercial transactions entered into by the Company during the Financial Year 2021-22. Interested Directors, if any, neither participate in discussions, nor do they vote on such matters.

XV. Public, Rights and Other Issues:

There were no Public, Rights and Other Issues during the Financial Year 2021-22 except grant of Options under Employees Stock Grant Scheme, 2018.

XVI. CEO and CFO Certification:

Mr. Balram S. Yadav, Managing Director and Mr. S. Varadaraj, Chief Financial Officer, have issued the Certificate in accordance with Regulation 17(8) of the Listing Regulations with regard to Quarter and Annual Financial Statements for the Financial Year ended March 31, 2022.

XVII. Management Discussion and Analysis Report:

Management Discussion and Analysis Report forms a part of this Annual Report.

XVIII. Disclosure of Accounting Treatment in preparation of Financial Statements

The Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India and comply with the Indian Accounting Standards (Ind-AS) specified under Section 133 of the Act.

XIX. Compliance Certificate on Corporate Governance:

As per Para E of Schedule V of the Listing Regulations, the Certificate issued by M/s. BNP & Associates, Company Secretaries, regarding compliance of conditions of Corporate Governance is annexed to this Corporate Governance Report.

XX. Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

Sr. No.	Particulars	Regulation	Compliance Status Yes/ No/N.A.	Compliance observed for the following:
1.	Board of Directors	17 & 17A	Yes	• Board Composition • Meeting of Board of Directors • Review of Compliance Reports • Plans for Orderly Succession for Appointments • Code of Conduct • Fees/Compensation • Minimum Information to be placed before the Board • Compliance Certificate • Risk Assessment and Management • Performance Evaluation of Independent Directors • Explanatory Statement to be annexed • Maximum Number of Directorship • Recommendation of Board
2.	Audit Committee	18	Yes	• Composition of Audit Committee • Meeting of Audit Committee • Powers of Audit Committee • Role of Audit Committee and • Review of Information by the Committee
3.	Nomination and Remuneration Committee ('NRC')	19	Yes	• Composition of NRC • Meetings of NRC • Powers of NRC • Role of NRC
4.	Stakeholders' Relationship Committee ('SRC')	20	Yes	• Composition of SRC • Role of SRC • Meetings of SRC
5.	Risk Management Committee ('RMC')	21	Yes	• Composition of RMC • Role of RMC • Meetings of RMC
6.	Vigil Mechanism	22	Yes	• Formulation of Vigil Mechanism for Directors and Employees • Direct access to Chairperson of Audit Committee

7.	Related Party Transactions	23	Yes	• Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions • Related Party Transactions of the Company are in accordance with contracts duly approved by the Audit Committee, Board of Directors and • Shareholders. • Review of transactions pursuant to aforesaid Contracts • Disclosure of Related Party Transactions
8.	Corporate Governance requirements with respect to Subsidiary of Listed entity	24 & 24A	Yes	• Review of Investments made by Unlisted Subsidiary companies by the Audit Committee. • Minutes of Meetings of Board of Directors of Unlisted Subsidiary companies placed at the Meetings of the Board of Directors of the Company. • Review of significant transactions and arrangements entered into by the Un-listed Subsidiary companies. • Secretarial Audit Report of Material Subsidiary to be annexed
9.	Obligations with respect to Independent Directors	25	Yes	• Maximum Directorships and Tenure • Meeting of Independent Directors • Familiarization of Independent Directors
10.	Obligations with respect to Directors and Senior Management	26	Yes	• Memberships / Chairmanships in Committees • Affirmation with compliance to Code of Business conduct and Ethics from Directors and Management
11.	Other Corporate Governance Requirements	27	Yes	• Compliance with discretionary requirements • Filing of Quarterly compliance report on Corporate Governance
12.	Website	46(20) (b) to (i)	Yes	• Terms and conditions of appointment of Independent Directors. • Composition of various Committees of Board of Directors. • Code of Business Conduct and Ethics for Directors Management Personnel. • Details of establishment of Vigil Mechanism / Whistle Blower Policy. • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors

XXI. Transfer of Unpaid / Unclaimed amounts of Dividend to Investor Education and Protection Fund:

During the year under review, the Company was not required to transfer any amount to the Investor Education and Protection Fund (IEPF) pursuant to Rule 5(4) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as no such amount of dividend was lying in the unpaid / unclaimed dividend account for 7 (Seven) years or more.

DECLARATION BY MANAGING DIRECTOR

WITH RESPECT TO COMPLIANCE WITH CODE OF CONDUCT OF

GODREJ AGROVET LIMITED ("THE COMPANY")

As provided under Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V of the said Regulations, this is to confirm that all the Members of the Board of Directors and the Senior Management have affirmed compliance with the Code of Conduct for the Financial Year ended March 31, 2022.

For Godrej Agrovet Limited

Place: Mumbai
Date: May 9, 2022

Balram S. Yadav
Managing Director
(DIN: 00294803)

CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members of
Godrej Agrovet Limited

We have examined all relevant records of Godrej Agrovet Limited (further known as "the Company") for the purpose of certifying compliance of the disclosure requirements and Corporate Governance norms as specified for the Listed Companies as prescribed in Regulations 17 to 27, clauses (b) to (I of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), for the Financial Year ended March 31, 2022. We have obtained all the information and explanations to the best of our knowledge and belief, which were necessary for the purpose of this certification.

We state that the compliance of conditions of Corporate Governance is the responsibility of the Management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as specified in the aforesaid for listed company.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

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

Avinash Bagul
Partner
FCS No: 5578 / C P No: 19862
PR No. 637/2019
UDIN : F005578D000228295

Place: Mumbai
Date: April 28, 2022

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Godrej Agrovet Limited** bearing CIN: L15410MH1991PLC135359 and having Registered Office at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli East, Mumbai 400 079 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub-clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for Financial Year ending on March 31, 2022, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority (ies).

Sr. No.	Name of Director	DIN	Date of appointment in Company* (DD/MM/YYYY)
1.	Mr. Nadir B. Godrej	00066195	25.11.1991
2.	Mr. Jamshyd N. Godrej	00076250	24.08.1992
3.	Ms. Tanya A. Dubash	00026028	10.04.2003
4.	Ms. Nisaba Godrej	00597503	24.07.2006
5.	Mr. Pirojsha Godrej	00432983	05.11.2018
6.	Mr. Balram S. Yadav	00294803	01.09.2007
7.	Dr. Raghunath A. Mashelkar	00074119	18.07.2017
8.	Dr. Ritu Anand	00363699	18.07.2017
9.	Ms. Aditi Kothari Desai	00426799	18.07.2017
10.	Ms. Roopa Purushothaman	02846868	18.07.2017
11.	Mr. Natarajan Srinivasan	00123338	04.02.2019
12.	Mr. Kannan Sitaram	01038711	17.06.2019
13.	Dr. Ashok Gulati	07062601	07.05.2021

*Note: The date of appointment is as per the date appearing in MCA records.

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

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

Avinash Bagul
Partner
FCS No: 5578 / C P No: 19862
UDIN: F005578D000228108

Date: April 28, 2022
Place: Mumbai

DIRECTORS' REPORT

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

TO THE MEMBERS:

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

1. HIGHLIGHTS OF FINANCIAL PERFORMANCE:

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

(₹ in Crore)

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

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

Review of Operations / State of Affairs of the Company:

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

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

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

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

Businesses of the Company:

Animal Feed:

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

Crop Protection:

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

Vegetable Oil:

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

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

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

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

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

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

1. Godvet Agrochem Limited:

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

2. Astec LifeSciences Limited & Its Subsidiaries:

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

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

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

Subsidiaries of Astec LifeSciences Limited:

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

(i) Behram Chemicals Private Limited:

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

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

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

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

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

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

3. Creamline Dairy Products Limited:

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

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

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

4. Godrej Tyson Foods Limited:

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

During the Financial Year 2021-22, GTFL recorded a Total Income of ₹ 785.6 Crore, representing a year-on-year growth of 30.0%. Growth in Total Income was driven by Real Good Chicken and live bird segments. However, an unprecedented rise in input costs led to decline in GTFL's Profit Before Tax to ₹ 3.0 Crore during the Financial Year 2021-22, from ₹ 22.7 Crore reported during the previous Financial Year 2020-21. Your Company currently holds a 51% equity stake in GTFL.

5. Godrej Maxximilk Private Limited:

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

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

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

(i) ACI Godrej Agrovet Private Limited, Bangladesh:

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

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

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

(ii) Omnivore India Capital Trust:

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

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

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

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

3. FINANCE & CREDIT RATING:

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

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

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

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

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

4. INFORMATION SYSTEMS:

During the Financial Year 2021-22, with the COVID-19 pandemic situation improving, your Company has deployed technology solutions to enable and support hybrid work environment for its employees. It has formulated cybersecurity implementation roadmap to improve your Company's cyber security maturity. Your Company has also implemented solutions like Data Leakage Prevention, Endpoint Detection & Response (EDR), Zero Trust based network protection solution. Digital transformation initiatives across businesses are underway, which include deployment of web-based and mobile applications to bring in operational efficiency and be a future ready resilient organization. Your Company is also working on Cloud adoption to strengthen infrastructure availability and provide better manageability, thereby ensuring business continuity. Your Company has also started pilot on use of latest technologies like Artificial Intelligence and Machine Learning (AI/ML) & Predictive analytics in its businesses.

5. MANUFACTURING FACILITIES:

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

Animal Feed:

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

Aqua Feed:

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

Crop Protection:

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

Vegetable Oils:

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

6. HUMAN RESOURCES:

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

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

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

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

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

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

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

There are no material changes and commitments affecting the financial position of your Company which have occurred between the end of the Financial Year 2021-22 to which the Financial Statements relate and the date of the Directors' Report (i.e., from April 1, 2022 upto May 9, 2022). The global outbreak of COVID-19 health pandemic has significantly impacted the economy. The Management of your Company has considered internal and certain external sources of information, including economic forecasts and industry reports up to the date of approval of the Financial Statements, in determining the impact on various elements of its Financial Statements. The Management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the Management expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of the Financial Statements.

8. DIVIDEND:

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

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

The Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on **Monday, July 25, 2022** and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

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

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

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Dividend Distribution Policy of the Company is made available on the website of the Company and can be accessed on the web-link

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

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

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

As on March 31, 2022, ₹ 1,53,66,68,290/- (Rupees One Hundred Fifty Three Crore Sixty Six Lakh Sixty Eight Thousand Two Hundred Ninety Only) was paid and ₹ 2,32,254/- (Rupees Two Lakh Thirty Two Thousand Two Hundred Fifty Four Only) is lying in the Unpaid Dividend Account for the said Financial Year.

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

9. TRANSFER TO RESERVE:

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

10. SHARE CAPITAL:

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

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

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

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

11. EMPLOYEES STOCK GRANT SCHEME, 2018:

Your Company has implemented and through the Nomination and Remuneration Committee of the Board of Directors, administers the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 ("ESGS 2018"), under which stock options are granted to the Eligible Employees, in compliance with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [erstwhile Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014].

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

www.godrejagrovet.com.

The Board of Directors of your Company confirms as follows:

(a) ESGS 2018 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and the approval granted by the Members; and

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

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

12. DEPOSITS:

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 [(i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014)], during the Financial Year 2021-22.

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

(a)	Accepted during the Financial Year 2021-22	:	Nil
(b)	Remained unpaid or unclaimed during the Financial Year 2021-22	:	Nil
(c)	Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved –		
	(i) At the beginning of the year	:	Nil
	(ii) Maximum during the year	:	Nil
	(iii) At the end of the year	:	Nil
(d)	Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013	:	Nil

13. HOLDING COMPANY:

Your Company continues to be a Subsidiary of Godrej Industries Limited ("GIL"), as defined under Section 2(87) of the Companies Act, 2013. As on March 31, 2022, the shareholding of GIL in your Company was 12,00,18,596 (Twelve Crore Eighteen Thousand Five Hundred Ninety Six) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, aggregating to 62.47% of the Paid-up Equity Share Capital of the Company. GIL is also a listed company (listed on BSE Limited and the National Stock Exchange of India Limited).

14. SUBSIDIARY COMPANIES:

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

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

i. **Godvet Agrochem Limited**:
A Wholly-owned Subsidiary of your Company throughout the Financial Year 2021-22.

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

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

iv. **Comercializadora Agricola Agroastrachem Cia Ltda (Bogota Columbia):**
A Wholly-owned Subsidiary of Astec LifeSciences Limited throughout the Financial Year 2021-22.

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

vi. **Godrej Tyson Foods Limited:**
A Subsidiary of your Company throughout the Financial Year 2021-22, in which your Company holds 51.00% as on March 31, 2022.

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

15. JOINT VENTURE COMPANY:

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

i. **ACI Godrej Agrovet Private Limited, Bangladesh**

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

16. ASSOCIATE COMPANY:

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

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

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

17. SCHEME OF AMALGAMATION / ARRANGEMENT:

During the Financial Year 2021-22, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / De-merger or Arrangement with its Members and/or Creditors.

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

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

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

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

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

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

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

21. ANNUAL RETURN:

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

22. DIRECTORS:

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

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

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

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

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

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

23. KEY MANAGERIAL PERSONNEL:

The following are the Key Managerial Personnel (KMP) of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2021-22:

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

24. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:

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

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

25. INDEPENDENCE & OTHER MATTERS PERTAINING TO INDEPENDENT DIRECTORS:

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

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

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

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

The same is also reproduced below:

1. Qualifications of Independent Director:

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

2. Positive Attributes of Independent Directors:

An Independent Director shall be a person who shall:

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

3. Independence of Independent Directors:

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

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

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

The details of familiarization programmes attended by the Independent Directors during the Financial Year 2021-22 are available on the website of the Company and can be accessed through the web-link https://www.godrejagrovet.com/investors/compliance.

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

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

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

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

26. MEETINGS OF THE BOARD OF DIRECTORS:

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

There were 4 (Four) Meetings of the Board of Directors held during the Financial Year 2021-22, (i.e., May 7, 2021, August 10, 2021, November 9, 2021 and February 4, 2022). The details of Board Meetings and the attendance of the Directors thereat are provided in the Corporate Governance Report, which forms a part of the Annual Report.

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

27.AUDIT COMMITTEE:

Pursuant to the provisions of Section 177(1) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors, comprising of the following Directors as on March 31, 2022:

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

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

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

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

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as Invitees.

The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee. The Audit Committee makes observations and recommendations to the Board of Directors, which are noted and accepted by the Board.

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

28. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors, comprising of the following Directors during the Financial Year 2021-22:

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

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

29. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Directors during the Financial Year 2021-22:

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

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

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

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

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted a Corporate Social Responsibility (CSR) Committee of the Board of Directors, comprising of the following Directors during the Financial Year 2021-22:

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

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

Areas of CSR Expenditure & CSR Policy:

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

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

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

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

Amount of CSR Spending:

During the Financial Year 2021-22, your Company was required to spend ₹ 6.73 Crore towards CSR Activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, the Company's CSR spending for the Financial Year 2021-22 was ₹ 5.30 Crore. The shortfall of ₹ 1.43 Crore in the amount of CSR spending is attributable to ongoing projects which will be completed by the Company in due course and the same has been duly transferred to Unspent CSR Account as on date.

Annual Report on CSR Activities:

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

31. RISK MANAGEMENT COMMITTEE:

Pursuant to Regulation 21 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Risk Management Committee of the Board of Directors, comprising of the following Members, during the Financial Year 2021-22:

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

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

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

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

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

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

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

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

32. MANAGING COMMITTEE:

Your Company has constituted the Managing Committee of the Board of Directors, pursuant to Article 144 of the Articles of Association of the Company, comprising of the following Members during the Financial Year 2021-22:

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

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

The terms of reference of the Managing Committee include handling of various administrative and other matters of the Company, which have been delegated to the Managing Committee by the Board of Directors from time to time.

33. STRATEGY COMMITTEE:

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

34. MEETING OF INDEPENDENT DIRECTORS:

The Independent Directors met once during the Financial Year 2021-22, i.e., on May 7, 2021, pursuant to the provisions of Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013.

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

35. VIGIL MECHANISM:

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

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

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

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

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

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

36. PERFORMANCE EVALUATION:

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

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

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

37. PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE & INTERNAL COMPLAINTS COMMITTEE

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

The Board of Directors of your Company has constituted Internal Complaints Committees ("ICC") at Head Office as well as regional levels, pursuant to the provisions of

the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

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

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

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

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

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

38. SIGNIFICANT REGULATORY OR COURT ORDERS:

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

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

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

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

During the Financial Year 2021-22:

- There were no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company.
- None of the Directors had any pecuniary relationships or transactions *vis-à-vis* the Company.
- Requisite prior approvals of the Audit Committee of the Board of Directors were obtained for Related Party Transactions.

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

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

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

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

1. The price for execution of an agreement for sale of property at Thiruvaranga Village and Bagur Village at Anugondanahalli Hobli, Hoskote Taluk, Bangalore Rural District, Karnataka, as a project in "as is where is condition" to/in favour of Godrej Properties Limited was revised to ₹ 5.72 Crore (approximately) in terms of approvals granted by the Audit Committee and the Board of Directors during the previous Financial Year (on March 31, 2021).

2. The Company has obtained approval of the Audit Committee on December 7, 2021 and of the Board of Directors on February 4, 2022, for entering into a transaction with Godrej and Boyce Manufacturing Company Limited, for sale / disposal of a land admeasuring 71 Cents situated at Ambattur, Tamil Nadu, for an approximate aggregate consideration

of ₹ 11.15 Crore.

41. FRAUD REPORTING:

During the Financial Year 2021-22, there have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

42. INTERNAL FINANCIAL CONTROLS:

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

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

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

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

The Statutory Auditors and the Internal Auditors are, *inter alia,* invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. Accordingly, the Audit Committee makes observations and recommendations to the Board of Directors of your Company.

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

The transactions with persons or entities belonging to the promoter / promoter group which hold(s) 10% or more shareholding in the Company, as stated under Schedule V, Part A (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, have been disclosed in the Notes to the accompanying Financial Statements. All such transactions during the Financial Year under review were on arm's length basis, entered into with an intent to further the Company's interests.

44. DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) in the preparation of the Annual Accounts for the Financial Year ended March 31, 2022, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., as on March 31, 2022) and of the profit and loss of the Company for that period (i.e., the Financial Year 2021-22);

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the Annual Accounts on a going concern basis;

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

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

45. CORPORATE GOVERNANCE:

In accordance with Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), a detailed report on Corporate Governance is included in the Annual Report.

M/s. BNP & Associates, Company Secretaries, who are also the "Secretarial Auditors" of your Company, have certified your Company's compliance with the requirements of Corporate Governance in terms of Regulation 34 of the Listing Regulations and their Compliance Certificate is annexed to the Report on Corporate Governance.

46. STATUTORY AUDITORS:

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

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

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

47. COST RECORDS AND COST AUDITORS:

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) was appointed by the Board of Directors at its Meeting held on May 7, 2021, as the "Cost Auditors" of the Company for the Financial Year 2021-22, for all the applicable products, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. The Shareholders of the Company, at their 30th Annual General Meeting ("AGM") held on August 10, 2021, had ratified the remuneration payable to the Cost Auditors in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

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

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai has been re-appointed by the Board of Directors, at its Meeting held on May 9, 2022, as the "Cost Auditors" of the Company for the Financial Year 2022-23, for all the applicable products, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors at their ensuing 31st Annual General Meeting, in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

48. SECRETARIAL AUDITORS AND SECRETARIAL AUDIT REPORT:

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

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

The Board of Directors of your Company at its Meeting held on May 9, 2022, has re-appointed M/s. BNP & Associates, Company Secretaries (Firm Registration No.:P2014MH037400), who have provided their consent and confirmed their eligibility to act as the "Secretarial Auditors" of the Company, to conduct the Secretarial Audit for the Financial Year 2022-23, pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

49. SECRETARIAL AUDIT REPORT OF UNLISTED MATERIAL SUBSIDIARY:

Pursuant to the provisions of Regulation 24A of the

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

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

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

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

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

51. LISTING FEES:

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

52. DEPOSITORY SYSTEM:

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

53. RESEARCH AND DEVELOPMENT:

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

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

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

55. POLICIES OF THE COMPANY:

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

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

		place an adequate risk management infrastructure capable of addressing these risks. In the opinion of the Board of Directors, no risks have been identified which may threaten the existence of your Company.
2.	**Corporate Social Responsibility Policy**	The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy, indicating the activities to be undertaken by the Company as corporate social responsibility, which has been approved by the Board. This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to livelihood, healthcare, education, sanitation, environment, etc.
3.	**Policy for Determining Material Subsidiaries**	This Policy is used to determine the material subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Listing Regulations. As on March 31, 2022, Creamline Dairy Products Limited is a material unlisted Subsidiary of your Company.
4.	**Nomination and Remuneration Policy**	This Policy approved by the Board formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management employees.
5.	**Whistle Blower Policy / Vigil Mechanism**	The Company has a Vigil Mechanism / Whistle Blower Policy. The purpose of this Policy is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organization without the knowledge of the Management. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for access to the Whistle Blowing Officer or direct access to the Chairperson of the Audit Committee, in appropriate or exceptional cases.
6.	**Policy on Prevention of Sexual Harassment at Workplace**	The Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.

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

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

56. SECRETARIAL STANDARDS:

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

57. BUSINESS RESPONSIBILITY REPORT:

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

58. MANAGERIAL REMUNERATION:

The remuneration paid to the Directors and Key Managerial Personnel of the Company during the Financial Year 2021-22 was in accordance with the Nomination and Remuneration Policy of the Company.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been given as "**Annexure – E**" to this Report.

59. PARTICULARS OF EMPLOYEES:

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

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

60. ADDITIONAL INFORMATION:

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

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

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

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

61. INVESTOR EDUCATION AND PROTECTION FUND (IEPF):

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

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

62. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Management Discussion and Analysis Report for the Financial Year 2021-22, as prescribed under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

63. CAUTIONARY STATEMENT:

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

64. APPRECIATION:

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

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

Nadir B. Godrej
Chairman
(DIN: 00066195)

Date: May 9, 2022
Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

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

1. Brief Outline on CSR Policy of the Company:

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

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

The key purpose of our CSR Policy is to:

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

2. Composition of CSR Committee:

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

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

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

For Composition of the CSR Committee:

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

For CSR Policy:

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

For CSR Projects approved by the Board:

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

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

   Not Applicable

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

   Not Applicable

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

   ₹ 336.35 Crore

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

   ₹ 6.73 Crore

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

   Not Applicable

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

   (d) Total CSR Obligation for the Financial Year (7a+7b-7c): ₹ 6.73 Crore

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Not Applicable

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

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

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

Raghunath A. Mashelkar

Chairman of the CSR Committee &

Independent Director

(DIN: 00074119)

For and on behalf of the Board of Directors of

Godrej Agrovet Limited

Balram S. Yadav

Member of the CSR Committee &

Managing Director

(DIN: 00294803)

Place: Mumbai
Date: May 9, 2022

ANNEXURE 'B' TO THE DIRECTORS' REPORT

Form No. MR-3
SECRETARIAL AUDIT REPORT
For the Financial Year ended March 31, 2022
[Pursuant to Section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

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

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Godrej Agrovet Limited** – **CIN: L15410MH1991PLC135359** (hereinafter called the 'Company') during the Financial Year from April 1, 2021 to March 31, 2022 ('the year'/ 'audit period'/ 'period under review').

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

We are issuing this report based on:

(i) Our **verification** of the books, papers, minute books, soft copy as provided by the Company and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the Company during the Financial Year ended March 31, 2022 as well as before the issue of this report,

(ii) **Compliance Certificates** confirming Compliance with all laws applicable to the Company given by Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by Audit Committee / Board of Directors, and

(iii) **Representations** made, documents shown, and information provided by the Company, its Officers, Agents and Authorized Representatives during our conduct of Secretarial Audit.

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

(i) Complied with the statutory provisions listed hereunder, and

(ii) Board-processes and compliance mechanism in place to the extent,

in the manner and subject to the reporting made hereinafter.

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

1. Compliance with Specific Statutory Provisions:

We further report that:

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

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

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

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

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

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

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

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

1.2. During the period under review, and also considering the compliance related action taken by the Company after March 31, 2022 but before the issue of this report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

(i) **Complied with** the applicable provisions / clauses of the Act, Rules, SEBI Regulations and Agreements mentioned under sub-paragraphs (ii),(iii) and (iv) of paragraph 1.1 above.

(ii) **Complied** with the applicable provisions / clauses of:

a) The Act and Rules mentioned under paragraph 1.1 (i); and

b) The Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above, to the extent applicable to Board Meetings and Committee Meetings held during the review period, the 30th Annual General Meeting held on 10th August, 2021 (30th AGM) and resolutions passed by circulation. The compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board Meetings and Committee Meetings held through video conferencing during the review period were verified based on the Minutes of the Meetings provided by the Company.

1.3. We are informed that, during the Financial Year 2021-22, the Company was not required to initiate any compliance related action in respect of the following laws / rules / regulations / standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form / returns thereunder:

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;

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

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

(iv) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.

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

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

2. Board Processes:

We further report that:

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

(i) 1 (One) Executive Director, i.e., Mr. Balram S. Yadav (DIN: 00294803), who is also the Managing Director of the Company;

(ii) 5 (Five) Non-Executive & Non-Independent Directors, i.e., Mr. Jamshyd N. Godrej, Ms. Tanya A. Dubash, Ms. Nisaba Godrej, Mr. Pirojsha Godrej, Mr. Nadir B. Godrej; and

(iii) 7 (Seven) Non-Executive & Independent Directors, including 3 (Three) Woman Independent Directors, namely, Dr. Ritu Anand, Ms. Aditi Kothari Desai, Ms. Roopa Purushothaman, Dr. Raghunath A. Mashelkar, Mr. Natarajan Srinivasan, Mr. Kannan Sitaram and Dr. Ashok Gulati.

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

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

(i) Resignation of Mr. Kavas N. Petigara (DIN: 00066162) as the "Independent Director" of the Company with effect from April 1, 2021;

(ii) Appointment of Dr. Ashok Gulati (DIN: 07062601) as a "Director" (Non-Executive and Independent Director) of the Company, approved by Members at the Thirtieth Annual General Meeting (30th AGM) held on 10th August, 2021;

(iii) Re-appointment of Mr. Jamshyd N. Godrej (DIN: 00076250) and Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive Directors liable to retire by rotation, at the 30th AGM held on 10th August, 2021;

(iv) Resignation of Mr. Vijay Mohan Crishna (DIN: 00066267), as a Non-Executive Director of the Company with effect from closure of business hours on November 8, 2021;

(v) Upon recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on February 4, 2022, approved appointment of Mr. Burjis Godrej (DIN:08183082), as an "Executive Director" of the Company, for a period of 5 (Five) years effective from November 1, 2022 upto October 31, 2027, subject to the approval of the Shareholders at the ensuing Thirty-First Annual General Meeting (31st AGM).

(vi) Re-appointment of the following Independent Directors of the Company by the Shareholders by way of Special Resolutions passed through Postal Ballot concluded March 20, 2022:

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

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

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

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

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

(i) Supplementary agenda notes and annexures in respect of unpublished price sensitive information such as audited financial statement / results, unaudited financial results and connected papers, and

(ii) Additional subjects / information / presentations and supplementary notes.

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

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

(i) Majority decisions were carried through; and

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

3. Compliance Mechanism:

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

4. Specific Events / Actions:

4.1. During the Financial Year under review, the following specific events / actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, regulations and standards:

(i) The Company, through its Nomination and Remuneration Committee, has allotted 41,060 Equity Shares of face value of ₹.10/- (Rupees Ten Only) each under Employees Stock Grant Scheme, 2018.

(ii) The Company has issued Commercial Papers worth ₹ 3,575 Crore which were listed on National Stock Exchange of India Limited (NSE) out of which Commercial Papers worth ₹ 2,700 Crore were redeemed during the year.

(iii) Pursuant the Share Purchase Agreement dated June 15, 2021, entered into by and between Dr. Saar Yavin and Ms. Adaya Aroyo ("Sellers"), Maxximilk Limited (Israel), Godrej Agrovet Limited ("Purchaser") and Godrej Maxximilk Private Limited ("GMPL"), Godrej Agrovet Limited acquired 2,95,840 Equity Shares constituting 25.10% of the total paid-up Equity Share Capital of GMPL. Consequently, GMPL has become a wholly owned subsidiary of Godrej Agrovet Limited.

(iv) Godrej Agrovet Limited has subscribed to and has been allotted 4,41,176 Equity Shares by GMPL, on June 24, 2021, pursuant to Preferential Issue.

(v) The Board of Directors of the Company at its Meeting held on 10th August, 2021, has granted its approval for disposal of its Equity Stake held in Al Rahba International Trading LLC (UAE) ("Al Rahba"), an Associate Company in which the Company holds 24% Equity Shares ownership interest and 33.33% of profit share, by voluntary liquidation / winding up Al Rahba, through a due process as per the laws of UAE.

For BNP & Associates

Company Secretaries

Firm Registration No. P2014MH037400

PR No.: 637/2019

Avinash Bagul

Partner

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

UDIN: F005578D000227932

Date: April 28, 2022

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 the Secretarial Audit Report

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

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

1. The Company's Management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.

2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.

3. While forming an opinion on compliance and issuing this report, we have also considered compliance related action taken by the Company after March 31, 2022, but before the issue of this report.

4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.

5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.

6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

7. We have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.

8. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For BNP & Associates

Company Secretaries

Firm Registration No. P2014MH037400

PR No.: 637/2019

Avinash Bagul

Partner

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

UDIN: F005578D000227932

Date: April 28, 2022

Place: Mumbai

ANNEXURE 'C' TO THE DIRECTORS' REPORT

FORM MR-3

SECRETARIAL AUDIT REPORT

OF

CREAMLINE DAIRY PRODUCTS LIMITED

For the Financial Year ended March 31, 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CREAMLINE DAIRY PRODUCTS LIMITED** (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2022 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **CREAMLINE DAIRY PRODUCTS LIMITED** ("the Company") for the financial year ended on 31st March, 2022, as made available to us, according to the provisions of:

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

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

iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder - Not applicable;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the audit period;

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

(a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Not applicable to the Company during the audit period;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - Not applicable to the Company during the audit period;

(c) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements), Regulations, 2018 - Not applicable to the Company during the audit period;

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - Not applicable to the Company during the audit period;

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 - Not applicable to the Company during the audit

period;

(f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable to the Company during the audit period;

(g) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - Not applicable to the Company during the audit period;

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - Not applicable to the Company during the audit period;

(i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with Operational Circular for Issue and Listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated August 10,2021;

vi. Other specifically applicable laws to the Company:

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

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

i. Secretarial Standards with regard to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India;

ii. The Company, being an unlisted Public Limited Company, has not entered into any Listing Agreement and hence the same is not commented upon, (except to the extent of documents and agreements in connection with issue of Commercial Papers listed on NSE).

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

- *The Company has made certain belated filings of e-forms with MCA. The said forms were filed with additional fee, subject to payment of penalty as prescribed under relevant provisions of the Act.*
- *The Board's Report ought to have provided full explanation on the observations made in the Secretarial Audit Report of the previous Financial Year 2020-21.*
- *Consequent upon the merger of Nagavalli Milkline Private Limited (a wholly-owned subsidiary of the Company) with the Company, it has initiated the process of registration of immoveable property, held in the name of the said transferor Company, in its own name, which is still in progress as on date.*

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings. We have been informed that agenda and detailed notes on agenda were sent sufficiently in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out with requisite majority as recorded in the Minutes of the Meetings of the Board or Committees of the Board, as the case may be.

We further report that:

As per the information provided by the Management and based on the review of compliance reports by the respective department / functional heads, there are adequate systems and processes in the Company commensurate with the size and

operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

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

The Scheme of amalgamation contemplating the merger of Nagavallli Milkline Private Limited, the wholly owned subsidiary of the Company, with itself, effective 01.04.2019, subsequent upon receipt of various other requisite approvals, was approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench during the Financial Year 2019-20. Requisite post-merger compliances have been completed / are underway.

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

For P. S. Rao & Associates
Company Secretaries

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

Place: Hyderabad
Date: 05.05.2022

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

Annexure 'A' to the Secretarial Audit Report

of Creamline Dairy Products Limited

To,
The Members,

CREAMLINE DAIRY PRODUCTS LIMITED

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

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

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

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

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

4. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

5. We believe that audit evidence and information provided by the Company's Management is adequate and appropriate for us to provide a basis for our opinion.

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

7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

Disclaimer:

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

9. The plants / operations of the Company are located at different places across the country. In view of the said, we could not conduct plant verification physically and for the purpose of verification of documents lying at respective plants, we have relied on the Management representations and assurances, wherever required, for forming our opinion and eventual reporting.

For P. S. Rao & Associates

Company Secretaries

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

Place: Hyderabad
Date: 05.05.2022

ANNEXURE 'D' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF
CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND
FOREIGN EXCHANGE EARNINGS & OUTGO
OF
GODREJ AGROVET LIMITED
As at the Financial Year ended March 31, 2022
[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and
Rule 8 of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

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

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

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

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

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

The capital investment on energy conservation equipment made during the Financial Year 2021-22 is approximately ₹ 25.05 Crore.

B. TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION:

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

During the Financial Year under review, your Company has taken the various initiatives, in order to demonstrate its commitment towards sustainable growth through technology absorption, adaptation &innovation.

Methods / Measures adopted / Efforts made:

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

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

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

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

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

Your Company also has a R&D Centre for Animal Feed at Nashik (Maharashtra) which conducts research related to cattle feed and poultry feed to enhance the productivity of livestock, reduce cost of production and increase the profitability of farmers.

In case of imported technology (imported during the last three years, i.e., during Financial Year 2019-20, 2020-21 & 2021-22), the required details are as follows:

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

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

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

D. FOREIGN EXCHANGE EARNINGS AND OUTGO:

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

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

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

Nadir B. Godrej
Chairman
(DIN: 00066195)

Date: May 9, 2022
Place: Mumbai

ANNEXURE 'E' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF REMUNERATION OF
DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) OF
GODREJ AGROVET LIMITED
For the Financial Year ended March 31, 2022
Disclosure as per the provisions of Section 197 of the Companies Act, 2013 and
Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

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

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

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

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

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

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

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

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

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

Nadir B. Godrej
Chairman
(DIN: 00066195)

Date: May 9, 2022
Place: Mumbai

BUSINESS RESPONSIBILITY REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022

Godrej Agrovet Limited ("**the Company**") has pleasure in presenting this Business Responsibility Report for the Financial Year (F.Y.) 2021-22, in terms of the provisions of Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular Ref. No. CIR/CFD/CMD/10/2015 dated November 4, 2015, issued by the Securities and Exchange Board of India ("SEBI"). This Reports aims at elaborating various initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in conformity with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' ("NVGs") which were notified by the Ministry of Corporate Affairs ("MCA"), Government of India, in July 2011.

The Company well recognizes the underlying rationale of NVGs, that a corporate is required to act as a 'Responsible Business' and ensure that its financial and operational growth is socially and environmentally sustainable. It has been a part of the Indian tradition over the centuries, to part with a portion of one's surplus wealth for the good of the society, even a practice in the business community. There is also a rising demand from all stakeholders that businesses of all forms, types and sizes should function with fairness and be socially responsible.

The worldwide unprecedented outbreak of Coronavirus disease - COVID-19 [declared as a pandemic by the World Health Organization (WHO)] has caused devastating effects on the economies and on millions of people across the world, including India. Thanks to the various efforts taken by the Central and State Governments across India and the support thereto rendered by all the sections of the society, including the community workers, medical service providers, corporates and the public at large, India is being able to recover from the COVID outbreak in gradual course. The Company is also committed to stand in solidarity with the citizens and the Government of India and support their efforts by doing to the best of its capabilities to serve its customers, employees and communities.

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

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 AND ITS PHILANTHROPIC INITIATIVES:

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

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

In the words of Mr. 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!"***

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

All the businesses in the Godrej Group are inspired by the Brighter Living philosophy and have imbibed Godrej values. "Brighter Giving" is a structured, skill-based, long-term volunteering programme or platform through which the employees can offer their time, knowledge and skills in meaningful, volunteering projects. This programme has a long-term goal of seeking to enable and drive meaningful initiatives for the Godrej Group's non-profit partners and/or their beneficiaries. It also serves as a channel through which the employees can connect with and learn more about "Good & Green". In conjunction with the Godrej Group's vision for "Brighter Giving" for all stakeholders, the Group has developed a long-term vision of "Godrej Good & Green" for playing an active part in creating a more inclusive and greener India.

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

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

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

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

The Company has a comprehensive Corporate Social Responsibility (CSR) Policy in place, which is posted on the Company's website www.godrejagovet.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 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

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, 2021 to March 31, 2022
7. **Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):**

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

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

Number of National Locations	**Animal Feed**: Sachin (Surat - Gujarat), Miraj (Sangli- Maharashtra), Dhule (Maharashtra), Khanna (Ludhiana-Punjab), Ikolaha (Ludhiana, Punjab), Khurda (Orissa), Chandauli (Uttar Pradesh), Kharagpur (West Bengal), Erode (Tamil Nadu), Hajipur (Bihar), Tumkur (Karnataka), Medchal (Telangana) and Unnao (Uttar Pradesh) **Aqua Feed:** Hanuman Junction (Krishna Dist., Andhra Pradesh) and Kondapalli (Vijayawada, Andhra Pradesh) **Crop Protection Business:** Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri, Maharashtra) **Vegetable Oils:** Ch. Pothepalli (West Godavari Dist., Andhra Pradesh), Chintampalli (West Godavari Dist., Andhra Pradesh), Seethanagaram (West Godavari Dist.Andhra Pradesh), Varanavasi (Ariyalur, Tamil Nadu), Valpoi (Sattari, Goa) and Kolasib (Mizoram)
Number of International Locations	ACI Godrej Agrovet Private Limited, a Joint Venture of the Company, is a company incorporated and operating in Bangladesh. Al Rahba International Trading LLC is an Associate of the Company incorporated and operating in Abu Dhabi, United Arab Emirates (UAE).

8. 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 2021-22	Amount (₹ Crore)
Paid-up Capital	192.11
Total Turnover	8,385.74
Net Profit After Tax	419.14
Total Spending on Corporate Social Responsibility (CSR)	5.29

The list of activities in which the CSR expenditure mentioned above has been incurred, in line with activities mentioned under Schedule VII is 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 had 7 (Seven) subsidiaries during the Financial Year 2021-22 and as on March 31, 2022, in or outside India, which includes 5 (Five) direct subsidiaries and 2(Two) sub-subsidiaries.

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

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

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

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

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, 2022): -

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

There was no change in the composition of the CSR Committee during the Financial Year 2021-22.

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 2021-22 (i.e., on May 7, 2021 and November 9, 2021).

1 (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 been formulated in consultation with the relevant stakeholders?	The Company has formulated the policies and adopted best practices in its own volition, while being sensitive to the interest of all stakeholders.								
3	Does the policy conform to any national / international standards? If yes, specify?	The Company's policies are aligned with the Godrej Group policies incorporating the global best practices.								
4	Has the policy been approved by the Board?	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.								
	If yes, has it been signed by MD / Owner / CEO / Appropriate Board Director?	Yes, however, all policies are 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 www.godrejagrovet.com .

SECTION E: PRINCIPLE-WISE PERFORMANCE:

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

PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY:

The Company pursues good Corporate Governance by ensuring regulatory compliance, transparency in disclosures, efficient operational practices, strong internal controls, risk management systems, and by engaging and operating with fairness and integrity with all its stakeholders, namely, Shareholders, Customers, Employees, Suppliers, Regulatory Authorities and General Public.

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

Organization Structure:

At the Apex, is the Board of Directors headed by a Non-executive Chairman and having half of its composition as Independent Directors. The Board provides guidance and support to the Management in terms of broad Strategy, Direction, Governance and Compliance. The Company's Board of Directors has the following 6 (six) mandatory / non-mandatory committees:

i. Audit Committee;
ii. Nomination and Remuneration Committee;
iii. Stakeholders' Relationship Committee;
iv. Corporate Social Responsibility (CSR) Committee;
v. Risk Management Committee;
vi. Management Committee;
vii. Strategy Committee (dissolved w.e.f. May 7, 2021).

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

Code of Conduct:

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the Code of Conduct from Board Members and Senior Management has been obtained for the Financial Year ended March 31, 2022.

The Company also has a Code of Conduct which is applicable to all employees the Company. The same can be viewed on the website of the Company viz., www.godrejagrovet.com

Whistle Blower Policy & Mechanism:

A Whistle Blower Policy has also been put in place by the Company. The purpose of this Policy is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization, without necessarily informing their supervisors. A Whistleblowing Officer has been designated for the purpose of receiving and recording any complaints under this Policy. The Policy 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.

Stakeholders' Complaints:

There were no Stakeholders' Complaints outstanding at the beginning of the Financial Year 2021-22.

51 Shareholders' Complaints were received during the Financial Year 2021-22. All the complaints have been resolved and no complaint remained unresolved as on March 31, 2022.

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 endeavour 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 hectares of smallholder Oil Palm Plantations to bridge the demand and supply of edible oil. Innovation is a key driver of our strategy. The Company is constantly engaged in experimentation and looks for research-based solutions to improve farm productivity and thereby, the profitability of farmers.

The Company stays committed to making environmental sustainability a key part of its manufacturing processes. At the Company's factories, there is a relentless focus on productivity and environmental sustainability. To strengthen this approach, the Company has invested in a robust technology solution that has revolutionized the speed and accuracy of data monitoring and work towards achieving the targets. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. The Company is moving from low efficient to highly 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 promote gender diversity, equal opportunities, prevention of sexual harassment, safety and health of employees.

The details of the Company's workforce as on March 31, 2022, are given in the table below: -

Total number of permanent employees	2,711
Total number of employees hired on temporary / contractual / casual basis	3,735
Number of permanent women employees	114
Number of permanent employees with disabilities	4
Whether the Company has an employee association that is recognized by management	Yes
Percentage of permanent employees of the Company who are members of recognized employee association/s	17%

Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2021-22 and pending, as on the end of the said Financial Year, i.e., March 31, 2022	As regards complaints relating to child labour, forced labour, involuntary labour: No The Company has received and disposed off 1 case under its Prevention of Sexual Harassment Policy formulated / adopted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2021-22	43%

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

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

DIVERSITY AND EQUAL OPPORTUNITIES:

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

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

- **Godrej Careers 2.0**

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

- **Godrej Women's Leadership Network**

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

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

  Godrej Alliance for Parents is a great resource for working parents and their spouses to share experiences and discuss issues ranging from childcare to children's education and their own work life 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 AND SAFETY

- **On-campus**

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

- **Health Check-up**

  The Company has initiated a policy for annual health check-up of employees.

GOOD WORKING ENVIRONMENT:

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

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

EMPLOYEE ENGAGEMENT:

- **Engagement Forums**

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

At Godrej, it is believed that employee awareness and engagement is a key factor in driving sustainability. The Company continues to demonstrate employee engagement in the form of training and development, education, communication, activities and recognition.

Towards the end of the Financial Year 2021-22, the Company's staff has resumed offices from a work from home.

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE, TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED

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

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

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

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

a. COVID-19 Relief Initiatives and Vaccination awareness

COVID-19 has been a public health crisis of unprecedented proportions and has impacted the marginalised communities the most, both in terms of health facilities and economic dimensions. Even when vaccinations began, people from low-income and underserved communities were left behind. The Company provided medical infrastructure support in 11 locations around its operations. The Company started vaccination awareness drives in communities around several of its manufacturing plants facilities, drove awareness and provided vaccination support to 14,810 people near three of its plant locations - Hoskote, Seethanagaram and Dindori. The Company enabled door-to-door vaccination services for the elderly and vulnerable people and also organized vaccination awareness sessions with 9,200 students in 3 districts of Maharashtra to reduce vaccine hesitancy.

b. Grameen Vikas – Livelihoods and Entitlements

The Company collaborated with non-profit organisations and social enterprises to design and run several livelihood and entitlement programmes for beneficiaries from low-income sections of society. The Company aims to improve their earning potential by building their skills, handholding farm and non-farm enterprises, empowering on savings and enterprise

management, and them connecting with the relevant government schemes.

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 the climate change and its economic impact. The Company's key initiatives and impact in FY 2021-22 are listed below:

- The Company trained 769 farmers across Maharashtra, Uttar Pradesh, Bihar and Chhattisgarh and helped them improve farming practices by providing input support such as good quality seeds, and vermicompost among others. The turmeric cultivation benefitted 43 farmers with a net profit of ₹ 2.8 Lakh per cycle; Intensified vegetable cultivation benefitted 156 farmers with a net profit of ₹ 3.7 Lakh; and the Company helped create 8 farmer groups with 149 farmers for Farmer Producer Organisation (FPO) linkages.
- The Company trained 1,498 women on savings and enterprise management that included training on accounting, marketing, and enterprise development among others. The Company enabled formation of 672 non-farm enterprises on fisheries, poultry, and goatry. The Company helped create 126 fisheries units with a turnover of ₹ 1.25 Lakh; 200 integrated poultry and fisheries model with an average profit of ₹ 28,000.
- National and State governments run various welfare schemes for farm and off-farm enterprises and farmers. The Company connected 2,532 people with govt. schemes which led to 158 people receiving pension support leveraging ₹ 4.8 Lakh; 10 farmers were enrolled in National Mission for Sustainable Agriculture leveraging ₹ 3.04 Lakhs and 5 received subsidy on agricultural machinery leveraging ₹ 1.7 Lakh.
- The Company also helped set-up 250 kitchen gardens that help improve the nutrition of the household and also act as an alternate source of income for the rural households.





(Women led off-farm enterprises of poultry and fishery)

c. Integrated Watershed Management

Around the world, climate change is affecting seasonal weather patterns, leading to either intense precipitation or drought-like events. In 2016-17, the Company initiated an Integrated Watershed Management programme in the drought prone districts of Magadi, Karnataka and Barwani, Madhya Pradesh. The Company is working in partnership with NABARD and a Local NGO to help restore the ecological balance of the region and mitigate the risk of climate change for the local farmers. The Company has completed treating 4,423 hectares of land covering 100% of total area in Magadi and 54% of the total area in Barwani. To date, the Company has provided approximately 3 lakh saplings for direct and seed dibbling. Over 2,940 farmer households have been benefitted from the project. The Company has engaged with 1,794 farmers to support their livelihoods and build their capacity, in order to diversify their income. 6.5 million m3 of water in FY 2021-22 has been captured through the project, which has helped Godrej Agrovet become a Water Positive Company. The Company has also been able to sequester 23,879 ton of carbon which is 24% of its total Carbon Footprint.

By the FY 2023-24, the Company aims to treat a total of 5,941 hectares of land as well as build the capacity of the whole community on Water Management and Sustainable Agriculture.



(Integrated watershed structures in Mohaliya Village, Barwani, Madhya Pradesh)

d. Education

As per the 2021 Annual Status of Education Report (ASER), children have touched the lowest point in the decade, both in terms of reading and numerical abilities. This was led by the learning gap fuelled by COVID-19 as students have faced numerous challenges in trying to attend online classes from home.

The Company's teams around its Manufacturing Plants in Maharashtra and Uttar Pradesh along with its NGO Partner, have set up Digital Cafés with Tablets and pre-loaded syllabus and videos for classes 6 – 10. The Café also has a mentor from the local community to help the students in the learning process. Company's teams mobilised over 486 students to watch over 15,000 hours of educational content that's easy to understand. The Café supplements the school curriculum and functions as a coaching substitute for rural students. It aims to bridge their learning loss and improve their academic performance. The Company aims to scale up the programme and support 50,000 students by 2025.

The Company has also experimented a physical and mental fitness programme with government schools around our plants in Andhra Pradesh and Punjab engaging over 4,075 students. With an aim to bring physical education to children at home, teachers and students are connected via WhatsApp groups. They are given daily fitness activities and challenges and are guided and motivated to participate. Close to 75% students actively participated in the online engagement.



(Digital cafes for providing academic support)

e. Renewable Energy Initiative for Urban College and its students

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

f. 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 is reducing drastically. The Company aspires to see a change in the mindset of the young students towards farming and dairy management and for the said purpose has attempted to gathered its expertise and knowledge of agriculture and animal husbandry in a curriculum and share it with 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.

g. 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, the Company brought together women farmers to talk about whether it is even possible to double farmer income.

PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

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

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

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

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

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2021-22.

PRINCIPLE 6: BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO RESTORE THE ENVIRONMENT

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

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

i. Reduce specific energy
ii. Become Water Positive
iii. Increase renewable energy usage
iv. Become carbon neutral
v. Ensure zero waste to landfill

The Company is deeply committed to strengthening its approach to make environmental sustainability a key part of its manufacturing processes. By reducing its energy needs, managing its waste, and transforming its

products, the Company is driving success both for its business and the planet. From sourcing of raw materials to the manufacturing technologies that the Company uses at its plants, the Company integrating sustainability into the very core of its business processes and value chain.

The Company is also looking for ways to extend its sustainability efforts beyond its manufacturing plants to impact the entire life cycle of its products. The Company is building capabilities to make its overall manufacturing approach more future ready. The green commitment by 2025 Vs the 2011's baseline is:

i. Reduce GHG emission intensity by 30% and carbon neutrality for Scope 1 and 2 emissions
ii. Reduce energy intensity by 20%
iii. Reduce water intensity by 30% while maintaining water positivity
iv. Achieving zero liquid discharge and reducing waste to landfill by 30%
v. Source 90% of all energy used from renewables

The Company continuously strives to achieve our Good & Green goals and targets. The Company is using clean energy sources by shifting from the use of fossil fuels to that of renewable fuels, such as biomass, in boilers and procuring electricity from renewable energy sources.

The Company is improving its productivity to reduce specific water consumption while deploying recycling system in all its manufacturing plants to further reduce our freshwater consumption. The Company has also undertaken several initiatives at its manufacturing facilities to reduce waste generation and divert the waste from landfill.

A dedicated team has been set-up to identify different projects and green technologies to implement across all our locations. Several initiatives have yielded excellent benefits.

Here is a snapshot of the Company's Green performance as at March 2022 vs Green goals commitment for 2025:

Reduction in Water Intensity

Goal for 2025 – 30% Reduction

Achieved till March 2022 – 14% Reduction

Reduction in Emission Intensity

Goal for 2025 – 30% Reduction

Achieved till March 2022 – 8% Reduction

Reduction in Energy Intensity

Goal for 2025 – 20% Reduction

Achieved till March 2022 – 7% Reduction

Zero Liquid Discharge (ZLD)

Goal for 2025 – 100% Reduction

Achieved till March 2022 – 90% of GAVL sites are Zero Liquid Discharge sites

Waste to Landfill

Goal for 2025 – 30% Reduction

Achieved till March 2022 – 31% Reduction

% Renewable Energy to Our Energy Portfolio

Goal for 2025 – 90% Renewable Energy

Achieved till March 2022 – 68% Renewable Energy

The Company complies with all the requirements of the Central Pollution Control Board and State Pollution Control Boards. The Company has created detailed checklists for compliance and continuously emphasises on improving productivity and plant utilisation. The Company has also set the targets for improvement in its environmental short-term and long-term performance.

Carbon Disclosure Project (CDP)

CDP is a global non-profit that runs a prominent environmental disclosure platform. The platform scores companies on their actions on reducing greenhouse gas emissions, and protecting water resources and forests. Over 13,000 companies representing 64% of the global market capitalization disclosed through CDP 2021. Here is how the Company ranked:

Climate Change Disclosure

GAVL continued to score "B" which is above the Food sector, Asia Regional and the Global average score of "B-" in CDP Climate disclosure.

Forest – Palm Oil Disclosure

As a first-time applicant for Forest disclosure in CDP, the Company was rated "B" which is above the Food sector, Asia Regional and the Global average score of "B-" in the category.

The Company has a high focus on environmental performance backed with strong risk management processes and governance that it has built over a decade. The Company will step up its progress and get to the leadership position. In the coming year, the Company will adopt internal carbon pricing and is committing towards Science Based Targets to further strengthen its climate action response.

Awards & Accolades

The Company's Oil Palm Chintampalli plant won the prestigious 'CII's Energy Efficient Unit' award for the third time. The plant has reduced its specific energy consumption by 12% from the baseline and over 99% of the plant's energy comes from renewable sources.

Case Studies related to Environment initiatives in FY 2021-22

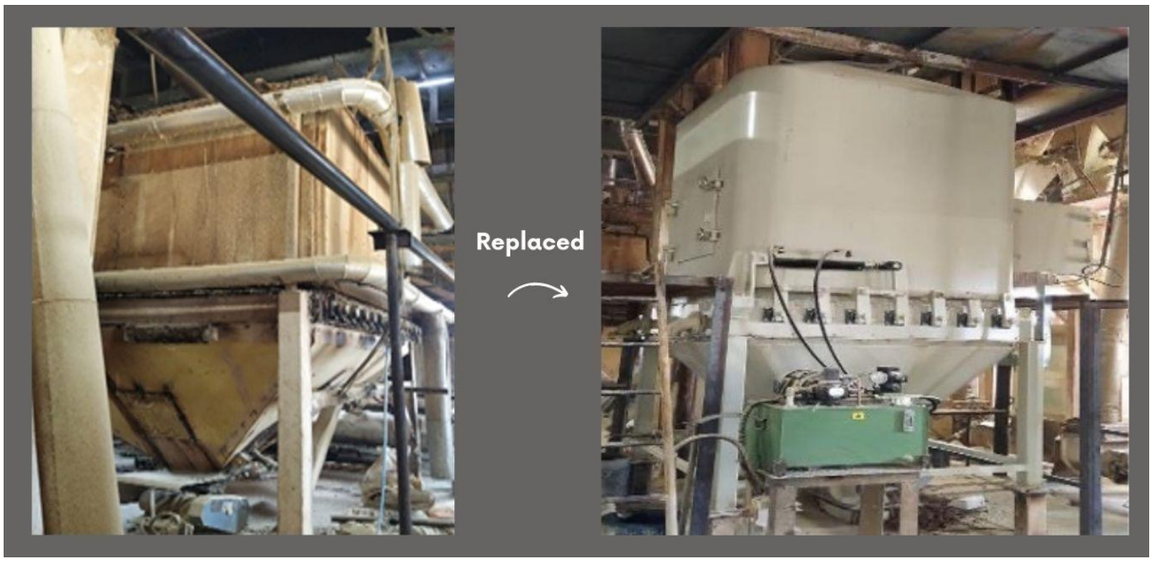
Case Study #1 - Aqua Feed's Energy Efficiency & Productivity Improvement Project

At GAVL's Hanuman Junction Aqua Feed plant, the Company implements several initiatives with an objective to improve energy efficiency and productivity.

At the plant, the Company has a post-conditioning system for pelleted aqua feed. This system is essential for the production of shrimp feed and pelleted fish feed as it helps the feed possess better water stability, palatability, and digestibility. The old system has been replaced with a new energy efficient system that improved productivity by almost 40% by reducing the in-process rejection of produce and improved energy efficiency.

Company's shrimp intake line had challenges such as water seepage, raw material leakages, water contamination, and high-power consumption. By implementing modifications on the shrimp intake line to address these issues, the Company was able to save over 40 kWh of power per ton in the shrimp line.

Overall, these initiatives have helped to reduce the plant's specific energy consumption by 4% which is just enough power to electrify nearly 40 homes for a year.



(Replaced post-conditioning system at Hanuman Junction Aqua Feed plant)

Case Study #2 - Renewable Energy Portfolio Increase & Green House Gas Emission Reduction

GAVL has been at the forefront in investing in clean sources of energy. Approximately 70% of the energy used in Godrej Agrovet's manufacturing plants is now generating from the renewable sources.

In FY 2021-22, the Company's team has taken a significant step in reducing the Green House Gas emission by creating clean source of sustainable energy of 17.35 million Units/ annum through Roof Top solar system. This clean energy will contribute to cleaner environment for next 20-25 years.

The project has been taken up in two phases generating 9.32 million units/annum of potential savings of ₹ 297 Lakh / Annum in Phase-I; and 8.03 million units / annum with a potential savings of ₹. 276.6 Lakh/Annum in Phase-II. The project will help reduce the greenhouse gas footprint by around 14,200 tons of CO_2 equivalent and equivalent to 4,26,014 nos. of tree plantation. This has also helped the Company in increasing the share of renewables in its energy portfolio from 66% earlier to 68%.

Case Study #3 - Aqua Feed achieves Zero Waste to Landfill Status

Biomass Fly ash is a major concern for both aquatic and terrestrial biota existing in the vicinity as it causes water, soil and air pollution. It is critical to safely dispose the Fly Ash that is generated. With limited options for meaningful utilization of ash, a very small percentage of it is commercialized at present.

Biomass Fly Ash is a resource material for the cement industry and building products manufacturing units. It is also being used as one of construction material in Roads and Flyovers embankment construction and thus helping to save earth and prevent degradation of the good agricultural land. The Company's Aqua team has successfully diverted 100% waste from landfilling to recycling by channelizing approximately 1,800 MT of biomass ash waste for recycling to brick manufacturer.

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.

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 honors the freedom of choice of its customers and does not restrict free competition in any manner.

There were no major undisputed customer complaints pending as at the end of the Financial Year 2021-22.

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 9, 2022

Standalone Financials and Auditors' Report

Independent Auditors' Report

To the Members of
Godrej Agrovet Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Godrej Agrovet Limited (the "Company"), which comprise the Standalone Balance Sheet as at 31 March 2022, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), Standalone Statement of Changes in Equity and Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters

Revenue Recognition

The key audit matter	How the matter was addressed in our audit
Refer Note 1 [6(A)(i)] of accounting policy and Note 29 and Note 30 in standalone financial statements The Company recognises revenue from sale of goods when control of the goods has transferred and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. The Company has large number of customers and the sales contracts with customers have different terms relating to transfer of control of underlying goods and the right of return.	Our audit procedures included following: • Assessing the Company's accounting policies in respect of revenue recognition by comparing with applicable accounting standards; • Evaluating the design, testing the implementation and operating effectiveness of the Company's internal controls over recognition of revenue; • Perform substantive testing and cut-off testing throughout the period (including period end), by selecting samples of revenue transactions recorded during and after the year and verifying the underlying documents, which included sales invoices, dispatch documents and proof of delivery, depending on the terms of contracts with customer;

The key audit matter	How the matter was addressed in our audit
We identified the recognition of revenue from sale of products as a key audit matter because: • The Company and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised throughout the period (including period end), i.e., before the control of underlying goods have been transferred to the customer; and • Estimation of accrual for sales returns, mainly in the crop protection segment involves significant judgement.	• Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items; • Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment; • Checking completeness and accuracy of the data used for accrual of sales returns, in crop protection segment; • Examining historical trend of sales return claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns; • Examining journal entries (using statistical sampling) posted to provision for sales return to identify unusual or irregular items; • Evaluating adequacy of disclosures given in Note 29 and Note 30 to the standalone financial statements.

Loss allowance on trade receivables
See note 1 [3] to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
Loss allowance on trade receivables – crop protection segment Trade receivables of crop protection segment consist of individual / small customers in different jurisdictions within India. Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The balance of loss allowance for trade receivables of crop protection segment represent the Company's best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109. The Company assesses the ECL allowance for these individual / small customers resulting from the possible defaults over the expected life of the receivables. ECL is assessed at each reporting date on collective basis using provision matrix. The measurement of ECL involves significant judgements and assumptions, primarily including: • Loss rate in provision matrix depending on days past due, • Credit risk of customers and • Historical experience adjusted for future economic conditions.	Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following: • Assessing the Company's accounting policy for ECL on trade receivables with applicable accounting standards; • Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment. Evaluating the processes of credit control and collection of trade receivables; • Using our internal IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from system; • Challenging the ECL estimates by examining the information used to form such estimates; • Checking completeness and accuracy of the data used by the Company for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors; • Obtaining independent customer confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customer with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances, when confirmations are not received;

The key audit matter	How the matter was addressed in our audit
• For measuring ECL, the Company adopted provision matrix and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of this, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.	• Examining sample manual journal entries (using statistical sampling) for loss allowances to identify unusual or irregular items.

Investments

See note 7 [a] to the standalone financial statements

The key audit matter	How the matter was addressed in our audit
The assessment of recoverable value of investment in certain subsidiaries involves significant judgement. Management performs an annual impairment testing for these investments or more frequently if events or changes in circumstances indicate that they might be impaired. The carrying value of this investment in subsidiaries is tested for impairment using a value in use model. We consider the impairment evaluation of investments in subsidiaries by management to involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, this is considered as a key audit matter.	Our audit procedures included the following: • Assessing the Company's accounting policy for impairment of investments in subsidiaries with applicable accounting standards; • Testing the design, implementation and operating effectiveness of key controls placed around the impairment assessment process of investment in subsidiaries; • Assessed the indicators of impairment of investments in subsidiaries; • Obtained and assessed the valuation working prepared by the management for its impairment assessment; • Involved our valuation specialists to assist in the evaluation of key assumptions such as discount rate, growth rate etc. in estimating projections, cash flows and methodologies used by the Company; • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and • Compared the carrying values of the Company's investment in subsidiaries with their respective value in use and assessed the need for impairment (if any).

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 standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cashflows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safe guarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

   (B) With respect to the other matters to be included in the 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:

   a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 47 to the standalone financial statements.

   b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 27 to the standalone financial statements.

   c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's 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
UDIN: 22112399AIPVWX6303

Mumbai
9 May 2022

Annexure A to the Independent Auditors' Report - 31 March 2022

With reference to the Annexure referred to in paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report to the Members of the Company on the standalone financial statements for the year ended 31 March 2022, we report that:

(i) (a) (A) The Company has maintained proper records showing full Particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full Particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us including registered title deeds, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date, except as mentioned in the table below. Further in respect of immovable properties of land that have been taken on lease and disclosed as Right of use assets in the financial statements, the lease agreements are in the name of the Company, where the Company is lessee in the agreement, except as mentioned in the table below:

Description of property	Total Number of cases	Gross carrying value (₹ in crore)	Held in the name of	Whether promoter, director or their relative or employee	Period held- indicate range, where appropriate	Reason for not being held in the name of the company Also indicate if in dispute
Freehold land	1	0.04	Cauvery Palm Oil Limited	No	10-12 years	Received on merger of the erstwhile Companies. The Company is in the process of transferring the title and is pending for update in revenue records.
Leasehold land	2	8.22	Gujarat Industrial Development Corporation (GIDC)	No	8-10 years	Company has received the allotment letter from GIDC. Company is in process of registration.
Factory Building	1	1.24	Cauvery Palm Oil Limited	No	10-12 years	Received on merger of the erstwhile Companies. The Company is in the process of transferring the title and is pending for update in revenue records.
Office Building	1	0.54	Cauvery Palm Oil Limited	No	10-12 years	Received on merger of the erstwhile Companies. The Company is in the process of transferring the title and is pending for update in revenue records.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as follows:

(₹ in crore)

Quarter	Name of bank	Particulars	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount as reported in the revised quarterly return/ statement	Amount of difference
(1)	(2)	(3)	(4)	(5)	(6)	(7) = (6-4)
June 2021	State Bank of India/Union Bank of India / Central Bank of India	Inventory and Trade Receivables	1,725.29	1,714.98	1,725.29	-

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies and granted loans to companies and other parties, in respect of which the requisite information is provided as below. The Company has not provided any guarantee or security to companies, firms, limited liability partnership or any other parties during the year. The Company has not made any investments in firms, limited liability partnership or any other parties and has not granted any loans or advances in the nature of loans, secured or unsecured to firms, limited liability partnership during the year.

a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans, as mentioned below:

Particulars	Loans (₹ in crore)
Aggregate amount during the year	
- Subsidiaries*	68.30
- Others	25.00
Balance outstanding as at balance sheet date	
- Subsidiaries*	34.21
- Others	35.00

*As per Companies Act, 2013

b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the investments made and the terms and conditions of the grant of loans are, prima facie, not prejudicial to the interest of the company.

c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the following cases where there is no stipulation of schedule of repayment of principal and payment of interest and accordingly we are unable to comment on the regularity of repayment of principal and payment of interest.

Name of the entity	Amount (₹ in crore)	Remarks
Godrej Maxximilk Private Limited	8.25	Loan is repayable on demand. As informed to us, the company has not demanded repayment of the loan during the year. Thus, there has been no default on the part principal amount.
Godvet Agrochem Limited	0.96	

Further, the Company has not given any advance in the nature of loan to any party during the year.

d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans to its related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013:

(₹ in crore)

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans			
- Repayable on demand (A)	43.30	-	43.30
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	43.30	-	43.30
Percentage of loans to the total loans	46.41%		

iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, the provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Companies Act, 2013 in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

vii. (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into Goods and Services Tax ('GST').

According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Professional Tax, Duty of Customs, Cess and other statutory dues have generally been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Professional Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 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 statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Professional Tax or Cess or other statutory dues, 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, Excise Duty, Duty of Customs have not been deposited as on 31 March 2022 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)	7.59	April 2008 – March 2015	CESTAT/ Assessing officer
Central Excise Act, 1944	Excise duty (including interest)	10.90	November 2006 – October 2014	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	4.72	May 2009 – June 2017	CESTAT
Central Excise Act, 1944	Excise duty (including interest)	2.60	March 2003 – May 2006	Commissioner of Central Excise (Appeals)
Central Excise Act, 1944	Excise duty (including interest)	0.07	April 2017 – June 2017	Commissioner of Central Excise (Appeals)
Customs Act, 1962	Custom duty (including interest)	0.63	April 2011 – March 2012	Joint Commissioner of Customs Group -I, Chennai
Customs Act, 1962	Custom duty (including interest)	0.74	April 2012 – March 2013	CESTAT
Income tax Act, 1961	Income tax (including interest)	1.41	AY 2017-18	Commissioner of Income tax (Appeals)
Central Goods and Services Tax, 2017	Central Goods and Services Tax (including interest and penalty)	0.87	AY 2018-19	Additional Commissioner (Appeals), CGST, Jaipur

* Net of amounts paid in protest

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to banks or financial institutions during the year. Further, the Company did not have any outstanding loans or borrowings from any other lender during the year.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the company, we report that the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under Companies Act, 2013.

(f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under Companies Act, 2013).

x. (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of 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, clause 3(x)(b) of the Order is not applicable.

xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration, the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

xiii. In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order are not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
UDIN: 22112399AIPVWX6303

Mumbai
9 May 2022

Annexure B to the Independent Auditors' report on the standalone financial statements of Godrej Agrovet Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 2 A (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Godrej Agrovet Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
UDIN: 22112399AIPVWX6303

Mumbai
9 May 2022

Standalone Balance Sheet

As at March 31, 2022

(₹ in crore)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
ASSETS			
(I)Non-current assets			
a) Property, plant and equipment	2	932.21	944.91
b) Capital work-in-progress	3	62.25	14.68
c) Right of use assets	4	60.56	63.30
d) Intangible assets	5	4.14	3.13
e) Intangible assets under development	5 (a)	0.13	0.63
f) Biological assets other than bearer plants	6	6.45	5.68
g) Financial Assets			
(i) Investments			
Investments in Subsidiaries, Associate and Joint Ventures	7 (a)	666.54	592.49
Other investments	7 (b)	19.21	3.57
(ii) Loans	8	25.49	0.47
(iii) Others	9	31.66	13.55
h) Deferred tax assets	44	8.30	6.70
i) Other non-current assets	10	23.39	16.54
Total Non-current assets		**1,840.33**	**1,665.65**
(II) Current Assets			
a) Inventories	11	1,047.18	696.67
b) Financial Assets			
(i) Investments	12	0.04	0.04
(ii) Trade Receivables	13	693.57	646.85
(iii) Cash and cash equivalents	14	19.05	32.55
(iv) Bank balances other than (iii) above	15	0.92	0.93
(v) Loans	16	45.28	37.95
(vi) Others	17	56.10	68.05
c) Other current assets	18	131.55	91.29
Total current assets		**1,993.69**	**1,574.33**
Total Assets		**3,834.02**	**3,239.98**

(₹ in crore)

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
EQUITY AND LIABILITIES			
(I) Equity			
a) Equity share capital	19	192.11	192.07
b) Other equity	20	1,771.22	1,563.80
Total equity		**1,963.33**	**1,755.87**
(II) Liabilities			
(1) Non-current liabilities			
a) Financial liabilities			
(i) Borrowings	21	5.16	74.72
(ii) Lease Liabilities		18.21	18.44
(iii) Other financial liabilities	22	12.32	0.27
b) Provisions	23	3.45	4.70
c) Deferred tax liabilities (net)	44	49.88	64.05
d) Other non-current liabilities	24	10.69	11.39
Total non-current liabilities		**99.71**	**173.57**
(2) Current liabilities			
a) Financial liabilities			
(i) Borrowings	25	1,003.25	620.64
(ii) Lease Liabilities		11.12	15.03
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		21.23	1.61
Total outstanding dues of creditors other than micro enterprises and small enterprises		407.73	435.68
(iv) Other financial liabilities	27	134.35	107.23
b) Other current liabilities	28	61.30	61.84
c) Provisions	29	128.95	58.15
d) Current tax liabilities (Net)		3.05	10.36
Total current liabilities		**1,770.98**	**1,310.54**
Total liabilities		**1,870.69**	**1,484.11**
TOTAL EQUITY AND LIABILITIES		**3,834.02**	**3,239.98**

The notes 1 to 58 form an integral part of the Standalone 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 9, 2022

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
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Standalone Statement of Profit and Loss

For the year ended March 31, 2022

(₹ in crore)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from operations			
Sale of products		6,170.44	4,389.83
Other operating revenue		12.16	23.21
Total Revenue from Operations	30	**6,182.60**	**4,413.04**
II. Other income	31	106.74	100.77
III. Total Income		**6,289.34**	**4,513.81**
IV. Expenses			
Cost of materials consumed	32	4,750.42	3,179.57
Purchases of Stock-in-Trade	33	212.31	226.90
Changes in inventories of finished goods, stock under cultivation work in progress and Stock-in-Trade	34	(62.31)	(13.10)
Employee benefits expense	35	271.09	229.11
Finance costs	36	42.31	36.27
Depreciation and amortization expenses	37	92.89	85.09
Other expenses	38	522.29	417.41
Total Expenses		**5,829.00**	**4,161.25**
V. Profit Before Tax		**460.34**	**352.56**
VI. Tax expense:		**100.13**	**73.56**
1. Current Tax		115.29	73.46
2. Deferred Tax		(15.16)	0.10
VII. Profit for the year		**360.21**	**279.00**
VIII. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit liability		(1.53)	1.86
Changes in Fair Value of investment in equity shares		(0.94)	1.77
Income tax related to Items that will not be reclassified to profit or loss		0.62	(0.92)
Other comprehensive income for the year		**(1.85)**	**2.71**
IX. Total comprehensive income for the year		**358.36**	**281.71**
X. Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)			
Basic (₹)	39	18.75	14.53
Diluted (₹)		18.74	14.52

The notes 1 to 58 form an integral part of the Standalone financial statements.

As per our report of even date attached

For B S R & Co. LLP
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Koosai Lehery
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ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Standalone Statement of Cash Flows

For the year ended March 31, 2022

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flows from Operating Activities :		
Net Profit Before Taxes	**460.34**	**352.56**
Adjustment for:		
Depreciation and amortization	92.89	85.09
(Profit) / Loss on sale of property, plant and equipment	1.90	1.94
Contingent consideration received	(42.08)	-
Unrealised foreign exchange gain/loss (net)	0.38	0.21
Dividend income	(36.86)	(67.23)
Grant amortisation	(0.69)	(0.75)
Interest income	(4.65)	(3.67)
Employee share based compensation cost	2.72	2.03
Change in fair value of biological assets	0.73	0.08
Finance Costs	42.31	36.27
Allowances for doubtful debts and advances	8.35	9.08
Liabilities no longer required written back	(0.48)	(1.90)
Bad debts Written off	47.29	31.83
	111.81	**92.98**
Operating Profit Before Working Capital Changes	**572.15**	**445.54**
Adjustments for:		
(Increase) / Decrease in Inventories	(350.50)	(99.58)
(Increase) / Decrease in Biological assets other than bearer plants	(1.49)	0.50
(Increase) / Decrease in Trade Receivables	(102.36)	25.99
(Increase) / Decrease in Non-current / Current financial assets - loans	(16.56)	(4.63)
(Increase) / Decrease in Non-current / Current financial assets - others	(7.29)	102.50
(Increase) / Decrease in Non-current/ Current assets & provision for sales return	15.68	(3.71)
Increase / (Decrease) in Trade payables and acceptances	(7.85)	(485.93)
Increase / (Decrease) in Non-current / Current – provisions	3.65	(2.90)
Increase / (Decrease) in Non-current / Current financial liabilities - others	33.29	(8.52)
Increase / (Decrease) in Non-current / Current liabilities	(0.55)	18.58
	(433.98)	**(457.70)**
Cash Generated from Operations	**138.17**	**(12.16)**
Direct Taxes paid (net of refunds received)	**(121.98)**	**(88.08)**
Net Cash Generated from / (used in) operating activities	**16.19**	**(100.24)**
B. Cash Flows from Investing Activities :		
Acquisition of Property, plant and equipment, CWIP & Right of use assets	(115.95)	(104.54)
Contingent consideration received	42.08	-
Proceeds from sale of Property, plant and equipment	2.11	1.84
Intercorporate Deposits Given	(68.30)	(115.17)
Intercorporate Deposits returned	52.51	96.75
Purchase of Investments	(90.63)	(1.97)
Interest Received	5.42	2.86
Dividend Received	36.86	67.23
Net Cash used in investing activities	**(135.90)**	**(53.00)**

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C. Cash Flows from Financing Activities :		
Repayment of Short Term Borrowings	(4,157.95)	(2,037.90)
Proceeds from Short Term Borrowings	4,563.15	2,248.38
Repayment of Long Term Borrowings	(92.18)	(3.91)
Proceeds from Long Term Borrowings	-	99.28
Finance Cost	(39.55)	(32.92)
Lease Liability repayments	(13.66)	(12.93)
Dividend Paid	(153.64)	(105.64)
Proceeds from exercise of ESOP shares	0.04	0.03
Net Cash generated from financing activities	**106.21**	**154.39**
Net increase/ (decrease) in cash and cash equivalents	**(13.50)**	**1.15**
Cash and cash equivalents (Opening balance)	32.55	31.40
Cash and cash equivalents (Closing balance) (refer note 14)	**19.05**	**32.55**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.
2. Figures in brackets indicate cash outflow

3. Movement in borrowings

(₹ in crore)

Particulars	April 1, 2021	Cash Flow	Non-cash changes	March 31, 2022
Long term borrowings	99.28	(92.17)	-	7.11
Short term borrowings	596.08	405.22	-	1,001.30
Total borrowings	**695.36**	**313.05**	**-**	**1,008.41**

(₹ in crore)

Particulars	April 1, 2020	Cash Flows	Non-cash changes	March 31, 2021
Long term borrowings	3.91	95.37	-	99.28
Short term borrowings	385.60	210.48	-	596.08
Total borrowings	**389.51**	**305.85**	**-**	**695.36**

The notes 1 to 58 form an integral part of the Standalone 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 9, 2022

For and on behalf of the Board of Directors of Godrej Agrovet Limited
CIN:L15410MH1991PLC135359

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B.S.YADAV
Managing Director
DIN: 00294803

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Standalone Statement of Changes in Equity

For the year ended March 31, 2022

(a) Equity share capital

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting year	192.07	192.04
Changes in Equity share capital during the year (refer note 19)	0.04	0.03
Balance at the end of the reporting year	**192.11**	**192.07**

(b) Other Equity

(₹ in crore)

Particulars	Retained earnings	General reserve	Employee share option outstanding	Securities Premium	Total
Balance at April 1, 2021	**1,117.06**	**15.55**	**2.67**	**428.52**	**1,563.80**
Total comprehensive income for the year					
Profit for the year (net of income tax)	360.21	-	-	-	360.21
Other comprehensive income for the year (net of income tax)	(1.85)	-	-	-	(1.85)
Total comprehensive income for the year	**358.36**	**-**	**-**	**-**	**358.36**
Transactions with the owners of the Company, recorded directly in equity					
Contributions and distributions					
Dividends	(153.69)	-	-	-	(153.69)
Others					
Employee compensation expenses recognised during the year	-	-	2.75	-	2.75
ESOP shares exercised during the year	-	-	(2.08)	2.08	-
Balance at March 31, 2022	**1,321.73**	**15.55**	**3.34**	**430.60**	**1,771.22**
Balance at April 1, 2020	**940.98**	**15.55**	**2.32**	**426.84**	**1,385.69**
Profit for the year (net of income tax)	279.00	-	-	-	279.00
Other comprehensive income for the year (net of income tax)	2.71	-	-	-	2.71
Total comprehensive income for the year	**281.71**	**-**	**-**	**-**	**281.71**
Transactions with the owners of the Company, recorded directly in equity					
Contributions and distributions					
Dividend	(105.63)	-	-	-	(105.63)
Others					
Employee compensation expenses recognised during the year	-	-	2.03	-	2.03
ESOP shares exercised during the year	-	-	(1.68)	1.68	-
Balance at March 31, 2021	**1,117.06**	**15.55**	**2.67**	**428.52**	**1,563.80**

The notes 1 to 58 form an integral part of the Standalone financial statements.
As per our report of even date attached

For B S R & Co. LLP
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Koosai Lehery
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Mumbai, May 9, 2022

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ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Notes forming part of the Standalone Financial Statements

Note 1: Significant Accounting Policies

1. General information

Godrej Agrovet Limited ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company, an erstwhile division of Godrej Soaps Limited was incorporated under the Companies Act, 1956 on November 25, 1991. The Company is a diversified agribusiness company and its principal activities include manufacturing and marketing of high quality animal feed, innovative agricultural inputs and palm oil & allied products. The Company is a public company limited by shares and is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

2. Basis of preparation and measurement

(i) Basis of preparation:

The Standalone financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements of the Company For the year ended March 31, 2022 were authorised for issue in accordance with a resolution of the Board of Directors on May 9, 2022.

Current versus non-current classification:

All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments)
- asset held for sale and biological assets – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments

(iii) Functional and presentation currency

These financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest crore, unless otherwise indicated. The amount reflected as "0.00" in Financials are value with less than one lakh.

3. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the balance sheet date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Notes forming part of the Standalone Financial Statements

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 estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition and measurement of Long term employee incentives**

  Accrual for long term incentive scheme liability requires estimates and judgements in respect of achievement of parameters of business performance. These estimates are based on past performance, approved budgets and plans and other relevant information considered on a best estimate basis as at the reporting date.

- **Recognition and measurement of other provisions**

  a. Provision for sales returns

     The Company makes a provision for estimated sales returns, based on its historical experience and is dependent on other relevant factors.

  b. Provision for doubtful trade receivables

     The Company has large number of individual small customers. Management assesses the level of allowance for doubtful debts after taking into account ageing analysis and any other factor specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortized cost, interest is accrued using the effective interest method.

- **Fair valuation of employee stock grants**

  The fair valuation of the employee stock grants is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

  The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

  The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

  The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives include foreign currency forward contracts and commodity futures. Fair value of foreign currency forward contracts is determined using the fair value reports provided by respective bankers.

- **Biological Assets**

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

- **Impairment of investments in subsidiaries**

  The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is an indication of impairment. Management *inter alia* considers various inputs such as macro-economic environment, industry specific matters, financial projections and other relevant information for purposes of such assessment.

4. Measurement of fair values

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorized 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 categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognize such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Notes forming part of the Standalone Financial Statements

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labor, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

6. Significant accounting policies

A. Revenue & Other income

i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Company includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods is recognised when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Company no longer has control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Company. As at 31 March 2022, an estimate has been made of goods that will be returned and a liability has been recognised for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

iii. Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Statement of Profit or Loss.

B. Foreign currency

i. Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognised as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in profit or loss, except exchange differences arising from the translation of the following item which is recognised in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

C. Employee benefits

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund Office are expensed as the related service is provided.

iii. Defined benefit plans

The following post - employment benefit plans are covered under the defined benefit plans:

- Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company.

  The Company's contribution to the Provident Fund Trust as established by the Company, is also considered as a Defined Benefit Plan. The provident fund is administered by the Trustees of the Godrej Agrovet Limited Provident Fund. The rules of the Company's Provident Fund administered by the trust, require that if the return on investment for any reason is less than the guaranteed Rate of Interest, then the deficiency shall be made good by the Company. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted.

- Gratuity Fund

  The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Notes forming part of the Standalone Financial Statements

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Other long-term employee benefits

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

Other long term employee benefits include payable in respect of long term incentive scheme recorded by estimating the possible cash outflows based on assessment of parameters of the scheme and discounted at present value.

v. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in net profit in the statement of profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognised 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 realize the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

E. Inventories

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

F. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.

b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit or Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Notes forming part of the Standalone Financial Statements

iii. Depreciation/ Amortizations

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

(a) Plant and Machinery: - 20 Years

(b) Computer Hardware:

Depreciated over its estimated useful life of 4 years.

(c) Leasehold Land:

Amortized over the lease term.

(d) Leasehold improvements and equipments:

Amortized 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.

Property, plant and equipment with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Profit and Loss.

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 recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Grant of Licenses and Computer software, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortization and any accumulated impairment losses, if any.

Amortization

Amortization 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 recognized in the statement of profit or loss, except in the case of certain intangibles, as per the provisions of various schemes of amalgamation.

The intangible assets are amortized over the estimated useful lives as given below:

Computer Software: 6 years

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

J. Research and Development Expenditure

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment or intangible assets.

K. Share-based payments:

a. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).
b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.
c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.
d. When the terms of an equity-settled award are modified, the minimum expense recognized is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit or Loss.
e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

L. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts and commodity futures contracts.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Notes forming part of the Standalone Financial Statements

i. Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income), where permissible.
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

  Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

  Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments (other than investments in subsidiaries, associates and joint venture)

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Investments in Subsidiaries, Associates & Joint Ventures:

Investments in subsidiaries, associates & joint ventures are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries and associates, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

Subsequent remeasurement of the contingent consideration which represents a financial liability or asset, is recognized through Statement of profit and loss account.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e. removed from the Company's Statement of Assets and Liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortized cost e.g., loans, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Company classifies all financial liabilities as subsequently measured at amortized cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortized 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 Amortization is included as finance costs in the Statement of Profit and Loss.

The Company's financial liabilities include trade and other payables, acceptances, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized 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 recognized less cumulative amortization.

Notes forming part of the Standalone Financial Statements

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

M. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognized but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to counterparties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

N. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets are depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognized in the Statement of Profit and Loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and awards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. The Company recognizes lease payments received under operating leases as income on a straight- line basis over the lease term.

O. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amounts of the assets exceed the estimated recoverable amount, impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognized.

P. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Notes forming part of the Standalone Financial Statements

Q. Government Grants

Grants are recognised 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 recognised as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the Statement of Profit and Loss in the same period as the related cost which they are intended to compensate is accounted for.

R. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

S. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognised in the Statement of Profit and Loss.

Note 2: Property, plant and equipment

(₹ in crore)

Particulars	Freehold Land (refer note 2.1)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Other Equipment	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2022									
Gross Block									
As at April 1, 2021	53.42	401.46	725.36	14.01	31.79	48.76	3.87	0.57	1,279.24
Additions	-	10.82	47.42	0.57	7.83	4.86	0.02	0.08	71.60
Disposals	-	-	(2.47)	(0.03)	(2.81)	(0.13)	-	(0.16)	(5.60)
As at March 31, 2022	**53.42**	**412.28**	**770.31**	**14.55**	**36.81**	**53.49**	**3.89**	**0.49**	**1,345.24**
Accumulated Depreciation									
As at April 1, 2021	-	60.61	231.52	5.92	15.79	18.52	1.77	0.19	334.32
Charge for the year	-	13.90	56.00	1.52	3.35	4.96	0.53	0.04	80.30
Disposals	-	-	(0.60)	(0.01)	(0.91)	(0.06)	-	(0.01)	(1.59)
As at March 31, 2022	**-**	**74.51**	**286.92**	**7.43**	**18.23**	**23.42**	**2.30**	**0.22**	**413.03**
Net Block as at March 31, 2022	**53.42**	**337.77**	**483.39**	**7.12**	**18.58**	**30.07**	**1.59**	**0.27**	**932.21**

Note 2: Property, plant and equipment

(₹ in crore)

Particulars	Freehold Land (refer note 2.1)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Other Equipment	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2021									
Gross Block									
As at April 1, 2020	40.44	350.33	625.58	11.77	30.68	35.62	2.80	0.55	1,097.77
Additions	12.98	51.44	103.95	2.24	2.84	13.27	1.07	0.03	187.82
Disposals	-	(0.31)	(4.17)	(0.00)	(1.73)	(0.13)	-	(0.01)	(6.35)
As at March 31, 2021	**53.42**	**401.46**	**725.36**	**14.01**	**31.79**	**48.76**	**3.87**	**0.57**	**1,279.24**
Accumulated Depreciation									
As at April 1, 2020	-	47.61	182.47	4.43	13.05	13.93	1.30	0.14	262.93
Charge for the year	-	13.27	50.79	1.49	3.25	4.65	0.47	0.05	73.97
Disposals	-	(0.27)	(1.74)	(0.00)	(0.51)	(0.06)	-	0.00	(2.58)
As at March 31 , 2021	**-**	**60.61**	**231.52**	**5.92**	**15.79**	**18.52**	**1.77**	**0.19**	**334.32**
Net Block as at March 31, 2021	**53.42**	**340.85**	**493.84**	**8.09**	**16.00**	**30.24**	**2.10**	**0.38**	**944.92**

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Ariyalur&Varanavasi (as part of the merger of Cauvery Oil Palm Limited), are being complied with. Stamp duty payable thereon is not presently determinable.

Note 2.2:

Relevant line item in the Balance Sheet	Description of Property	Gross Carrying Value (₹ in crore)	Title deeds in the name of	Whether the title deed holder is a promoter, director or relative# of promoter*/director or employee of promoter/director	Property held since which date	Reason for not being in the name of the Company
As at March 31, 2022						
Property, Plant and Equipment	Freehold Land Buildings	0.04 2.18	Cauvery Palm Oil Limited	No	April 2011	Received on merger of the erstwhile Companies. The Company is in the process of transferring the title and is pending for update in revenue records.
Right of use Assets	Leasehold Land	8.22	Gujarat Industrial Development Corporation (GIDC)	No	2014-15 & 2015-16	Company has received the allotment letter from GIDC. Company is in the process of registration.
As at March 31, 2021						
Property, Plant and Equipment	Freehold Land Buildings	0.46 1.72	Godrej Industries Limited	Yes	Nov 1991	Received on demerger of Godrej Soap Business. Title has been transferred in FY22.
Property, Plant and Equipment	Freehold Land Buildings	0.04 2.18	Cauvery Palm Oil Limited	No	April 2011	Received on merger of the erstwhile Companies. The Company is in the process of transferring the title and is pending for update in revenue records.
Right of use Assets	Leasehold Land	8.22	Gujarat Industrial Development Corporation (GIDC)	No	2014-15 & 2015-16	Company has received the allotment letter from GIDC. Company is in the process of registration.

Notes forming part of the Standalone Financial Statements

Note 3: Capital Work in Progress

(₹ in crore)

Particulars	Amount
As at March 31, 2022	
Cost	
As at April 1, 2021	14.68
Additions during the year	98.79
Capitalized during the year	(51.22)
As at March 31, 2022	**62.25**
As at March 31, 2021	
As at April 1, 2020	120.01
Additions during the year	54.20
Capitalized during the year	(159.53)
As at March 31, 2021	**14.68**

Note: Capital work in progress includes borrowing cost capitalised during the year of ₹ Nil (Previous Year ₹ 0.26 crore).

Capital Work in progress (CWIP) Ageing

As at March 31, 2022

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	59.69	1.05	-	0.13	**60.87**
Projects temporarily suspended	-	-	-	1.38	**1.38**
TOTAL	**59.69**	**1.05**	**-**	**1.51**	**62.25**

As at March 31, 2021

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	12.55	0.54	0.01	0.20	**13.30**
Projects temporarily suspended				1.38	**1.38**
TOTAL	**12.55**	**0.54**	**0.01**	**1.58**	**14.68**

Project execution plans are modulated basis capacity requirement assessment and all the projects are executed as per rolling annual plan.

Notes forming part of the Standalone Financial Statements

Note 4: Right of use Assets

(₹ in crore)

Particulars	Buildings	Land	Vehicles	Total
Cost				
As at April 1, 2021	36.16	36.47	11.19	83.82
Additions	8.25	1.82	-	10.07
Disposals	2.34	-	-	2.34
As at March 31, 2022	**42.07**	**38.29**	**11.19**	**91.56**
Accumulated depreciation and impairment				
As at April 1, 2021	13.11	2.19	5.22	20.52
Depreciation	8.34	0.47	2.86	11.67
Eliminated on disposals of assets	1.19	-	-	1.19
As at March 31, 2022	**20.26**	**2.66**	**8.07**	**31.00**
Carrying amounts				
As at April 1, 2021	23.05	34.28	5.97	63.30
As at March 31, 2022	21.81	35.63	3.12	60.56

Breakdown of lease expenses

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short-term lease expense	8.00	8.99
Total lease expense	**8.00**	**8.99**

Cash outflow on leases

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Repayment of lease liabilities (principal portion)	10.91	9.57
Interest on lease liabilities	2.76	3.36
Short-term lease expense	8.00	8.99
Total cash outflow on leases	**21.67**	**21.92**

Maturity analysis of lease liability

(₹ in crore)

Particulars	Total Lease Payable	Less than 1 year	1 and 5 years	Over 5 years	Weighted average effective interest rate %
March 31, 2022					
Lease liabilities	30.04	9.46	9.48	11.10	9%
March 31, 2021					
Lease liabilities	34.52	9.31	18.95	6.26	9%

Notes forming part of the Standalone Financial Statements

Note 5: Intangible Assets

(₹ in crore)

Particulars	Computer Software
As at March 31, 2022	
Cost	
As at April 1, 2021	10.08
Additions	1.93
Disposals	-
As at March 31, 2022	**12.01**
Accumulated Amortization	
As at April 1, 2021	6.95
Charge for the year	0.92
Disposals	-
As at March 31, 2022	**7.87**
Net Block as at March 31, 2022	**4.14**
As at March 31, 2021	
Cost	
As at April 1, 2020	8.94
Additions	1.14
Disposals	-
As at March 31, 2021	**10.08**
Accumulated amortization	
As at April 1, 2020	6.03
Charge for the year	0.92
Disposals	-
As at March 31, 2021	**6.95**
Net Block as at March 31, 2021	**3.13**

Note 5 (a): Intangible assets under development (IAUD)

(₹ in crore)

Particulars	Amount
As at March 31, 2022	
Cost	
As at April 1, 2021	0.63
Additions during the year	0.54
Capitalised during the year	(1.04)
As at March 31, 2022	**0.13**
As at March 31, 2021	
As at April 1, 2020	0.75
Additions during the year	1.00
Capitalised during the year	(1.12)
As at March 31, 2021	**0.63**

Intangible assets under development Ageing Schedule

As at March 31, 2022

(₹ in crore)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	0.13	-	-	-	**0.13**
Projects temporarily suspended	-	-	-	-	-
TOTAL	**0.13**	**-**	**-**	**-**	**0.13**

Notes forming part of the Standalone Financial Statements

As at March 31, 2021

(₹ in crore)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	0.63	-	-	-	**0.63**
Projects temporarily suspended	-	-	-	-	**-**
Total	**0.63**	**-**	**-**	**-**	**0.63**

Project execution plans are modulated basis requirement assessment and all the projects are executed as per rolling annual plan.

Note 6: Biological Assets other than bearer plants

A. Reconciliation of carrying amount

March 31, 2022

(₹ in crore)

Particulars	Oil palm saplings	
	Qty.	Amount
Balance as at April 1, 2021	8,07,167	5.69
Add:		
Purchases	8,56,000	4.78
Production/ Cost of Development		3.63
Less:		
Sales / Disposals	(7,51,224)	(6.92)
Change in fair value less cost to sell:	**-**	**(0.73)**
Realised	-	(0.30)
Unrealised	-	(0.43)
Balance as at March 31, 2022	**9,11,943**	**6.45**

March 31, 2021

(₹ in crore)

Particulars	Oil palm saplings	
	Qty.	Amount
Balance as at April 1, 2020	8,08,247	6.27
Add:		
Purchases	6,87,500	3.30
Production/ Cost of Development		1.81
Less:		
Sales/ Disposals	(6,88,580)	(5.61)
Change in fair value less cost to sell:	**-**	**(0.08)**
Realised	-	(0.40)
Unrealised	-	0.32
Balance as at March 31, 2021	**8,07,167**	**5.69**

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, 2022, the Company purchased 8,56,000 (Previous year: 6,87,500) number of saplings, out of which 8,56,000 (Previous year: 6,87,500) were still under cultivation.

Notes forming part of the Standalone Financial Statements

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 breakdown of the total gains /(losses) recognised in respect of Level 3 fair values-

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Gain / (Loss) included in 'other operating revenue'	**(0.73)**	**(0.08)**
Change in fair value - (realised)	(0.30)	(0.40)
Change in fair value – unrealised	(0.43)	0.32

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹68.5 to 131.0 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)

C. Risk Management strategies related to agricultural activities

The Company is exposed to the following risks relating to its Oil Palm business.

i. Regulatory and environmental risks

The Company is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

The Company is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Company manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analysis for projected harvest volumes and pricing.

iii. Climate and other risks

The Company's Oil Palm business is exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Company has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

A reasonably possible change of 10% in estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

(₹ in Crore)

Particulars	Profit or (loss) for the year ended March 31, 2022		Profit or (loss) for the year ended March 31, 2021	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost	(0.18)	0.19	(0.13)	0.14
Cash flow sensitivity (net)	**(0.18)**	**0.19**	**(0.13)**	**0.14**

Notes forming part of the Standalone Financial Statements

Note 7: Investments

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Investments in Subsidiaries, Associate and Joint Ventures		
a) Investment in equity of subsidiaries		
i . Quoted		
Astec LifeSciences Limited. 1,24,04,016 (Previous year 1,22,04,016) Equity shares of ₹10/- each. (Acquired 2,00,000 Equity Shares during the current year)	318.53	294.48
ii. Unquoted		
i. Godvet Agrochem Limited 99,50,000 (Previous year 99,50,000) Equity Shares of ₹ 10/- each	9.95	9.95
ii. Creamline Dairy Products Limited 58,79,008 (Previous year 58,79,008) equity shares of ₹10/- each	162.07	162.07
iii. Godrej Tyson Foods Limited 1,01,439 (Previous year 1,01,439) Equity Shares of ₹10/- each	72.94	72.94
iv. Godrej Maxximilk Private Limited 23,55,133 (Previous year 8,82,822) Equity shares of ₹ 10 each {14,72,311 Equity Shares (Previous year 40,816) subscribed/acquired during the current year.}	66.03	16.03
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	24.44	24.44
Total (A)	**666.54**	**592.49**
B. Investment in equity instruments		
i. Quoted at FVOCI		
i. KSE Limited	19.21	3.57
90,551 (Previous Year 15,554) Equity Shares of Rs. 10/- each {Acquired 74,949 shares during the current year (Previous year 8,087)}		
ii. Unquoted at FVTPL		
(a) Investment in Co-operative Society	0.00	0.00
(b) Investment in Other Corporates	0.00	0.00
Total (B)	**19.21**	**3.57**
TOTAL	**685.75**	**596.06**

Note 7.1: Other disclosures

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Aggregate amount of quoted investment	337.74	298.05
Market value of quoted investment	2,262.23	1,229.14
Aggregate amount of unquoted investments	348.01	298.01
Aggregate amount of Impairment in the value of investments	-	-

Notes forming part of the Standalone Financial Statements

Note 7.2:

Particulars		As at March 31, 2022	As at March 31, 2021
Name of subsidiaries, associate and joint ventures - Place of business		**% of holding**	**% of holding**
1. GodvetAgrochem Limited	-Mumbai	100.00	100.00
2. Astec Life sciences Limited	-Mumbai	63.29	62.30
3. Creamline Dairy Products Limited	-Hyderabad	51.91	51.91
4. ACI Godrej Agrovet Private Limited	-Dhaka, Bangladesh	50.00	50.00
5. Godrej Tyson Foods Limited	-Mumbai	51.00	51.00
6. Al Rahaba International Trading Limited Liability	-Abu Dhabi, UAE	24.00	24.00
7. Godrej Maxximilk Private Limited	-Mumbai	100.00	74.90

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.

Note 8: Non-Current Loans (Refer Note 42.2)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (unless otherwise stated)		
1. Loans and advances to related parties (refer note 57)		
Intercorporate Deposits	25.00	-
2. Loan to employees	0.49	0.47
TOTAL	**25.49**	**0.47**

Note 9: Other non-current financial assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Claims receivable	1.46	1.46
2. Security deposits		
i. Considered good	29.99	12.08
ii. Considered doubtful	0.23	0.23
Less : Allowance for bad and doubtful deposits	(0.23)	(0.23)
Security Deposits (net)	29.99	**12.08**
3. Bank Deposit with original maturity of more than 12 months (refer note 9.1)	0.21	0.01
TOTAL	**31.66**	**13.55**

Note 9.1: Fixed Deposits of ₹ 0.21 crore (Previous year ₹0.01 crore) are pledged with government authorities.

Note 10: Other non-current assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Capital advances	7.75	8.40
2. Balance with government authorities	4.35	4.48
3. Others		
i. Considered good	11.29	3.66
ii. Considered doubtful	0.19	0.19
Less: Allowance for doubtful advances	(0.19)	(0.19)
	11.29	**3.66**
TOTAL	**23.39**	**16.54**

Notes forming part of the Standalone Financial Statements

Note 11: Inventories (refer note 11.1)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realizable value)		
1. Raw materials	782.87	511.16
2. Raw Materials in Transit	14.52	1.14
3. Work in Progress	4.84	8.96
4. Project in progress	5.72	5.72
5. Finished goods	120.15	57.75
6. Stock-in-Trade	87.38	84.12
7. Stores and Spares	31.70	27.82
TOTAL	**1,047.18**	**696.67**

Note 11.1: Refer note 25 for information on inventories pledged as securities by the Company

Note 11.2: The write-down of inventories to net realisable value during the year amounted to ₹ Nil (31 March 2021: ₹ 6.7 crore). The write-downs/ provisions are included in cost of materials consumed.

Note 12: Current Investments

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Investment in equity of associates (Unquoted) (refer note. 7.2)		
i. Al Rahaba International Trading Limited Liability Company, Abu Dhabi, UAE 24 (previous year 24) Equity Shares of AED. 1,500/- each	0.04	0.04
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	-	-

Note 13: Trade Receivables (refer note 42.2)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Secured and considered good (refer note 13.1)	107.76	102.68
ii. Unsecured and considered good	585.81	544.17
Iii. Credit impaired	37.62	29.27
Less : Loss allowance	(37.62)	(29.27)
TOTAL	**693.57**	**646.85**

Notes forming part of the Standalone Financial Statements

Trade receivables ageing schedule

(₹ in crore)

As at March 31, 2022	Not due	< 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years	Total
Undisputed Trade Receivables – considered good	359.09	205.07	77.56	45.53	2.09	2.40	**691.74**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed Trade receivable – credit impaired	-	1.77	-	29.15	0.07	0.54	**31.53**
Disputed Trade Receivables – considered good	-	0.52	0.34	0.97	-	-	**1.83**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed Trade receivable – credit impaired	-	-	-	4.25	0.02	1.82	**6.09**
TOTAL	**359.09**	**207.36**	**77.90**	**79.90**	**2.18**	**4.76**	**731.19**

(₹ in crore)

As at March 31, 2021	Outstanding for following periods from due date of payment						Total
	Not due	< 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Undisputed Trade Receivables – considered good	275.30	241.44	65.79	54.40	4.46	0.34	**641.73**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Undisputed Trade receivables – credit impaired	-	-	-	24.65	0.11	0.44	**25.20**
Disputed Trade Receivables – considered good	-	0.43	0.73	3.96	-	-	**5.12**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	**-**
Disputed Trade receivables – credit impaired	-	-	-	2.22	0.15	1.70	**4.07**
TOTAL	**275.30**	**241.87**	**66.52**	**85.23**	**4.72**	**2.48**	**676.12**

Note 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them

Note 13.2: Refer to note 25 for information on trade receivables pledged as security by the company.

Note 14: Cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1 Cash on hand	0.16	0.58
2 Balances with banks:		
(a) Current Accounts	18.85	31.93
(b) Saving bank account of company's ESOP Trust	0.04	0.04
TOTAL	**19.05**	**32.55**

Notes forming part of the Standalone Financial Statements

Note 15: Bank Balances Other Than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Fixed Deposits - maturity more than 3 months and less than 12 months	0.78	0.85
2. Unclaimed dividend Account	0.14	0.08
TOTAL	**0.92**	**0.93**

Note 16: Current Loans

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, Considered Good, Unless Otherwise Stated		
1. Loans and advances to related parties (refer note 57)		
(a) Intercorporate Deposits	9.21	18.42
2. Loans and Advances – Others		
(a) Loans and advances to employees	1.05	0.01
(b) Other Loans and advances		
i. Unsecured and considered good	35.02	19.52
ii. Credit impaired	0.13	0.13
Less: Loss allowance	(0.13)	(0.13)
TOTAL	**45.28**	**37.95**

Type of Borrower	March 31, 2022		March 31, 2021	
	Amount of loan or advances	% of total loans and advances	Amount of loan or advances	% of total loans and advances
Loan to Promoters	-	0%	-	0%
Loan to Directors	-	0%	-	0%
Loan to KMPs	-	0%	-	0%
Loan to Related Parties	9.21	13%	18.42	48%
TOTAL	**9.21**	**13%**	**18.42**	**48%**

Note 17: Other current financial assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Interest accrued on Bank Fixed Deposit	0.03	0.05
2. Interest Accrued on Intercorporate Deposits	0.05	0.80
3. Interest Accrued on other Deposits	0.02	0.02
4. Security deposits	4.45	1.87
5. Other Receivables (includes non-trade receivables)	51.55	65.31
TOTAL	**56.10**	**68.05**

Note 18: Other current assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances to suppliers	26.24	25.28
2. Balance with government authorities	18.26	15.15
3. Others (includes prepayments, inventory receivable on returns, etc.)	87.05	50.86
TOTAL	**131.55**	**91.29**

Notes forming part of the Standalone Financial Statements

Note 19: Share Capital

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
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:		
19,21,12,960 (Previous year 19,20,71,900) Equity shares of ₹ 10 each fully paid up	192.11	192.07
TOTAL	**192.11**	**192.07**

Particulars	As at March 31, 2022		As at March 31, 2021	
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	19,20,71,900	192.07	19,20,41,898	192.04
Shares issued during the year (refer note 41)	41,060	0.04	30,002	0.03
Outstanding at the end of the year	**19,21,12,960**	**192.11**	**19,20,71,900**	**192.07**

4. Rights, preferences and restrictions attached to

Equity Shares: The Company has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

5. Shareholders holding more than 5% shares in the company is set out below:

Particulars	As at March 31, 2022		As at March 31, 2021	
a) Equity shares	**No. of shares**	**%**	**No. of shares**	**%**
1. Godrej Industries Limited - Holding Company	12,00,18,596	62.47%	11,50,59,634	59.90%
2. V-Sciences Investments Pte Ltd	2,27,20,743	11.83%	2,28,15,329	11.88%

6. There are no shares reserved for issue under options.

Notes forming part of the Standalone Financial Statements

7. Details of shares held by promoters

Sr. No.	Name of the Promoters	As at March 31, 2022			As at March 31, 2021		
		No of Shares	% of Total Shares	% change	No of Shares	% of Total Shares	% change
1	Godrej Industries Limited	12,00,18,596	62.5%	4.3%	11,50,59,634	59.9%	1.1%
2	Nadir Barjorji Godrej	102	0.0%	0.0%	102	0.0%	0.0%
3	Adi Barjorji Godrej	5,096	0.0%	0.0%	5,096	0.0%	0.0%
4	Rishad Kaikhushru Naoroji & Others (Partners of RKN Enterprises)	41,46,156	2.2%	0.0%	41,46,156	2.2%	0.0%
5	Smita Godrej Crishna, FreyanCrishnaBieri, Nyrika Holkar (Trustees of NVC Family Trust)	20,73,027	1.1%	0.0%	20,73,027	1.1%	0.0%
6	Smita Godrej Crishna, FreyanCrishnaBieri, Nyrika Holkar (Trustees of NVC Family Trust)	20,73,027	1.1%	0.0%	20,73,027	1.1%	0.0%
7	Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of Navroze Lineage Trust)	20,73,000	1.1%	0.0%	20,73,000	1.1%	0.0%
8	Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of Raika Lineage Trust)	20,73,070	1.1%	0.0%	20,73,070	1.1%	0.0%
9	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of HNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
10	Nisaba Godrej & Pirojsha Godrej (Trustees of NG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
11	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of BNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
12	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of SNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
13	Tanya Dubash And Pirojsha Godrej (Trustees of Tad Family Trust)	7,67,151	0.4%	-43.6%	13,61,018	0.7%	-1.5%
14	Pirojsha Adi Godrej	4,14,034	0.2%	NM	34	0.0%	0.0%
15	Karla Bookman	1,87,000	0.1%	-42.5%	3,25,000	0.2%	0.0%
16	Sasha Godrej	1,86,000	0.1%	-42.6%	3,24,000	0.2%	0.0%
17	Lana Godrej	74,000	0.0%	-65.1%	2,12,000	0.1%	-39.4%
18	Tanya Arvind Dubash	93,884	0.0%	346.3%	21,034	0.0%	NM
19	Nisaba Godrej	34	0.0%	0.0%	34	0.0%	0.0%
20	Raika Jamshyd Godrej	5	0.0%	0.0%	5	0.0%	0.0%
21	Nyrika Holkar	51	0.0%	0.0%	51	0.0%	0.0%
22	NavrozeJamshyd Godrej	78	0.0%	0.0%	78	0.0%	0.0%
23	Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of The Raika Godrej Family Trust)	3	0.0%	0.0%	3	0.0%	0.0%
24	Pirojsha Godrej And Nisaba Godrej (Trustees of PG Family Trust)	1	0.0%	-100.0%	5,21,018	0.3%	36.0%
25	Adi Godrej, Tanya Dubash, Nisaba Godrej, Pirojsha Godrej (Trustees of ABG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
26	Tanya Dubash And Pirojsha Godrej (Trustees of TAD Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
27	Nisaba Godrej & Pirojsha Godrej (Trustees of NG Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
28	Pirojsha Godrej And Nisaba Godrej (Trustees of PG Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
29	Pirojsha Godrej And Nisaba Godrej (Trustees of PG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
30	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of NBG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
31	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of RNG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
32	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of BNG Successor Trust)	1	0.0%	0.0%	1	0.0%	0.0%
33	Nadir Godrej, Hormazd Godrej & Burjis Godrej (Trustees of BNG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
34	Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of SNG Successor Trust)	1	0.0%	0.0%	1	0.0%	0.0%

Notes forming part of the Standalone Financial Statements

Sr. No.	Name of the Promoters	As at March 31, 2022			As at March 31, 2021		
		No of Shares	% of Total Shares	% change	No of Shares	% of Total Shares	% change
35	Nadir Godrej, Hormazd Godrej & Sohrab Godrej (Trustees of SNG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
36	Smita Godrej Crishna, Freyan Crishna Bieri & Nyrika Holkar (Trustees of NVC Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
37	S.G. Crishna, V.M. Crishna, F.C. Bieri&Nyrika Holkar (SGC Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
38	S.G. Crishna, V.M. Crishna, F.C. Bieri&Nyrika Holkar (VMC Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
39	Smita Godrej Crishna, FreyanCrishnaBieri&Nyrika Holkar (Trustees of FVC Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
40	Jamshyd Godrej, Pheroza Godrej &Navroze Godrej (Trustees of JNG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
41	Jamshyd Godrej, Pheroza Godrej &Navroze Godrej (Trustees of PJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
42	Jamshyd Godrej, Pheroza Godrej &Navroze Godrej (Trustees of NJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
43	Jamshyd Godrej, Pheroza Godrej &Navroze Godrej (Trustees of RJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
44	Freyan Crishna Bieri	51	0.0%	0.0%	51	0.0%	0.0%

Note 20: Other Equity

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Retained Earnings	1,321.73	1,117.06
2. General Reserve	15.55	15.55
3. Employee Stock Grants Outstanding.	3.34	2.67
4. Securities Premium	430.60	428.52
TOTAL	**1,771.22**	**1,563.80**

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Employee Stock Grants Outstanding

The employee stock grants outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock grant plan.

Securities Premium

Securities Premium is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Dividend

(₹ in crore)

The following dividends were declared and paid by the company during the year:	For the year ended March 31, 2022	For the year ended March 31, 2021
Equity Dividend paid @ ₹ 8.00 (previous year @ ₹ 5.50) per share	153.69	105.63
	153.69	**105.63**

Notes forming part of the Standalone Financial Statements

The Board, in its meeting on May 9, 2022 has recommended a final dividend of ₹ 9.50/- per equity share for the financial year ended March 31, 2022 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be ₹ 182.5 crore.

Note 21: Non-current- Borrowings

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Term Loans from banks (refer note 21.1)	5.16	74.72
TOTAL	**5.16**	**74.72**

Note 21.1: Term loans from banks carries interest rates of repo rate + 2.30% p.a. (previous year T Bill + 0.14% to T Bill + 0.65% and repo rate + 2.30% p.a.). These loans are repayable in installments on different dates up to 40 months from the date of the Standalone Financial Statements.

Note 22: Other Non-Current Financial Liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Non Trade Payables	0.32	0.27
2. Employee benefits payable	12.00	-
TOTAL	**12.32**	**0.27**

Note 23: Non-Current Provisions

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits :		
- Provision for compensated absences (refer note 40)	3.45	4.70
TOTAL	**3.45**	**4.70**

Note 24: Other non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred grant	10.69	11.39
TOTAL	**10.69**	**11.39**

Note 25: Current borrowings

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
a) Working Capital Demand Loans from Banks (refer note 25.1)	6.00	6.00
Unsecured		
a) Commercial paper (refer note 25.2)	870.22	472.53
b) Working Capital Demand Loans from Banks (refer note 25.3)	125.08	117.55
c) Current maturities of long term Borrowings (refer note 21.1)	1.95	24.56
TOTAL	**1,003.25**	**620.64**

Note 25.1: Working Capital Demand Loans from Bank are at an interest rate of 7.10% (Previous year 6.80%) and is repayable within the next 3 months. This is secured against inventories and receivables.

Note 25.2: Commercial Paper carries interest rate of 3.25% to 4.33% (Previous year 3.50% to 3.67%) and are repayable within the next 3 months from the date of the Standalone financial statements.

Notes forming part of the Standalone Financial Statements

Note 25.3: Working Capital Loans from Banks are at an Interest Rate of 4% to 7.40% and T Bill + 0.20% to T Bill +1.70% (Previous Year T Bill + 0.20% to T Bill + 0.40%, Repo rate + 0% and three months MCLR + 0.15%). These loans are repayable on different dates upto 6 months from the date of the Standalone financial statements.

Note 26: Current -Trade Payables

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Trade Payables		
a) Due to micro enterprises and small enterprises (refer note 26.1)	21.23	1.61
b) Other than micro enterprises and small enterprises	387.25	304.07
2. Acceptances	20.48	131.61
TOTAL	**428.96**	**437.29**

Additional disclosure related to Micro Enterprises and Small Enterprises

(₹ in crore)

	Particulars	As at March 31, 2022	As at March 31, 2021
A.	Principal amount remaining unpaid	21.23	1.61
B.	Interest due thereon	-	-
C.	Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D.	Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E.	Interest accrued and remaining unpaid	0.13	0.13
F.	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Notes forming part of the Standalone Financial Statements

Note 26.1: Micro enterprise and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same.

(₹ in crore)

As at March 31, 2022	Outstanding for following periods				Total
	Not due & Less than 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Total outstanding dues of micro enterprises and small enterprises	21.23	-	-	-	**21.23**
Total outstanding dues of creditors other than micro enterprises and small enterprises	395.57	7.05	4.96	0.15	**407.73**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	**-**
TOTAL	**416.80**	**7.05**	**4.96**	**0.15**	**428.96**

(₹ in crore)

As at March 31, 2021	Outstanding for following periods				Total
	Not due & Less than 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Total outstanding dues of micro enterprises and small enterprises	1.61	-	-	-	**1.61**
Total outstanding dues of creditors other than micro enterprises and small enterprises	419.82	12.38	3.35	0.13	**435.68**
Disputed dues of micro enterprises and small enterprises	-	-	-	-	**-**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	**-**
TOTAL	**421.43**	**12.38**	**3.35**	**0.13**	**437.29**

Note 27: Other financial liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1.Liabilities towards beneficiaries of Company's ESOP Trust	0.06	0.06
2.Security Deposit	69.11	60.90
3.Capital Creditors	20.89	15.12
4.Derivative liability	0.14	0.21
5.Others (includes accrual for bonus, etc.)	44.01	30.86
6.Unclaimed Dividend	0.14	0.08
TOTAL	**134.35**	**107.23**

There are no amounts due to be credited to Investor Education and Protection Fund (IEPF) in accordance with Section 125 (2) (c) of the Companies Act, 2013 as at the year end.

Notes forming part of the Standalone Financial Statements

Note 28: Other current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances from Customers	48.17	45.25
2. Statutory Liabilities	12.27	15.74
3. Deferred Grants	0.86	0.85
TOTAL	**61.30**	**61.84**

Note 29: Current Provisions

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Provision for employee benefits		
- Provision for compensated absences (refer note 40)	4.54	0.36
- Provision for gratuity (refer note 40)	4.03	0.84
2. Provision for sales return (refer note. 29.1 and 29.2)	120.38	56.95
TOTAL	**128.95**	**58.15**

Note 29.1 Movement of provision for sales return

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance	56.95	33.99
Add: Provision created during the year	347.03	246.24
Less : Utilised during the year	283.60	223.28
Closing Balance	**120.38**	**56.95**

Note 29.2: The Company makes a provision on estimated sales return based on historical experience. The sales returns are generally expected within a year.

Note 30: Revenue from operations

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products (refer note 30.1)		
1.Sale of products	6,124.70	4,355.36
2.Sale of Scrap and Empties	45.74	34.47
	6,170.44	**4,389.83**
Other operating revenue		
1.Rebates / Incentives from Government	8.46	13.69
2.Processing income	4.43	-
3.Fair value of Biological Assets (refer note 6)	(0.73)	(0.08)
4.Sales of Real Estate project (refer note 51)	-	9.60
	12.16	**23.21**
TOTAL	**6,182.60**	**4,413.04**

Notes forming part of the Standalone Financial Statements

Note 30.1:

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Reconciliation of revenue from contract with customers		
Revenue from contract with customer as per the contract price	6,353.93	4,529.03
Adjustments made to contract price on account of :-		
a) Discounts/Incentives	(183.49)	(139.20)
b) Distribution cost reimbursed	-	-
	6,170.44	**4,389.83**
2. Disaggregation of revenue		
Animal Feed	4,345.80	3,093.16
Vegetable Oil	1,262.68	706.91
Crop Protection	544.91	568.32
Other Business	17.05	21.44
	6,170.44	**4,389.83**
3. Geographical disaggregation		
Sales in India	6,165.40	4,386.15
Sales outside India	5.04	3.68
	6,170.44	**4,389.83**

Note 31: Other Income

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Interest income		
a) Instruments measured at amortised cost		
(i) Interest received on Deposits	4.28	3.67
(ii) Interest received on ESOP Loan	0.37	-
2. Dividend income		
i) Dividend received from Joint Venture Company	30.14	59.46
ii) Dividend received from Subsidiary Company	6.56	7.71
iii) Dividend from Others	0.16	0.05
3. Claims received	3.47	3.34
4. Liabilities no longer required written back	0.48	1.90
5. Recovery of Bad Debts written off	0.49	1.73
6. Royalty & Technical Knowhow	6.66	6.85
7. Contingent consideration received	42.08	-
8. Other Miscellaneous Income	11.36	15.31
9. Grant amortization	0.69	0.75
TOTAL	**106.74**	**100.77**

Notes forming part of the Standalone Financial Statements

Note 32: Cost of materials consumed

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Material at the Commencement of the year	512.30	425.16
b) Add : Purchases / Change in Project-in-progress (refer note 51)	5,054.78	3,289.58
c) Less : Material sold	19.27	22.87
	5,547.81	**3,691.87**
d) Less: Material at the end of the year	797.39	512.30
TOTAL	**4,750.42**	**3,179.57**

Note 33: Purchase of stock-in-trade

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Agri Inputs	212.31	226.90
TOTAL	**212.31**	**226.90**

Note 34: Changes in Inventories of Finished Goods, Work in Progress, Stock under cultivation and Stock-In-Trade

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Stocks at the Commencement of the year		
a) Finished Goods	57.75	64.19
b) Work In Progress	8.96	10.74
c) Stock under cultivation	5.68	6.27
d) Stock-in-Trade	84.12	62.21
Total Stock at the commencement of the year	**156.51**	**143.41**
2. Less : Stocks at the end of the year		
a) Finished Goods	120.15	57.75
b) Work In Progress	4.84	8.96
c) Stock under cultivation	6.45	5.68
d) Stock-in-Trade	87.38	84.12
Total Stock at the end of the year	**218.82**	**156.51**
Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade	**(62.31)**	**(13.10)**

Notes forming part of the Standalone Financial Statements

Note 35: Employee benefits expense

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Salaries, Wages, Bonus and Allowances	238.86	202.06
2. Contribution to Provident, Gratuity and Other Funds (refer note 40)	14.60	14.01
3. Expense on Employee Stock grant scheme (refer note 41)	2.72	2.03
4. Staff Welfare Expenses	14.91	11.01
TOTAL	**271.09**	**229.11**

Note 36: Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Interest Expense		
i. Paid to Banks on Loans and Cash Credit	7.71	7.85
ii. On Lease liability	2.76	3.36
iii. EPCG	-	8.98
iv. Others	30.98	15.28
2. Other Borrowing Costs	0.86	0.80
TOTAL	**42.31**	**36.27**

Note 36.1: Finance costs are net of interest capitalised to capital work in progress and project in progress ₹ Nil (Previous year ₹ 0.26 crore).

Note 37: Depreciation and Amortization Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Depreciation	80.30	73.97
2. Amortization	0.92	0.92
3. Amortization of Right of use assets (refer note 4)	11.67	10.20
TOTAL	**92.89**	**85.09**

Notes forming part of the Standalone Financial Statements

Note 38: Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Stores and Spares consumed	23.78	21.32
2. Power and Fuel	70.58	59.53
3. Processing and Other Manufacturing Charges	109.74	95.23
4. Rent	8.00	8.99
5. Rates and Taxes	10.84	5.58
6. Repairs and Maintenance		
a) Machinery	13.97	8.61
b) Buildings	2.23	1.18
c) Other assets	1.75	1.47
7. Insurance	4.05	3.66
8. Payment to auditors (refer note 38.1)	0.72	0.74
9. Freight	72.62	57.80
10. Advertisement, Selling and Distribution Expenses	38.00	28.09
11. Bad Debts/Advances Written Off	47.29	31.83
12. Allowances for Doubtful Debts and Advances	8.35	9.08
13. Loss on Sale/Write off of Property, plant and equipment	1.90	1.94
14. Research Expenses	2.96	2.05
15. Net gain/loss on foreign currency transactions and translation	0.91	0.38
16. Corporate Social Responsibility (refer note 49)	6.74	6.28
17. Miscellaneous Expenses	97.86	73.65
TOTAL	**522.29**	**417.41**

Note 38.1: Payment to auditors

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Audit Fees (including limited reviews)	0.70	0.72
b) Other matters	0.02	0.02
c) Reimbursement of Expenses	0.00	-

Notes forming part of the Standalone Financial Statements

Note 39: Earnings per share

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

Particulars	March 31, 2022	March 31, 2021
1. Calculation of weighted average number of equity shares - Basic		
Number of equity shares at the beginning of the year	**19,20,71,900**	**19,20,41,898**
Equity shares issued during the year	41,060	30,002
Number of equity shares outstanding at the end of the year	**19,21,12,960**	**19,20,71,900**
Weighted average number of equity shares outstanding during the year	**19,21,04,728**	**19,20,66,153**
2. Calculation of weighted average number of equity shares - Diluted		
Weighted average equity shares – Basic	**19,21,04,728**	**19,20,66,153**
Effect of Share grants (refer note 39.1)	72,663	54,912
Revised number of potential equity shares outstanding at the end of the year	**19,21,77,391**	**19,21,21,065**
Weighted average number of potential equity shares outstanding during the year	**19,21,77,391**	**19,21,21,065**
3. Profit attributable to ordinary shareholders (Basic/diluted)		
Profit for the year, attributable to the owners of the Company (₹ in crore)	360.21	279.00
Profit for the year, attributable to ordinary shareholders (₹ in crore)	**360.21**	**279.00**
4. Basic Earnings per share (₹)	**18.75**	**14.53**
5. Diluted Earnings per share (₹)	**18.74**	**14.52**
6. Nominal Value of Shares (₹)	**10**	**10**

Note 39.1: Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Note 40: Employee benefits

The Company contributes to the following post-employment plans in India.

Defined Contribution Plans:

The Company's contributions paid/payable to Regional Provident Fund at certain locations, Superannuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Standalone Statement of Profit and Loss during the year in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The Company recognised ₹ 10.54 crore For the year ended March 31, 2022 (Previous Year ₹ 10.11 crore) towards provident fund contribution, ₹ 0.47 crore For the year ended March 31, 2022 (Previous Year ₹ 0.52 crore) towards employees' state insurance contribution and ₹ 0.48 crore For the year ended March 31, 2022 (Previous Year ₹ 0.52 crore) towards superannuation fund contribution in the Standalone Statement of Profit and Loss.

Notes forming part of the Standalone Financial Statements

Defined Benefit Plan:

I. Provident Fund

The Company manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at March 31, 2022.

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Plan assets at period end, at fair value	175.16	154.67
Provident Fund Corpus / Obligation	171.15	151.09
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.01%	9.32%
Weighted Average YTM	8.00%	9.25%
Guaranteed Rate of Interest	8.10%	8.50%

II. Gratuity

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the ICICI Prudential Life insurance, a funded defined benefit plan for qualifying employees. The Company has a Gratuity Trust and the Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	(32.78)	(30.18)
Fair value of plan assets	28.75	29.33
Net defined benefit (obligation)	**(4.03)**	**(0.85)**

Notes forming part of the Standalone Financial Statements

i. Movement in net defined benefit (asset) liability

The following table shows reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in crore)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	30.18	28.43	29.33	22.86	0.85	5.57
Included in profit or loss						
Current service cost	2.44	2.31	-	-	2.44	2.31
Interest cost (income)	2.06	1.96	2.00	1.58	0.06	0.38
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	0.94	-	-	-	0.94	-
Financial assumptions	(0.15)	0.18	-	-	(0.15)	0.18
Experience adjustment	0.61	(0.05)	-	-	0.61	(0.05)
Return on plan assets excluding interest income	-	-	(0.12)	1.97	0.12	(1.97)
	36.08	**32.83**	**31.21**	**26.41**	**4.87**	**6.42**
Other						
Contributions paid by the employer	-	-	0.84	5.57	(0.84)	(5.57)
Benefits paid	(3.30)	(2.65)	(3.30)	(2.65)	-	-
Closing balance	**32.78**	**30.18**	**28.75**	**29.33**	**4.03**	**0.85**

Represented by:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Net defined benefit liability	4.03	0.85
	4.03	**0.85**

Amount recognised in other comprehensive income for the year

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Actuarial loss/(gain) on obligation for the period	1.41	0.13
Return on plan assets	0.12	(1.97)
Net expense/(income) for the year recognised in OCI	**1.53**	**(1.86)**

ii. Plan assets

Plan assets comprise the following:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Insurer managed fund (100%)	28.75	29.33
	28.75	**29.33**

Notes forming part of the Standalone Financial Statements

iii. Actuarial assumptions

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

Particulars	March 31, 2022	March 31, 2021
Discount rate	6.90%	6.82%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 21.60 % p.a. & For service 5 yrs and above 7.00 % p.a.	For service 4 yrs. & Below 8.00 % p.a. & For service 5 yrs and above 3.00 % p.a.
Mortality rate	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2006-08) Ultimate

Assumptions regarding future mortality have been based on published statistics and mortality tables.

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in crore)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.76)	1.98	(2.25)	2.61
Future salary growth (1% movement)	2.00	(1.81)	2.63	(2.31)
Rate of employee turnover (1% movement)	0.23	(0.26)	0.34	(0.39)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

v. Expected future cash flows

The expected future cash flows in respect of gratuity were as follows:

(₹ in crore)

Expected future benefit payments	March 31, 2022	March 31, 2021
1st Following year	4.34	2.80
2nd Following year	3.11	1.71
3rd Following year	4.79	2.46
4th Following year	2.86	3.59
5th Following year	3.78	1.86
Thereafter	34.95	12.73

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences For the year ended March 31, 2022 based on actuarial valuation using the projected accrued benefit method is ₹ 4.38 crore (previous year ₹ 0.10 crore)

Termination Benefits: All termination benefits including voluntary retirement compensation are fully written off to the Standlone Statement of Profit & Loss.

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Standalone Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

Notes forming part of the Standalone Financial Statements

Note 41: Share-based payment arrangements

Description of share-based payment arrangements

Employee stock grant scheme - equity settled

The Company had set up the Employees Stock Grant Scheme 2018 (ESGS) pursuant to the approval by the Shareholders by way of postal ballot, the result of which was declared on June 20, 2018.

The ESGS Scheme is effective from April 1, 2018, (the "Effective Date") and shall continue to be in force until (i) its termination by the Board or (ii) the date on which all of the shares to be vested under Employee Stock Grant Scheme 2018 have been vested in the Eligible Employees and all restrictions on such Stock Grants awarded under the terms of ESGS Scheme, if any, have lapsed, whichever is earlier.

The Scheme applies to the Eligible Employees who are in whole time employment of the Company or its Subsidiary Companies. The entitlement of each employee would be decided by the Nomination and Remuneration Committee of the respective Company based on the employee's performance, level, grade, etc.

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty five Lakh) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lakh) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at Re. 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the Standalone financial statements and is amortised over the vesting period.

The Company has provided ₹ 2.72 crore (Previous Year ₹ 2.03 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, 2022:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Description of the Inputs used
Dividend yield %	1.56%	1.21%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	32% - 42%	28% - 29%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.848% to 4.73%	3.649% to 4.277%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	512.27	455.34	

Notes forming part of the Standalone Financial Statements

The Status of the above plan is as under:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Weighted average Exercise Price (₹)
Options Outstanding at the Beginning of the Year	89,301	69,234	₹10.00
Options Granted	56,391	57,853	
Options Vested	41,060	30,002	
Options Exercised	41,060	30,002	
Options Lapsed / Forfeited	-	7,784	
Total Options Outstanding at the end of the year	**1,04,632**	**89,301**	

The weighted average exercise price of the options outstanding as on March 31, 2022 is ₹ 10/- (previous year ₹ 10/- per share)

Note 42: Financial instruments – Fair values and risk management

Note 42.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
I. Non-Current Financial Assets								
1. Investments	0.00	19.21	-	19.21	19.21	-	0.00	19.21
2. Loans and Advances	-	-	25.49	25.49	-	-	-	-
3. Others	-	-	31.66	31.66	-		-	-
II. Current Financial Assets								
1. Trade and other receivables	-	-	693.57	693.57	-		-	-
2. Cash and cash equivalents	-	-	19.05	19.05	-		-	-
3. Other bank balances	-	-	0.92	0.92	-		-	-
4. Loans and Advances	-	-	45.28	45.28	-		-	-
5. Others	-	-	56.10	56.10	-		-	-
	0.00	**19.21**	**872.07**	**891.28**	**19.21**		**0.00**	**19.21**
Financial liabilities								
I. Non-Current Financial Liabilities								
1. Borrowings	-	-	5.16	5.16				
2. Others	-	-	12.32	12.32	-	-	-	-
II. Current Financial liabilities								
1. Borrowings	-	-	1,003.25	1,003.25	-	-	-	-
2. Trade and other payables	-	-	428.96	428.96	-	-	-	-
3. Others	0.14	-	134.21	134.35	-	0.14	-	0.14
	0.14	**-**	**1,583.90**	**1,584.04**	**-**	**0.14**	**-**	**0.14**

Notes forming part of the Standalone Financial Statements

(₹ in crore)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
I. Non-Current Financial Assets								
1. Investments	0.00	3.57	-	3.58	3.57	-	0.00	3.58
2. Loans and Advances	-	-	0.47	0.47	-	-	-	-
3. Others	-	-	13.55	13.55	-	-	-	-
II. Current Financial Assets								
1. Trade and other receivables	-	-	646.85	646.85	-	-	-	-
2. Cash and cash equivalents	-	-	32.55	32.55	-	-	-	-
3. Other bank balances	-	-	0.93	0.93	-	-	-	-
4. Loans and Advances	-	-	37.95	37.95	-	-	-	-
5. Others	-	-	68.05	68.05	-	-	-	-
	0.00	**3.57**	**800.35**	**803.93**	**3.57**	**-**	**0.00**	**3.58**
Financial liabilities								
I. Non-Current Financial Liabilities								
1. Borrowings	-	-	74.72	74.72	-	-	-	-
2. Others	-	-	0.27	0.27	-	-	-	-
II. Current Financial liabilities								
1. Borrowings	-	-	620.64	620.64	-	-	-	-
2. Trade and other payables	-	-	437.29	437.29	-	-	-	-
3. Others	0.21	-	107.02	107.23	-	0.21	-	0.21
	0.21	**-**	**1,239.94**	**1,240.15**	**-**	**0.21**	**-**	**0.21**

Valuation technique used to determine fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as significant unobservable input used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contract for foreign exchange contracts	The fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
Other financial instruments	The fair value of the remaining financial instruments is determined using discounted cash flow analysis.	NA	NA

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk;
- Market risk;
- Currency risk;

Notes forming part of the Standalone Financial Statements

i. Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Note 42.2: Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

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)

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Trade Receivables (net of credit impaired)	**693.57**	**646.85**
Exports		
Distributors	-	-
Other	1.85	-
Domestic		
Distributors	623.97	599.19
Other	67.75	47.66
	693.57	**646.85**
Other Receivables	121.02	98.78

Notes forming part of the Standalone Financial Statements

Impairment

The ageing of trade receivables that were not impaired is as per Note 13.

The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows:

(₹ in crore)

For Trade receivables	March 31, 2022	March 31, 2021
Balance as at April 1	29.27	20.19
Impairment loss recognised	55.42	40.14
Amounts written off	(47.07)	(31.05)
Balance as at March 31	**37.62**	**29.27**

(₹ in crore)

For other receivables	March 31, 2022	March 31, 2021
Balance as at April 1	0.36	0.36
Impairment loss recognised	0.21	0.78
Amounts written off	(0.21)	(0.78)
Balance as at March 31	**0.36**	**0.36**

Cash and cash equivalents

The Company held cash and cash equivalents and other Bank balances of ₹ 20.13 crore at March 31, 2022 (Previous Year ₹ 33.48 crore). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

Note 42.3: Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The company has access to funds from debt markets through loans from banks, commercial papers and other debt instruments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements, if any

Notes forming part of the Standalone Financial Statements

(₹ in crore)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non-current, non-derivative financial liabilities							
Non-current borrowings	5.16	5.16	-	-	1.95	3.21	-
Other non-current financial liabilities	12.32	12.32	-	-	0.32	12.00	-
Current, non-derivative financial liabilities							
Working Capital Loans from Banks	131.08	131.08	131.08	-	-	-	-
Commercial papers	870.22	870.22	870.22	-	-	-	-
Current maturities of long term borrowings	1.95	1.95	1.95	-	-	-	-
Trade and other payables	408.48	408.48	408.48	-	-	-	-
Acceptances	20.48	20.48	20.48	-	-	-	-
Other current financial liabilities	134.07	134.07	134.07	-	-	-	-
Derivative liability	0.14	0.14	0.14	-	-	-	-
TOTAL	**1,583.90**	**1,583.90**	**1,566.42**	**-**	**2.27**	**15.21**	**-**

(₹ In crore)

March 31, 2021	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non-current, non-derivative financial liabilities							
Non-current borrowings	74.72	74.72	-	-	69.56	5.16	-
Other non-current financial liabilities	0.27	0.27	-	-	0.27	-	-
Current, non-derivative financial liabilities							
Working Capital Loans from Banks	123.55	123.55	123.55	-	-	-	-
Term loans from banks	-	-	-	-	-	-	-
Commercial papers	472.53	472.53	472.53	-	-	-	-
Current maturities of long term borrowings	24.56	24.56	24.04	0.52	-	-	-
Trade and other payables	305.68	305.68	305.68	-	-	-	-
Acceptances	131.61	131.61	131.61	-	-	-	-
Other current financial liabilities	106.94	106.93	106.93	-	-	-	-
Derivative liability	0.21	0.21	0.21	-	-	-	-
TOTAL	**1,240.08**	**1,240.07**	**1,164.55**	**0.52**	**69.83**	**5.16**	**-**

Notes forming part of the Standalone Financial Statements

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

The Company has sufficient current assets to manage the liquidity risk, if any, in relation to current financial liabilities.

Note 42.4: Currency Risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Currency risk

The functional currency of Company is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are INR. The Company is exposed to currency risk in respect of transactions in foreign currency. Foreign currency revenues and expenses are in the nature of export sales and import of purchases / services.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in crore)

Particulars	March 31, 2022		March 31, 2021	
	USD	EUR	USD	EUR
Financial Assets				
Trade and other receivables	14.38	-	11.42	-
Foreign exchange forward contracts	-	-	-	
Net exposure to foreign currency risk (Assets)	**14.38**	**-**	**11.42**	**-**
Financial Liabilities	-		-	-
Foreign currency loan				
Trade payables	(29.38)	(0.29)	(22.51)	-
Foreign exchange forward contracts	29.34	-	22.44	-
Net exposure to foreign currency risk (Liabilities)	**(0.04)**	**(0.29)**	**(0.07)**	**-**
Net exposure	**14.34**	**(0.29)**	**11.35**	**-**
Un-hedged foreign currency exposures				
Purchase	(0.04)	(0.29)	(0.07)	-
Sales & Other income	14.38	-	11.42	-

Notes forming part of the Standalone Financial Statements

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2022				
USD (1% movement)	0.11	(0.11)	0.11	(0.11)
EUR (2% movement)	(0.00)	0.00	(0.00)	0.00
	0.10	**(0.10)**	**0.10**	**(0.10)**

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
USD (2% movement)	0.17	(0.17)	0.17	(0.17)
	0.17	**(0.17)**	**0.17**	**(0.17)**

Note: Sensitivity has been calculated using standard Deviation % of USD rate movement.

Note 42.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Nominal amount (₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Fixed-rate instruments		
Financial Assets		
Loans and Advances	70.77	38.42
Other financial assets	1.06	0.95
TOTAL	**71.83**	**39.37**
Financial Liabilities		
Borrowings	876.22	478.53
Other financial liabilities	69.11	61.93
TOTAL	**945.33**	**540.46**
Variable -rate instruments		
Financial Liabilities		
Borrowings	132.18	215.81
TOTAL	**132.18**	**215.81**

Notes forming part of the Standalone Financial Statements

Fair value sensitivity analysis for fixed-rate instruments

The Company does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points (bps) in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crore)

Particulars	Profit or (loss) and Equity (net of tax) March 31, 2022		Profit or (loss) and Equity (net of tax) March 31, 2021	
	100 bps increase	100 bps decrease	100 bps increase	100 bps decrease
Variable-rate instruments				
Cash flow sensitivity (net)	(0.99)	0.99	(1.61)	1.61
TOTAL	**(0.99)**	**0.99**	**(1.61)**	**1.61**

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 forming part of the Standalone Financial Statements

Note 43. Tax Expense

(a) Amounts recognised in profit and loss

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	115.29	73.46
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(15.16)	0.10
Deferred tax expense	(15.16)	0.10
Tax expense recognised in the Statement of Profit & Loss	**100.13**	**73.56**

(b) Amounts recognised in other comprehensive income

(₹ in crore)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) / benefit	Net of tax	Before tax	Tax (expense) / benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability (asset)	(1.53)	0.38	(1.15)	1.86	(0.47)	1.39
Changes in fair value of investment in Body Corporate	(0.94)	0.24	(0.70)	1.77	(0.45)	1.32
TOTAL	**(2.47)**	**0.62**	**(1.85)**	**3.63**	**(0.92)**	**2.71**

(c) Reconciliation of effective tax rate

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	**460.34**	**352.56**
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	115.87	88.74
Tax effect of:		
Expense not allowed for tax purposes	1.80	1.66
Income not considered for tax purpose	(16.50)	(16.92)
Tax paid at lower rate	-	(0.30)
Others	(1.04)	0.38
	100.13	**73.56**
Current tax	**115.29**	**73.46**
Deferred tax	**(15.16)**	**0.10**

The Company's effective tax rate for the year ended March 31, 2022 is 21.75% and for the year ended March 31, 2021 was 20.86%.

Notes forming part of the Standalone Financial Statements

Note 44: Movement in deferred tax balances for the year ended March 31, 2022

(₹ in crore)

Particulars	Net balance April 1, 2021	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2022
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(72.11)	0.03	-	-	(78.30)	6.22	(72.08)
Compensated absences	1.27	0.74	-	-	2.01	-	2.01
Investments	1.23	0.41	0.62	-	0.18	2.08	2.26
Biological Assets	(0.19)	0.21	-	-	0.02	-	0.02
Doubtful Debtors	7.51	2.10	-	-	9.61	-	9.61
Lease arrangements	1.12	(1.04)	-	-	0.08	-	0.08
Other items	3.82	12.70	-	-	16.52	-	16.52
TOTAL	**(57.35)**	**15.16**	**0.62**	**-**	**(49.88)**	**8.30**	**(41.58)**

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in crore)

Particulars	Net balance April 1, 2020	Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax liability	Deferred tax asset	Net Deferred Tax March 31, 2021
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(67.97)	(4.15)	-	-	(77.13)	5.02	(72.11)
Compensated absences	1.28	(0.01)	-	-	1.27	-	1.27
Investments	1.38	0.30	(0.45)	-	(0.45)	1.68	1.23
Biological Assets	(0.10)	(0.10)	-	-	(0.19)	-	(0.19)
Doubtful Debtors	5.19	2.32	-	-	7.51	-	7.51
Lease arrangements	1.09	0.03	-	-	1.12	-	1.12
Other items	2.32	1.51	-	-	3.82	-	3.82
TOTAL	**(56.81)**	**(0.10)**	**(0.45)**	**-**	**(64.05)**	**6.70**	**(57.35)**

The company offsets tax assets and liabilities, if and only if, it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the Company does not have any intention to dispose investments in subsidiaries and certain joint ventures in the foreseeable future, deferred tax asset/liabilities related to such investments has not been recognised.

Notes forming part of the Standalone Financial Statements

Note 45: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings (excluding lease liability) less cash and cash equivalents. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio as at March 31, 2022 and March 31, 2021 was as follows.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Total borrowings	1,008.41	695.37
Less : Cash and cash equivalent	19.05	32.55
Adjusted net debt	**989.36**	**662.82**
Total equity	**1,963.33**	**1,755.87**
Adjusted net debt to equity ratio	0.50	0.38

Note 46: Segment information for the year ended March 31, 2022

Factors used to identify the entity's reportable segments, including the basis of organization.

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the Company. The Company has identified the following segments as reporting segments based on the information reviewed by CODM:

1. Animal feed
2. Crop Protection
3. Vegetable Oil
4. Real Estate
5. Other Business Segment includes Seed Business and Energy Generation through Windmill

Notes forming part of the Standalone Financial Statements

(i) Information about Primary business Segments

(₹ in crore)

For the year ended March 31, 2022								
Particulars	**Animal Feed**	**Vegetable Oil**	**Crop Protection**	**Real Estate**	**Other Business**	**Unallocated**	**Inter Segment**	**Total**
Revenue from operations	4,350.23	1,264.75	544.91	-	24.78	-	(2.07)	**6,182.60**
Result								
Segment Result	233.16	240.83	101.37	-	(2.14)	-	-	573.22
Unallocated expenditure net of unallocated income						(112.08)	-	(112.08)
Interest expenses						(42.31)	-	(42.31)
Interest Income						4.65	-	4.65
Dividend Income and Profit on sale of Investments (net)						36.86	-	36.86
Profit before taxation						(112.88)	-	**460.34**
Provision for taxation						100.13	-	100.13
Profit after taxation						-	-	**360.21**
Segment assets	1,778.35	365.59	759.14	7.18	34.95	888.81	-	3,834.02
Segment liabilities	412.34	45.79	257.56	5.69	14.63	1,134.68	-	1,870.69
Capital expenditure	85.80	16.90	6.70	-	0.01	6.54	-	115.95
Depreciation and amortisation	48.25	28.95	8.41	-	1.35	5.93	-	92.89

(ii) The Segment revenue in each of the above business segments consists of sales (net of returns, goods and service tax, rebates etc.) and other operating revenue.

(iii) Segment Revenue, Results, Assets and liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis

(₹ in crore)

For the year ended March 31, 2021								
Particulars	**Animal Feed**	**Vegetable Oil**	**Crop Protection**	**Real Estate**	**Other Business**	**Unallocated**	**Inter Segment**	**Total**
Revenue from operations	3,093.16	710.04	581.47	9.60	21.43	-	(2.66)	4,413.04
Result								
Segment Result	190.76	83.75	153.42	2.49	(2.10)	-		428.32
Unallocated expenditure net of unallocated income						(110.39)		(110.39)
Interest expenses						(36.27)		(36.27)
Interest Income						3.67		3.67
Dividend Income and Profit on sale of Investments (net)						67.23		67.23
Profit before taxation and exceptional item						(75.76)		352.56
Provision for taxation						73.56		73.56
Profit after taxation						-		279.00
Segment assets	1,365.12	367.57	652.82	7.18	35.15	812.15		3,239.99
Segment liabilities	395.09	47.94	195.63	2.86	19.46	823.13		1,484.11
Capital expenditure	49.79	41.16	1.98	-	0.18	11.43		104.54
Depreciation and amortisation	44.41	25.80	7.44	-	1.46	5.98		85.09

1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.

2. As the Company mainly caters to the need of domestic market and the total export turnover is not significant, separate geographical segment information has not been given in the standalone financial statements

Notes forming part of the Standalone Financial Statements

Note 47: Contingent Liabilities

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Claims against the Company not acknowledged as debts:		
(i) Excise Matter Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels.	21.67	20.24
(ii) Customs Matter Customs duty demands relating to disputed classification which the Company has contested and is in appeal at various levels.	1.37	1.26
(iii) Income Tax The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing Officer in which they have disallowed against sec. 14A in respect of exempt income, Depreciation on Land/ rights in Land of Godrej One and cash deposited during demonetization period.	1.41	1.41
(iv) GST matters GST demand pertains to disallowance of input tax credit claimed in Trans 1 & 2. The Company shall be filing an appeal against the impugned order in the GST Appellate Tribunal as and when the same is constituted	0.87	-
(v) Surety Bond issued on behalf of related party	1.21	1.21
(vi) Guarantees issued by the Banks and counter guaranteed by the Company	5.62	8.10
(vii) Letter of comfort issued to a bank on behalf of Subsidiary Company	25.00	-
(viii) Claims against the Company not acknowledged as debt	6.26	8.50

Note 47.1: Contingent liabilities represents estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax).The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence, the Company is not able to reasonably ascertain the timing of the outflow.

Note 47.2: The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the Standalone financial statements. The impact of the same is not ascertainable.

Note 48: Commitments

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
1. Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for:	37.23	56.71
2. Outstanding Export obligation Under EPCG Scheme	2.21	8.24

Notes forming part of the Standalone Financial Statements

Note 49: Corporate Social Responsibility (CSR) expenditure

As per Section 135 of the Companies Act, 2013 a CSR Committee has been formed by the company. The funds are utilised during the year on activities which are specified in schedule VII of the Act. The utilisation is done by the way of direct contribution towards various activities. Gross amount required and amount approved by the Board to be spent by the company during the year ₹ 6.73 crore (Previous year ₹6.22 crore).

(₹ in Crore)

Particulars	March 31, 2022	March 31, 2021
1. Amount required to be spent by the company during the year	6.73	6.22
2. Amount of expenditure incurred on:		
i. Construction/acquisition of any asset	-	-
ii. On purposes other than (i) above	5.30	4.98
3. Shortfall at the end of the year (refer note below)	1.43	1.24
4. Total including previous years shortfall	1.43	-
5. Reason for shortfall	Pertains to ongoing projects	NA
6. Nature of CSR activities	Promoting education and arts, Health care activities, Wellness and Water, Livelihood programmes, Disaster relief, Environment sustainability, Covid relief and rural development projects.	

Note:

₹ 1.43 crore remained unutilised for the Financial year 2021-22 which has been subsequently deposited in Unspent CSR Account.

₹ 1.24 crore remained unutilised for the Financial year 2020-21 which has been spent subsequently in the Financial Year 2021-22.

Note 50: Assessment of impact of Covid-19 pandemic

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

Note 51: With a view to focus on its core activities, the Company has partially sold the real estate project during the previous year to Godrej Properties Limited and the revenue of ₹ Nil (Previous year : ₹ 9.60 crore) has been included in other operating revenue and cost thereof has been included in the cost of material consumed.

Note 52: No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

Note 53: The amount reflected as "0.00" in Financials are values with less than ₹ one lakh.

Notes forming part of the Standalone Financial Statements

Note 54: Borrowings on the basis of Security of Current Assets

Summary of reconciliation of quarterly statements of current assets filed by the Company with Banks are as below

(₹ in Crore)

Quarter	Name of the Bank	Inventory and Trade receivables		Difference
		Amount as per books of accounts	Amount as reported in Quarterly return/statement	
Jun 21	SBI Bank / Union Bank / Central bank	1,725.29	1,714.98	(10.31)
Jun 20	SBI Bank / Union Bank / Central bank*	1,490.87*	1,561.05	70.18
Sep 20	SBI Bank / Union Bank / Central bank*	1,427.97*	1,488.83	60.86
Dec 20	SBI Bank / Union Bank / Central bank	1,299.75	1,310.11	10.36

Note: The variance is on certain Quarter end adjustments made after the date of filing of returns with the banks. The differences for the period ended 31st March, 2021, 30th September, 2021, 31st December, 2021 and 31st March, 2022 are not considered material with reference to the size and nature of business operations of the Company. "* Includes receivable on sale of land related to the real estate segment."

Note 55: Relationship and Transactions with Struck off Companies

(₹ in crore)

Name of Struck off Company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year March 31, 2022	Balance Outstanding as on March 31, 2022	Relationship with Struck off Company
Stuti Agro Processor Pvt Ltd	Receivables	-	0.00	Non-Related Party
GSLD Egg and Agro Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Agrisy Layer Farm Private Limited	Payables	-	(0.00)	Non-Related Party
Acknotech Software Solutions Private Limited	Payables	0.06	(0.00)	Non-Related Party
Utkarsh Agro Industries Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Kannauj Chemicals & Seeds Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Yeerla Retail Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Tyagi Agriscience Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Jyotsna Poultry Pvt Ltd	Payables	0.41	(0.00)	Non-Related Party
Arca Safety Pvt Ltd	Payables	-	(0.00)	Non-Related Party

(₹ in crore)

Name of Struck off Company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year March 31, 2021	Balance Outstanding as on March 31, 2021	Relationship with Struck off Company
GSLD Egg and Agro Pvt Ltd	Payables	0.02	(0.00)	Non-Related Party
Agrisy Layer Farm Private Limited	Payables	0.52	(0.00)	Non-Related Party
Acknotech Software Solutions Private Limited	Payables	0.08	(0.00)	Non-Related Party
Utkarsh Agro Industries Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Kannauj Chemicals & Seeds Pvt Ltd	Receivables	-	0.02	Non-Related Party
Yeerla Retail Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Tyagi Agriscience Pvt Ltd	Payables	-	(0.00)	Non-Related Party
BMGS Agro Products Pvt Ltd	Payables	0.58	(0.00)	Non-Related Party
Arca Safety Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Shivaganga Polymers Pvt Ltd	Payables	0.00	(0.00)	Non-Related Party

The amount reflected as "0.00" are values with less than ₹ one lakh.

Notes forming part of the Standalone Financial Statements

Note 56: Ratios Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reasons for variance
Current Ratio (in times)	Current Assets	Current Liabilities	1.13	1.20	(6.3%)	NA
Debt-Equity Ratio (in times)	Total Debt	Total Equity	0.51	0.40	29.7%	Due to increase in working capital requirements mainly on account of increase in Inventory.
Debt-Equity Ratio (net) (in times)	Total Debt minus cash & cash equivalents	Total Equity	0.50	0.38	33.5%	Due to increase in working capital requirements mainly on account of increase in Inventory.
Debt Service Coverage Ratio (in times)	Earnings available for Debt Service*	Debt Service**	3.24	6.85	(52.7%)	Due to principal repayment of long term borrowings.
Return on Equity (ROE) Ratio (in %)	Net profit after tax - preference Dividend	Average shareholder's equity = (Opening + Closing total equity) / 2	19.37%	16.74%	15.7%	NA
Inventory Turnover Ratio (in times)	Net sales	Average Inventory = (Opening + Closing inventory) / 2	7.08	6.79	4.3%	NA
Trade Receivable Turnover Ratio (in times)	Net sales	Average trade receivables = (Opening + Closing Trade receivables) / 2	9.21	6.45	42.7%	Primarily due to increase in net sales
Trade Payable Turnover Ratio (in times)	Net purchases of goods	Average trade payables = (Opening + Closing Trade payables) / 2	12.16	5.16	135.6%	Mainly due to increase in net purchases and decrease in average acceptances in FY 20-21
Net Capital Turnover Ratio (in times)	Net sales	Working capital = Current Assets - Current Liabilities	27.71	16.64	66.5%	Primarily due to increase in net sales
Net Profit Ratio (in %)	Net profit after tax	Net sales	5.84%	6.36%	-8.1%	NA
Return on Capital Employed (in %)	Earnings before interest and taxes	Capital Employed***	16.66%	15.48%	7.6%	NA
Return on Investment (in %)	Profit for the year of investee Companies (Our % share)	Total cost of Investment of Investee Companies as at that date	11.38%	17.02%	-33.1%	Mainly due to losses incurred by one of our Investee Company.

*Net profit after taxes + Depreciation and amortizations + Finance Costs + Loss on Sale of Property, plant & Equipment

**Interest & Lease payments + Principal repayments of long term borrowings during the year

***Tangible Net Worth, Total Debt and Deferred Tax Liability

Notes forming part of the Standalone Financial Statements

Note 57: Related Party Disclosures

1. In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

a) (i) Key Management Personnel and Entities where Key Management Personnel has significant influence and their Relatives	Mr. N. B. Godrej (Chairman)
	Mr. J. N. Godrej
	Mr. V. M. Crishna (upto 8th November, 2021)
	Ms. Tanya A. Dubash
	Ms. Nisaba Godrej
	Mr. Pirojsha A. Godrej
	Mr. B. S. Yadav (Managing Director)
	Mr. K. N. Petigara (upto 31st March, 2021)
	Dr. Raghunath A. Mashelkar
	Dr. Ritu Anand
	Ms. Aditi Kothari Desai
	Ms. Roopa Purushothaman
	Mr. N. Srinivasan
	Mr. Kannan Sitaram
	Mr. Ashok Gulati
	Mr. Vivek Raizada (Company Secretary)
	Mr. S. Varadaraj (Chief Financial Officer)
	Mr. A. B. Godrej
	The Raika Godrej Family Trust
	ABG Family Trust
	TAD Family Trust
	TAD Children Trust
	NG Family Trust
	NG Children Trust
	PG Family Trust
	PG Children Trust
	PG Lineage Trust
	NBG Family Trust
	RNG Family Trust
	BNG Successor Trust
	BNG Lineage Trust
	BNG Family Trust
	HNG Family Trust
	SNG Successor Trust
	SNG Lineage Trust
	SNG Family Trust
	JNG Family Trust
	PJG Family Trust
	RJG Family Trust
	NJG Family Trust
	SGC Family Trust
	VMC Family Trust
	FVC Family Trust
	FVC Children Trust
	NVC Family Trust
	NVC Children Trust
	Navroze Lineage Trust
	Raika Lineage Trust
	PherozaJamshyd Godrej
	FreyanCrishnaBieri
	Nyrika Holkar
	NavrozeJamshyd Godrej
	RaikaJamshyd Godrej
	Rishad Kaikhushru Naoroji
	Karla Bookman
	Sasha Godrej
	Lana Godrej

b)	(i) Holding companies	Godrej Industries Limited
	(ii) Subsidiary companies	Godvet Agrochem Limited
		Creamline Dairy Products Limited
		Astec LifeSciences Limited
		Behram Chemicals Private Limited
		Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
		Astec Europe Sprl (Belgium, Europe) (upto 31st August, 2020)
		Godrej Tyson Foods Limited
		Godrej Maxximilk Private Limited
	(iii) Fellow Subsidiary Companies	Godrej Properties Limited
		Godrej Housing Finance Limited
		Godrej One Premises Management Private Limited
		Godrej Vikhroli Properties India Limited
	(iv) Joint Ventures	ACI Godrej Agrovet Private Limited, Bangladesh
		Omnivore India Capital Trust
	(v) Associates	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
	(vi) Other Related Parties	Godrej & Boyce Manufacturing Company Limited
		Godrej Consumer Products Limited
		Godrej Seeds & Genetics Limited
		Godrej Infotech Limited
		Anamudi Real Estates LLP
	(vii) Post-employment benefit plan (entities) for the benefit of employees of the company	Godrej Agrovet Limited Provident Fund Trust
		Godrej Agrovet Limited Superannuation Scheme
		Godrej Agrovet Limited Group Gratuity Trust

Notes forming part of the Standalone Financial Statements

2. The following transactions were carried out with the related parties in the ordinary course of business:

(i) Details relating to parties referred to in items 1 (b) (i), (ii), (iii), (iv), (v), (vi)

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies	Subsidiaries	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v)	(vi) & (vii)
1	Purchase / Transfer of property, plant and equipment	**0.00**	**0.02**	-	-	-	**0.02**
		-	0.02	-	-	-	0.07
2	Investment in subsidiaries and joint ventures	-	**40.00**	-	-	-	-
		-	-	-	-	-	-
3	Advances given during the year	-	-	-	-	-	-
		-	-	-	-	-	0.10
4	Sundry deposits placed	**0.11**	-	-	-	-	-
		0.10	-	-	-	-	-
5	Intercorporate deposits placed during the year	-	**68.30**	-	-	-	-
		-	115.17	-	-	-	-
6	Intercorporate deposits returned	-	**52.51**	-	-	-	-
		-	96.75	-	-	-	-
7	Sale of materials / finished goods / other operating revenue	-	**492.95**	-	**3.10**	-	6.98
		-	335.84	9.60	1.84	-	-
8	Purchase of materials / finished goods / services	**5.64**	**29.67**	-	-	-	**83.76**
		6.21	8.62	0.12	-	-	0.21
9	Expenses charged to / reimbursement received from other companies	**0.15**	**16.36**	**0.00**	-	-	**0.76**
		0.14	26.44	0.03	-	-	0.73
10	Expenses charged by / reimbursement made to other companies	**10.83**	**2.57**	**2.45**	-	-	**0.67**
		8.47	4.44	2.50	-	-	0.66
11	Dividend income	-	**6.56**	-	**30.14**	-	-
		-	7.71	-	59.46	-	-
12	Dividend paid	**96.01**	-	-	-	-	-
		62.62	-	-	-	-	-
13	Interest income on inter corporate deposits placed / loans given	-	**1.65**	-	-	-	-
		-	1.41	-	-	-	-
14	Sundry income	-	-	-	**6.66**	-	**0.01**
		-	-	-	6.85	-	0.01
15	Outstanding inter corporate deposit receivable	-	**34.26**	-	-	-	-
		-	18.42	-	-	-	-
16	Capital advance given during the year	-	-	-	-	-	**0.47**
		-	-	-	-	-	0.06
17	Outstanding capital advance	-	-	**0.07**	-	-	-
		-	-	0.07	-	-	-
18	Outstanding receivables	**0.66**	**54.82**	-	**12.56**	-	**0.63**
		0.34	58.96	0.10	11.46	-	0.22
19	Outstanding payables	-	**(10.70)**	**(5.78)**	-	-	**(7.60)**
		-	(1.33)	(2.85)	-	-	(2.71)
20	Guarantees outstanding	-	-	-	-	-	**1.21**
		-	-	-	-	-	1.21
21	Contribution to post-employment benefit plans	-	-	-	-	-	**25.88**
		-	-	-	-	-	28.30

(ii) Details relating to persons referred to in items 1(a)(i) above

(₹ in crore)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Remuneration to key management personnel**		
	Salary and short term employee benefit paid	9.84	5.66
	Post employee gratuity & medical benefits	0.11	0.10
	Shared based payment	1.25	0.71
2	Dividend paid	13.58	8.17
3	Director's sitting fees	0.48	0.55
4	Director's commission	0.97	0.96

3. Significant Related Party Transactions:

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
1	**Purchase of property, plant and equipment**		
	Godrej & Boyce Manufacturing Company Limited	0.02	0.07
	Godrej Tyson Foods Limited	0.01	-
2	**Sale / Transfer of property, plant and equipment**		
	Godrej Industries Limited	0.00	-
	Godrej Tyson Foods Limited	-	0.01
	Creamline Dairy Products Limited	0.01	0.01
	Astec LifeSciences Limited	0.01	0.00
3	**Investment in subsidiaries and joint ventures**		
	Godrej Maxximilk Private Limited	40.00	-
4	**Advances given during the year**		
	Godrej & Boyce Manufacturing Company Limited	-	0.10
5	**Sundry deposits placed**		
	Godrej Industries Limited	0.11	0.10
6	**Inter corporate deposits placed during the year**		
	Godvet Agrochem Limited	-	6.62
	• Maximum amount of Inter corporate Deposit outstanding during the year	1.82	4.80
	Godrej Maxximilk Private Limited	23.30	17.30
	• Maximum amount of Inter corporate Deposit outstanding during the year	33.45	11.00
	Astec LifeSciences Limited	-	13.50
	• Maximum amount of Inter corporate Deposit outstanding during the year	-	7.00
	Creamline Dairy Products Limited	25.00	30.00
	• Maximum amount of Inter corporate Deposit outstanding during the year	25.00	20.00
	Godrej Tyson Foods Limited	20.00	47.75
	• Maximum amount of Inter corporate Deposit outstanding during the year	20.00	11.00
7	**Intercorporate deposits returned**		
	Godvet Agrochem Limited	0.87	4.80
	Astec LifeSciences Limited	-	13.50
	Creamline Dairy Products Limited	-	30.00
	Godrej Maxximilk Private Limited	31.65	0.70
	Godrej Tyson Foods Limited	20.00	47.75

Notes forming part of the Standalone Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
8	**Sale of materials / finished goods / other operating revenue**		
	ACI Godrej Agrovet Private Limited	3.10	1.84
	Godrej Maxximilk Private Limited	3.27	0.52
	Godrej Consumer Products Limited	6.98	-
	Godrej Tyson Foods Limited	471.65	323.77
	Creamline Dairy Products Limited	17.99	10.49
	Godrej Properties Limited	-	9.60
	Astec LifeSciences Limited	0.04	-
9	**Purchase of materials / finished goods / services**		
	Godrej & Boyce Manufacturing Company Limited	0.37	0.00
	Godrej Industries Limited	5.64	6.21
	Godrej Consumer Products Limited	0.10	0.21
	Godrej Tyson Foods Limited	0.55	0.13
	Godrej Seeds & Genetics Limited	83.28	-
	Astec LifeSciences Limited	28.85	8.43
	Godrej Properties Limited	-	0.12
	Godrej Maxximilk Private Limited	0.27	0.06
10	**Expenses charged to / reimbursement received from other companies**		
	Godrej & Boyce Manufacturing Company Limited	0.76	0.73
	Godrej Industries Limited	0.15	0.14
	Godrej Tyson Foods Limited	2.68	14.62
	Godvet Agrochem Limited	1.09	0.39
	Creamline Dairy Products Limited	0.51	1.52
	Astec LifeSciences Limited	6.03	5.78
	Godrej Properties Limited	0.00	0.03
	Godrej Maxximilk Private Limited	6.05	4.14
11	**Expenses charged by / reimbursement made to other companies**		
	Godrej Infotech Limited	0.10	0.05
	Godrej & Boyce Manufacturing Company Limited	0.11	0.27
	Godrej Consumer Products Limited	0.47	0.33
	Godrej Industries Limited	10.83	8.47
	Godrej Tyson Foods Limited	0.20	1.41
	Godvet Agrochem Limited	1.49	1.49
	Creamline Dairy Products Limited	0.29	0.05
	Godrej One Premises Management Private Limited	2.43	2.50
	Godrej Maxximilk Private Limited	-	0.02
	Astec LifeSciences Limited	0.59	0.40
	Godrej Housing Finance Limited	0.02	-
12	**Dividend income**		
	Creamline Dairy Products Limited	4.70	5.88
	Astec LifeSciences Limited	1.86	1.83
	ACI Godrej Agrovet Private Limited	30.14	59.46

Notes forming part of the Standalone Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
	Dividend paid		
	Godrej Industries Limited	96.01	62.62
	Mr. B. S. Yadav (Managing Director)	2.64	2.35
	Mr. N. B. Godrej (Chairman)	0.00	0.00
	Mr. A. B. Godrej	0.00	0.00
	Ms. Tanya A. Dubash	0.02	0.00
	Ms. Nisaba Godrej	0.00	0.00
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)	0.33	0.00
	Dr. Ritu Anand	0.00	0.00
	Ms. Roopa Purushothaman	0.00	0.00
	Mr. S. Varadaraj (Chief Financial Officer)	0.17	0.11
	Mr. Vivek Raizada (Company Secretary)	0.00	0.00
	The Raika Godrej Family Trust	0.00	0.00
	ABG Family Trust	0.00	-
	TAD Family Trust	0.67	0.76
	TAD Children Trust	0.00	-
	BNG Family Trust	0.69	0.76
	HNG Family Trust	0.69	0.76
	SNG Family Trust	0.69	0.76
	NG Family Trust	0.69	0.76
	NG Children Trust	0.00	-
	PG Family Trust	0.00	0.21
	PG Children Trust	0.00	-
	PG Lineage Trust	0.00	-
13	NBG Family Trust	0.00	-
	RNG Family Trust	0.00	-
	BNG Successor Trust	0.00	-
	BNG Lineage Trust	0.00	-
	SNG Successor Trust	0.00	-
	SNG Lineage Trust	0.00	-
	JNG Family Trust	0.00	-
	PJG Family Trust	0.00	-
	RJG Family Trust	0.00	-
	NJG Family Trust	0.00	-
	SGC Family Trust	0.00	-
	VMC Family Trust	0.00	-
	FVC Children Trust	0.00	-
	NVC Children Trust	0.00	-
	Freyan CrishnaBieri	0.00	0.00
	Nyrika Holkar	0.00	0.00
	NavrozeJamshyd Godrej	0.00	0.00
	Navroze Lineage Trust	1.66	-
	RaikaJamshyd Godrej	0.00	0.00
	Raika Lineage Trust	1.66	-
	FVC Family Trust	1.66	0.00
	NVC Family Trust	1.66	1.14
	Karla Bookman	0.15	0.18
	Sasha Godrej	0.15	0.18
	Lana Godrej	0.06	0.19

Notes forming part of the Standalone Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
14	**Interest income on intercorporate deposits placed / loans given**		
	Godrej Tyson Foods Limited	0.02	0.30
	Godvet Agrochem Limited	0.10	0.12
	Astec LifeSciences Limited	-	0.02
	Godrej Maxximilk Private Limited	1.53	0.82
	Creamline Dairy Products Limited	-	0.15
15	**Sundry income**		
	ACI Godrej Agrovet Private Limited	6.66	6.85
	Godrej Consumer Products Limited	0.01	0.01
16	**Capital advance given during the year**		
	Godrej & Boyce Manufacturing Company Limited	0.47	0.06
17	**Outstanding capital advance**		
	Godrej Vikhroli Properties India Limited	0.04	0.04
	Godrej Properties Limited	0.04	0.04
18	**Outstanding intercorporate deposit receivable**		
	Godvet Agrochem Limited	0.99	1.82
	Godrej Maxximilk Private Limited	8.27	16.60
	Creamline Dairy Products Limited	25.01	-
19	**Outstanding receivables**		
	Godrej & Boyce Manufacturing Company Limited	0.58	0.17
	Godrej Industries Limited	0.66	0.34
	Godrej One Premises Management Private Limited	-	0.10
	Godrej Seeds & Genetics Limited	-	0.00
	GodvetAgrochem Limited	0.29	-
	Godrej Consumer Products Limited	0.05	0.05
	Godrej Tyson Foods Limited	48.90	46.79
	ACI Godrej Agrovet Private Limited	12.52	11.42
	Creamline Dairy Products Limited	1.97	2.25
	Omnivore India Capital Trust	0.03	0.03
	Godrej Maxximilk Private Limited	3.67	9.92
20	**Outstanding payables**		
	GodvetAgrochem Limited	-	(0.26)
	Astec Life Sciences Limited	(10.70)	(1.07)
	Godrej Properties Limited	(5.68)	(2.85)
	Godrej One Premises Management Private Limited	(0.10)	-
	Godrej Agrovet Limited Provident Fund Trust.	(1.98)	(1.83)
	Godrej Agrovet Limited Superannuation Scheme.	(0.04)	(0.04)
	Godrej Agrovet Limited Group Gratuity Trust.	(4.03)	(0.84)
	Godrej Seeds & Genetics Limited	(1.55)	-
21	**Guarantees outstanding**		
	Godrej Consumer Products Limited	**1.21**	1.21

Notes forming part of the Standalone Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
22	**Director's sitting fees**		
	Mr. K. N. Petigara (Independent Director)	-	0.09
	Dr. Ritu Anand (Independent Director)	0.08	0.09
	Ms. Aditi Kothari Desai (Independent Director)	0.07	0.09
	Dr. Raghunath A. Mashelkar (Independent Director)	0.06	0.07
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.08
	Mr. N. Srinivasan (Independent Director)	0.09	0.07
	Mr. Kannan Sitaram (Independent Director)	0.05	0.06
	Mr. Ashok Gulati	0.05	-
23	**Director's commission**		
	Mr. N. B. Godrej (Chairman)	0.08	0.08
	Mr. K. N. Petigara (Independent Director)	0.08	0.08
	Mr. Amit B. Choudhury (Independent Director)	-	0.01
	Dr. Ritu Anand (Independent Director)	0.08	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.08
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.08
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.08
	Ms. Tanya A. Dubash	0.08	0.08
	Mr. V. M. Crishna	0.07	0.07
	Mr. J. N. Godrej	0.08	0.08
	Ms. Nisaba Godrej	0.08	0.08
	Mr. N. Srinivasan (Independent Director)	0.08	0.08
	Mr. Kannan Sitaram (Independent Director)	0.08	0.06
	Mr. Pirojsha A. Godrej (Director)	0.08	0.08
24	**Contribution to post-employment benefit plans**		
	Godrej Agrovet Limited Provident Fund Trust.	22.96	22.22
	Godrej Agrovet Limited Superannuation Scheme.	0.48	0.52
	Godrej Agrovet Limited Group Gratuity Trust.	2.44	5.57

Note 58: The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosures in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 w.e.f. April 1, 2021.

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 9, 2022

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
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Financials and Auditors' Report

Independent Auditor's Report

To the Members of
Godrej Agrovet Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Godrej Agrovet Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associate and its joint ventures, which comprise the Consolidated Balance Sheet as at 31 March 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate/consolidated financial statements of such subsidiaries and joint ventures as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associate and joint ventures as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associate and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters
Revenue Recognition

The key audit matter	How the matter was addressed in our audit
Refer Note 1[8(A)(i)] of accounting policy and Note 29 and Note 30 in consolidated financial statements The Group recognises revenue from sale of goods when control of the goods has transferred and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of	Our audit procedures included following: • Assessing the Group's accounting policies in respect of revenue recognition by comparing with applicable accounting standards; • Evaluating the design, testing the implementation and operating effectiveness of the Group's internal controls over recognition of revenue;

The key audit matter	How the matter was addressed in our audit
goods. The Group has large number of customers and the sales contracts with customers have different terms relating to transfer of control of underlying goods and the right of return. We identified the recognition of revenue from sale of products as a key audit matter because: • The Group and its external stakeholders focus on revenue as a key performance indicator. This could create an incentive for higher revenue to be recognised throughout the period (including period end), i.e. before the control of underlying goods have been transferred to the customer; and • Estimation of accrual for sales returns, mainly in the crop protection segment involves significant judgement.	• Perform substantive testing and cut-off testing throughout the period (including period end), by selecting samples of revenue transactions recorded during the year and verifying the underlying documents, which included sales invoices, dispatch documents and proof of delivery, depending on the terms of contracts with customer; • Examining journal entries (using statistical sampling) posted to revenue to identify unusual or irregular items; • Evaluating the design and testing the implementation and operating effectiveness of the internal controls over accrual for sales returns, in crop protection segment; • Checking completeness and accuracy of the data used for accrual of sales returns, in crop protection segment. • Examining historical trend of sales return claims to assess the assumptions and judgements used in accrual of sales returns in crop protection segment. Comparing historically recorded accruals to the actual amount of sales returns; • Examining journal entries (using statistical sampling) posted to provision for sales return to identify unusual or irregular items; • Evaluating adequacy of disclosures given in Note 29 and Note 30 to the consolidated financial statements.

Loss allowance on trade receivables
See Note 1 [5] to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
Loss allowance on trade receivables – crop protection segment Trade receivables of crop protection segment consist of individual / small customers in different jurisdictions within India. Accordingly, there are significant large number of customers subject to different business risk, climate risk, political risk and interest rate risk. The balance of loss allowance for trade receivables of crop protection segment represents the Group's best estimate at the balance sheet date of expected credit losses (ECL) under Ind AS 109. The Group assesses the ECL allowance for these individual / small customers resulting from the possible defaults over the expected life of the receivables. ECL is assessed at each reporting date on collective basis using provision matrix.	Our audit procedures to assess the ECL on trade receivables of crop protection segment included the following: • Assessing the Group's accounting policy for ECL on trade receivables with applicable accounting standards; • Testing the design, implementation and operating effectiveness of key controls over measurement of ECL on trade receivables in crop protection segment. Evaluating the processes of credit control and collection of trade receivables; • Using our internal IT specialists to assess and obtain comfort over ageing report. Assessing the classification of trade receivables based on such ageing report generated from system; • Challenging the ECL estimates by examining the information used to form such estimates;

The key audit matter	How the matter was addressed in our audit
The measurement of ECL involves significant judgements and assumptions, primarily including: • Loss rate in provision matrix depending on days past due; • credit risk of customers and • historical experience adjusted for future economic conditions. For measuring ECL, the Group adopted provision matrix and applied significant estimates and judgements. In addition, the exposures of the trade receivables of crop protection segment and the ECL involve significant amounts. In view of this, we identified the assessment of ECL on trade receivables of crop protection segment as a key audit matter.	• Checking completeness and accuracy of the data used by the Group for computation of assumptions used for computing ECL on trade receivables. Assessing assumptions such as the basis of segmentation of trade receivables, historical default rate and other related factors; • Obtaining independent customers confirmations on the outstanding invoices on sample (using statistical sampling) basis. Verifying balances obtained from customer with balance in the books along with applicable reconciling items. Inspecting subsequent bank receipts from customers and other relevant underlying documentation relating to closing trade receivable balances, when confirmations are not received; • Examining sample manual journal entries (using statistical sampling) for loss allowances to identify unusual or irregular items.

Goodwill and intangible assets
See note 1 [5] and 54 to the consolidated financial statements

The key audit matter	How the matter was addressed in our audit
The Goodwill and intangible assets with indefinite life is pursuant to business acquisitions. Management performs an annual impairment testing for Goodwill and intangible assets having indefinite life or more frequently if events or changes in circumstances indicate that they might be impaired. The goodwill and intangible assets are attributable to cash generating units and is tested for impairment using a value in use model, as described in note 1 [5] to the consolidated financial statements. We consider the impairment evaluation of Goodwill by management to involve significant estimates and judgement, due to the inherent uncertainty involved in forecasting and discounting future cash flows. Accordingly, this is considered as a key audit matter.	Our audit procedures included the following: • Assessing the Group's accounting policy for impairment of goodwill and intangible assets with applicable accounting standards; • Testing the design, implementation and operating effectiveness of key controls placed around the impairment assessment process of goodwill and intangible assets; • Assessed the indicators of impairment of goodwill and intangible assets; • Obtained and assessed the valuation working prepared by the management for its impairment assessment; • Involved our valuation specialists to assist in the evaluation of assumptions such as discount rate, growth rate etc. in estimating projections, cash flows and methodologies used by the Group; • Assessed the sensitivity of the outcome of impairment assessment to changes in key assumptions; and • Assessing the adequacy of disclosures in respect of such goodwill and intangible assets in accordance with the accounting standards.

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associate and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate and joint ventures are responsible for overseeing the financial reporting process of each company.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associate and joint ventures to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

a) We did not audit the financial statements of three subsidiaries and one joint venture, whose financial statements reflect total assets (before consolidation adjustments) of ₹ 70.36 crore as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ 13.93 crore and net cash outflows (before consolidation adjustments) amounting to ₹ 0.74 crore for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ 39.95 crore for the year ended 31 March 2022, in respect of one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and joint venture, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and joint venture is based solely on the reports of the other auditors.

b) The financial statements/financial information of one subsidiary, whose financial statements/financial information reflects total assets (before consolidation adjustments) of ₹ 0.00 crore as at 31 March 2022, total revenues (before consolidation adjustments) of ₹ Nil and net cash flows (before consolidation adjustments) amounting to ₹ Nil for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of ₹ Nil for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary 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 subsidiary and associate, is based solely on such unaudited financial statements/financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements/financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements/financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (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/consolidated financial statements of such subsidiaries and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

    c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

    d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

    e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(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/consolidated financial statements of the subsidiaries and joint ventures, as noted in the "Other Matters" paragraph:

(a) The consolidated financial statements disclose the impact of pending litigations as at 31st March 2022 on the consolidated financial position of the Group, its associate and joint ventures. Refer Note 47 to the consolidated financial statements.

(b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 27 to the consolidated financial statements in respect of such items as it relates to the Group, its associate and joint ventures.

(c) 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 incorporated in India during the year ended 31 March 2022.

(d) (i) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or its subsidiary companies incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies and joint venture incorporated in India or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Holding Company or its subsidiary companies incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies and joint venture incorporated in India shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

(e) The dividend declared or paid during the year by the Holding Company and its subsidiary companies incorporated in India is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs as 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
UDIN: 22112399AIPWNA6617

Mumbai
9 May 2022

Annexure A to the Independent Auditors' Report – 31 March 2022

With reference to the Annexure A referred to in Paragraph 1 in "Report on Other Legal and Regulatory Requirements" of the Independent Auditors' Report of even date to the Members of the Company on the consolidated financial statements for the year ended 31 March 2022, we report that:

(xxi) In our opinion and according to the information and explanations given to us, following companies incorporated in India and included in the consolidated financial statements, has qualifications given by the respective auditors in their reports under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entities	CIN	Subsidiary	Clause number of the CARO report which is qualified
1	Creamline Dairy Products Limited	U15201TG1986PLC006912	Subsidiary	Clause (xvii)
2	Godrej Maxximilk Private Limited	U01119MH2016PTC280677	Subsidiary	Clause (xvii)

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
UDIN: 22112399AIPWNA6617

Mumbai
9 May 2022

Annexure B to the Independent Auditors' report on the consolidated financial statements of Godrej Agrovet Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph 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 financial statements of the Holding Company as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of Godrej Agrovet Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of the internal controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements in so far as it relates to three subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Koosai Lehery
Partner
Membership No.: 112399
UDIN: 22112399AIPWNA6617

Mumbai
9 May 2022

Consolidated Balance Sheet

AS AT MARCH 31, 2022

(₹ in crore)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
ASSETS			
(I) Non-current assets			
(a) Property, Plant and Equipment	2	1,941.69	1,833.79
(b) Capital work-in-progress	3	80.92	136.77
(c) Right of use assets	4	117.88	120.47
(d) Goodwill		264.88	264.88
(e) Intangible assets	5	62.17	61.52
(f) Intangible assets under development	5 (a)	9.32	4.66
(g) Biological assets other than bearer plants	6	20.43	17.66
(h) Equity accounted investees	7 (A)	140.44	120.15
(i) Financial Assets			
(i) Investments	7 (B)	19.21	3.57
(ii) Loans	8	0.50	0.49
(iii) Others	9	42.26	25.21
(j) Deferred tax assets	44	27.49	19.61
(k) Other tax assets (net)		11.05	11.24
(l) Other non-current assets	10	49.28	35.12
Total non-current assets		**2,787.52**	**2,655.14**
(II) Current Assets			
(a) Biological assets	6	77.91	61.55
(b) Inventories	11	1,428.79	980.39
(c) Financial Assets			
(i) Investments	12	-	-
(ii) Trade Receivables	13	951.35	822.57
(iii) Cash and cash equivalents	14	31.36	48.63
(iv) Bank balances other than (iii) above	15	3.29	2.31
(v) Loans	16	40.01	23.56
(vi) Others	17	61.53	59.49
(d) Other current assets	18	202.23	145.29
Total current assets		**2,796.47**	**2,143.79**
TOTAL ASSETS		**5,583.99**	**4,798.93**

(₹ in crore)

Particulars	Note	As at March 31, 2022	As at March 31, 2021
(I) Equity			
(a) Equity share capital	19	192.11	192.07
(b) Other equity	20	2,076.31	1,859.03
Equity attributable to equity holders of the parent		**2,268.42**	**2,051.10**
Non-controlling interests		420.27	410.26
Total equity		**2,688.69**	**2,461.36**
(II) Liabilities			
1. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	47.26	148.74
(ii) Lease Liabilities		20.24	18.88
(iii) Other financial liabilities	22	13.32	0.27
(b) Provisions	23	6.96	9.31
(c) Deferred tax liabilities (net)	44	155.85	171.30
(d) Other non-current liabilities	24	15.93	17.05
Total non-current liabilities		**259.56**	**365.55**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	1,518.72	839.41
(ii) Lease Liabilities		12.46	16.48
(iii) Trade Payables	26		
Total outstanding dues of micro enterprises and small enterprises		28.78	8.03
Total outstanding dues of creditors other than micro enterprises and small enterprises		666.04	769.74
(iv) Other financial liabilities	27	191.00	191.78
(b) Other current liabilities	28	81.44	72.66
(c) Provisions	29	133.33	61.00
(d) Current tax liabilities (net)		3.97	12.92
Total current liabilities		**2,635.74**	**1,972.02**
Total liabilities		**2,895.30**	**2,337.57**
TOTAL EQUITY AND LIABILITIES		**5,583.99**	**4,798.93**

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

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 9, 2022

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
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of Profit & Loss

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I. Revenue from Operations	30		
Sale of products		8,292.93	6,239.60
Other operating revenue		13.16	27.11
Total Revenue From Operations		**8,306.09**	**6,266.71**
II. Other income	31	79.65	39.56
III. Total Income		**8,385.74**	**6,306.27**
IV. Expenses			
Cost of materials consumed	32	6,211.28	4,361.76
Purchases of Stock-in-Trade	33	240.33	247.40
Changes in inventories of finished goods, Stock under cultivation, Work in progress and Stock-in-Trade	34	(146.78)	(1.35)
Employee benefits expense	35	439.28	376.40
Finance costs	36	63.08	46.47
Depreciation and amortization expenses	37	173.34	154.00
Other Expenses	38	896.57	718.73
Total Expenses		**7,877.10**	**5,903.41**
V. Profit before Exceptional items, Tax and Share of Equity Accounted Investees		**508.64**	**402.86**
Share of profit of equity-accounted investees, net of tax		50.21	50.24
VI. Profit Before Exceptional items and Tax		**558.85**	**453.10**
VII. Exceptional Items (refer note 53)		(17.28)	-
VIII. Profit Before Tax		**541.57**	**453.10**
IX. Tax expense:		**122.42**	**105.53**
1. Current Tax			
- for current year		145.00	101.09
- Adjustment for Tax of Previous Years (net)		0.10	0.14
2. Deferred Tax		(22.68)	4.30
X. Profit for the year		**419.15**	**347.57**
XI. Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
Re-measurements of defined benefit liability		(1.71)	0.59
Changes in Fair Value of investment in equity shares		(0.94)	1.77
Equity accounted investee's share of other comprehensive income		0.58	-
Income tax related to items that will not be reclassified to profit or loss		0.57	(0.58)
		(1.50)	**1.78**
(B) Items that will be reclassified to profit or loss			
Exchange difference on translation of financial statements of foreign operations		(0.28)	1.03
Income tax related to items that will be reclassified to profit or loss		-	-
		(0.28)	**1.03**
Other comprehensive income for the year		**(1.78)**	**2.81**
XII. Total comprehensive income for the year		**417.37**	**350.38**

(₹ in crore)

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit attributable to:			
Equity holders of the Company		402.59	313.74
Non-controlling interest		16.56	33.83
		419.15	**347.57**
Other comprehensive income is attributable to :			
Equity holders of the Company		(1.71)	3.23
Non-Controlling interests		(0.07)	(0.42)
		(1.78)	**2.81**
Total comprehensive income is attributable to :			
Equity holders of the Company		400.88	316.97
Non-Controlling interests		16.49	33.41
		417.37	**350.38**
Earnings per equity share (Nominal value of ₹ 10 each, fully paid-up)	39		
Basic (₹)		20.96	16.34
Diluted (₹)		20.95	16.33

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

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Godrej Agrovet Limited
(CIN: L15410MH1991PLC135359)

N. B. GODREJ
Chairman
DIN: 00066195

B. S. YADAV
Managing Director
DIN: 00294803

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 9, 2022

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of Cash Flows

FOR THE YEAR ENDED MARCH 31, 2022

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities:		
Net Profit Before Taxes	**541.57**	**453.10**
Adjustment for:		
Depreciation and amortisation	173.34	154.00
(Profit)/Loss on sale of Property, plant and equipment	3.29	0.12
Profit on sale of Investments (net)	-	(0.10)
Unrealised foreign exchange gain/loss (net)	(1.14)	(0.94)
Dividend income	(0.16)	(0.05)
Grant amortisation	(1.10)	(1.15)
Interest income	(4.08)	(3.24)
Employee share based compensation cost	2.82	2.05
Share of equity-accounted investees, net of tax	(50.21)	(50.24)
Contingent consideration received	(42.08)	-
Finance Cost	63.08	46.47
Profit on sale of subsidiary	-	(0.25)
Allowances for Doubtful Debts and Advances	9.27	13.73
Liabilities no longer required written back	(1.68)	(4.41)
Change in fair value of biological assets	1.18	0.90
Bad Debts Written off	47.65	33.18
	200.18	**190.07**
Operating Profit Before Working Capital Changes	**741.75**	**643.17**
Adjustments for:		
(Increase) / Decrease in Inventories	(448.39)	(93.88)
(Increase) / Decrease in Biological assets other than bearer plants	(17.95)	0.78
(Increase) / Decrease in Trade Receivables	(182.91)	(20.22)
(Increase) / Decrease in Current / Non-current Financial assets- Loans	(16.47)	19.10
(Increase) / Decrease in Non-current Financial assets /Current Financial Assets - Others	(20.11)	87.98
(Increase) / Decrease in Other Current / Non-current assets & provision for sales return	1.61	(30.61)
Increase / (Decrease) in Trade Payables and acceptances	(82.48)	(498.81)
Increase / (Decrease) in Current / Non-current Provisions	4.05	(3.65)
Increase / (Decrease) in Current / Non-current Financial liabilities- Others	45.39	(19.03)
Increase / (Decrease) in Other current / Non-current liabilities	8.76	17.05
	(708.50)	**(541.29)**
Cash Generated from Operations	**33.25**	**101.88**
Direct Taxes paid (net of refunds received)	(153.30)	(112.30)
Net Cash Flow from Operating Activities	**(120.05)**	**(10.42)**

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
B. Cash Flow from Investing Activities :		
Acquisition of Property, plant and equipment	(271.03)	(247.28)
Contingent consideration received	42.08	-
Proceeds from sale of Property, plant and equipment	3.06	6.70
Purchase of Investments	(16.58)	(0.97)
Proceeds from sale of investments	-	0.10
Interest Received	4.12	3.21
Dividend Received	30.30	59.52
Net Cash Flow used in Investing Activities	**(208.05)**	**(178.72)**
C. Cash Flow from Financing Activities :		
Proceeds from exercise of ESOP shares	0.04	0.03
Repayment of Short Term Borrowings	(4,158.57)	(1,906.60)
Proceeds from Short Term Borrowings	4,818.40	2,125.00
Repayment of Long Term Borrowings	(114.01)	(20.05)
Proceeds from Long Term Borrowings	32.02	159.51
Finance Cost	(60.16)	(43.01)
Lease Liability repayments	(13.77)	(13.66)
Dividend Paid	(159.07)	(112.19)
Transactions with non-controlling interests	(34.05)	0.02
Net Cash Flow used in Financing Activities	**310.83**	**189.05**
Net increase / (decrease) in Cash and Cash equivalents	**(17.27)**	**(0.09)**
Cash and Cash equivalents (Opening balance)	48.63	48.75
Less: Cash & Cash equivalents removed on subsidiary sold	-	(0.03)
Cash and Cash equivalents (Closing balance) (refer note 14)	**31.36**	**48.63**

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules 2015, as amended and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

The Notes 1 to 62 form an integral part of the Consolidated Financial Statements
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 9, 2022

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
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787

Consolidated Statement of Changes in Equity

FOR THE YEAR ENDED MARCH 31, 2022

(a) Equity share capital

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Balance at the beginning of the reporting year	192.07	192.04
Changes in equity share capital during the year (refer note 19)	0.04	0.03
Balance at the end of the reporting year	192.11	192.07

(b) Other Equity

(₹ in crore)

Particulars	Retained Earnings	Capital Reserve	General Reserve	Employee share option outstanding	Securities Premium	Non - Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of a foreign operation	Total attributable to the owners of the Company	Non - Controlling Interest	Total
Balance at April 1, 2021	**1,516.78**	**1.73**	**18.14**	**4.46**	**429.47**	**(104.30)**	**0.02**	**(7.27)**	**1,859.03**	**410.26**	**2,269.29**
Total comprehensive income for the year											
Profit for the year	402.57	-	-	-	-	-	-	-	402.57	16.56	419.13
Other comprehensive income for the year	(1.44)	-	-	-	-	-	-	(0.28)	(1.72)	(0.07)	(1.79)
Total comprehensive income for the year	**401.13**	**-**	**-**	**-**	**-**	**-**	**-**	**(0.28)**	**400.85**	**16.49**	**417.34**
Contributions and distributions											
Dividends	(153.70)	-	-	-	-	-	-	-	(153.70)	(5.43)	(159.13)
Others											
Employee compensation expenses recognised during the year	-	-	-	2.72	-	-	-	-	2.72	-	2.72
Exercise of Employee stock grants	-	-	-	(2.08)	2.08	-	-	-	-	0.40	0.40
Acquisition of non-controlling interests (refer note 57)	-	-	-	-	-	(32.59)	-	-	(32.59)	(1.45)	(34.04)
Balance at March 31, 2022	**1,764.21**	**1.73**	**18.14**	**5.10**	**431.55**	**(136.89)**	**0.02**	**(7.55)**	**2,076.31**	**420.27**	**2,496.58**

Consolidated Statement of Changes in Equity

(₹ in crore)

Particulars	Retained Earnings	Capital Reserve	General Reserve	Employee share option outstanding	Securities Premium	Non - Controlling Interest Reserve	Effective portion of Cash Flow Hedges	Exchange differences on translating the financial statements of a foreign operation	Total attributable to the owners of the Company	Non - Controlling Interest	Total
Balance at April 1, 2020	**1,306.48**	**1.73**	**18.14**	**4.11**	**427.77**	**(103.85)**	**0.02**	**(8.30)**	**1,646.10**	**382.46**	**2,028.56**
Total comprehensive income for the year											
Profit for the year	313.74	-	-	-	-	-	-	-	313.74	33.83	347.57
Other comprehensive income for the year	2.20	-	-	-	-	-	-	1.03	3.23	(0.42)	2.81
Total comprehensive income for the year	**315.94**	**-**	**-**	**-**	**-**	**-**	**-**	**1.03**	**316.97**	**33.41**	**350.38**
Contributions and distributions											
Dividends	(105.64)	-	-	-	-	-	-	-	(105.64)	(6.55)	(112.19)
Others											
Employee compensation expenses recognised during the year	-	-	-	2.05	-	-	-	-	2.05	-	2.05
Sale of subsidiary of Astec LifeSciences Limited	-	-		-	-	-	-	-	-	(0.21)	(0.21)
Exercise of Employee stock grants	-		-	(1.70)	1.70	(0.19)	-	-	(0.19)	0.89	0.70
Acquisition of non-controlling interests (refer note 57)	**-**	**-**	**-**	**-**	-	(0.26)	-	-	(0.26)	0.26	0.00
Balance at March 31, 2021	**1,516.78**	**1.73**	**18.14**	**4.46**	**429.47**	**(104.30)**	**0.02**	**(7.27)**	**1,859.03**	**410.26**	**2,269.29**

The Notes 1 to 62 form an integral part of the Consolidated Financial Statements
As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Godrej Agrovet Limited
(CIN: L15410MH1991PLC135359)

	N. B. GODREJ	**B. S. YADAV**
	Chairman	Managing Director
	DIN: 00066195	DIN: 00294803
Koosai Lehery	**S. VARADARAJ**	**VIVEK RAIZADA**
Partner	Chief Financial Officer	Company Secretary
Membership Number: 112399	ICAI Memb. No. 047959	ICSI Memb. No. ACS11787
Mumbai, May 9, 2022	**Mumbai, May 9, 2022**	

Notes forming part of the Consolidated Financial Statements

Note 1. Significant Accounting Policies

1. General information

Godrej Agrovet Ltd. ("the Company" or "Parent") is a public limited Company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079. The Company and its subsidiaries, joint ventures and associates (the "Group") is a diversified agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products, poultry and processed food & milk and milk products.

2. Basis of preparation and presentation

(i) Basis of preparation:

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified by Ministry of Corporate Affairs pursuant to Section 133 of the Companies Act, 2013 ('Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act.

The consolidated financial statements of the Group for the year ended March 31, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on May 9, 2022.

Current versus non-current classification

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Group has ascertained its operating cycle as twelve months for the purpose of classification of assets and liabilities into current and non-current.

(ii) Basis of measurement

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value (refer accounting policy regarding financial instruments)
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation; and
- share-based payments

(iii) Functional and presentation currency

These consolidated financial statements are presented in Indian Rupees, which is the Group's functional currency. All amounts have been rounded off to the nearest crore, unless otherwise indicated. The amount reflected as "0.00" in Financials are value with less than one lakh.

3. Basis of consolidation

(i) Subsidiaries:

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group. The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of Profit and Loss, Consolidated Statement of Changes in Equity and Balance Sheet respectively.

(ii) Equity method :

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in the Consolidated Statement of Profit and Loss, and the Group's share of other comprehensive income of the investee in other comprehensive income.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, then unless it has incurred obligations or made payments on behalf of the other entity, Group does not recognise further losses, Unrealised gains on transactions between the Group and its equity accounted investees are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

4. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair value of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the Group
- Fair value of any asset or liability resulting from contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The Group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expenses as incurred.

The excess of the:

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognised 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 recognised 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 recognised in the Consolidated Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

Notes forming part of the Consolidated Financial Statements

5. Key estimates and assumptions

While preparing consolidated financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives**

  Useful lives of property, plant and equipment are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II and in case of intangible assets, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support. Impairment testing of Goodwill & intangible assets with indefinite useful life is done at least once annually and upon occurrence of indication of impairment. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The growth rates and margins used to make estimate future performance are based on past performance and our estimates of future growths and margins achievable in the CGUs. Discount rates reflect specific risks relating to the relevant segments and geographies in which the CGUs operate.

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition and measurement of Long term incentives**

  Accrual for long term incentive scheme liability requires estimates and judgements in respect of achievement of parameters of business performance. These estimates are based on past performance, approved budgets and plans and other relevant information considered on a best estimate basis as at the reporting date.

- **Recognition of deferred tax assets**

  Deferred tax assets and liabilities are recognised 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 recognised 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 specific to individual counterparty and a collective estimate based on historical experience adjusted for certain current factors.

c. The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

  All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair valuation of employee share options**

  The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

- **Determining whether an arrangement contains a lease**

  The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgment in assessing the lease term (including anticipated renewals) and the applicable discount rate.

  The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.

  The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Rebates**

  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.

- **Fair value of financial instruments**

  Derivatives are carried at fair value. Derivatives includes foreign currency forward contracts and commodity. Fair value of foreign currency forward contracts are determined using the fair value reports provided by respective bankers.

- **Biological Assets**

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

Notes forming part of the Consolidated Financial Statements

6. Measurement of fair values

The Group's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

7. Recent pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Group does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 percent' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Group does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Group does not expect the amendment to have any significant impact in its financial statements.

8. Significant accounting policies

A. Revenue and Other income

i. Sale of goods

Revenue from operations comprises of sales of goods after the deduction of discounts, goods and service tax and estimated returns. Discounts given by the Group includes trade discounts, volume rebates and other incentive given to the customers. Accumulated experience is used to estimate the provision for discounts. Revenue is only recognised to the extent that it is highly probable a significant reversal will not occur.

Revenue from the sale of goods are recognised when control of the goods has transferred to our customer and when there are no longer any unfulfilled obligations to the customer. Depending on the contractual terms with the customers, this can be either at the time of dispatch or delivery of goods. This is considered the appropriate point where the performance obligations in our contracts are satisfied as the Group no longer have control over the inventory.

Our customers have the contractual right to return goods only when authorized by the Group. As at 31 March 2022, an estimate has been made of goods that will be returned and a liability has been recognised for this amount. An asset has also been recorded for the corresponding inventory that is estimated to return to the Company using a best estimate based on historical experience.

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

iii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the Consolidated Statement of Profit and Loss.

iv. Subsequent remeasurement of the contingent consideration which represents a financial liability or asset, is recognised through profit and loss account.

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 recognised as income and expenses in the period in which they arise.

Notes forming part of the Consolidated Financial Statements

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognised in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

  On consolidation, the assets and liabilities of foreign operations are translated into INR at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at average rate during the year. The exchange differences arising on translation for consolidation are recognised in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in profit and loss.

C. Employee benefits

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognised in the period in which the employee renders the related service.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund Office are expensed as the related service is provided.

iii. Defined benefit plans

The following post – employment benefit plans are covered under the defined benefit plans:

- Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Group.

  The Group's contribution to the Provident Fund Trust as established by the Group, is also considered as a Defined Benefit Plan because, as per the rules of Group's Provident Fund Scheme, 1952, if the return on investment is less than the guaranteed rate of return for any reason, then the deficiency shall be made good by the Group. The Group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted.

  The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

- Gratuity Fund

  The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

  Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income (OCI).

iv. Other long-term employee benefits

Liability toward long-term Compensated Absences are provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Consolidated Statement of Profit and Loss.

Other long-term employee benefits include payable in respect of long term incentive scheme recorded by estimating the possible cash outflows based on assessment of parameters of the scheme and discounted at present value.

v. Terminal Benefits:

All terminal benefits are recognised as an expense in the period in which they are incurred.

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in the Statement of Profit and Loss except to the extent that it relates to a business combination, or items recognised directly in equity or in the OCI.

i. Current tax

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognised at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

a) has a legally enforceable right to set off the recognised amounts; and

b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Taxes relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Consolidated Statement of Profit and Loss.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

Notes forming part of the Consolidated Financial Statements

E. Inventories

Inventories are carried in the consolidated balance sheet as follows:

a) Raw materials, Packing materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

b) Work-in-progress-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

c) Finished Goods-: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at lower of cost and net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

d) Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

F. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses, if any.

The cost of an item of property, plant and equipment comprises:

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 Profit and Loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Consolidated Statement of Profit and Loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

iii. Depreciation/ Amortizations

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

a) Plant and Machinery: - 20 Years
b) Computer Hardware, Crates, cans and milko testers: Depreciated over the estimated useful life of 4 years.
c) Leasehold Land: Amortized over the lease term.
d) Leasehold improvements and equipments: Amortised over the Primary lease period or 16 years whichever is less

Assets costing less than ₹ 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 recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Group and the cost of the asset can be measured reliably.

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the Statement of Profit and Loss.

The intangible assets are amortised over the estimated useful lives as given below:

- 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.

Notes forming part of the Consolidated Financial Statements

Research and Development Expenditure

Research Expenditure:

Revenue expenditure on research & development is charged to the Consolidated Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to intangible assets.

J. Share-based payments:

a) Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b) The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c) That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

d) When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Consolidated Statement of Profit and Loss.

e) The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

K. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts.

Financial instruments also cover contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognised at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognised entirely in the Consolidated Statement of Profit and Loss (i.e. fair value through profit or loss), or recognised in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Group's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

At initial recognition, the Group measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Consolidated Statement of Profit and Loss, transaction costs that are attributable to the acquisition of the financial asset.

Equity investments (other than investments in associates and joint venture)

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.
- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.
- Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised (i.e. removed from the Group's Consolidated Statement of Assets and Liabilities) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

  When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

  Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

Notes forming part of the Consolidated Financial Statements

ii. Financial liabilities

Classification

Financial liabilities and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Group classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Consolidated Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the Consolidated Statement of Profit and Loss.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial guarantee contracts

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Consolidated Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Consolidated Statement of Assets and Liabilities if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

L. Provisions, contingent liabilities and contingent assets

Provisions are recognised when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Consolidated Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the consolidated financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

M. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit And Loss.

The Group measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Group uses incremental borrowing rate. For leases with reasonably similar characteristics, the Group, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Group is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Group recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognises any remaining amount of the re-measurement in Statement of Profit and Loss.

Notes forming part of the Consolidated Financial Statements

The Group has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term.

Group as a lessor

At the inception of the lease the Group classifies each of its leases as either an operating lease or a finance lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and awards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. The Group recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

N. Impairment of non-financial assets

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, to the extent the amount was previously charged to the Consolidated Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

O. Cash and cash equivalents

Cash and cash equivalent in the Consolidated balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

P. Government Grants

Grants are recognised 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 recognised as income in the Consolidated Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognised in the Consolidated Statement of Profit and Loss in the same period as the related cost which they are intended to compensate are accounted for.

Q. Earnings Per Share ("EPS")

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/(loss) after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

R. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognised in the Consolidated Statement of Profit or Loss.

Note 2: Property, Plant & Equipment

(₹ in crore)

PARTICULARS	Freehold Land (refer note 2.1)	Buildings (refer note 2.1)	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Others Equipment	Leasehold Improvements	Livestock used for R&D	Total
As at March 31, 2022									
Gross Block									
As at April 1, 2021	373.25	644.82	1,233.23	18.48	40.88	69.13	4.66	0.57	**2,385.02**
Additions	-	76.29	155.89	2.20	12.01	24.52	0.02	0.08	**271.01**
Disposals	-	(0.01)	(9.45)	(0.16)	(4.07)	(1.65)	-	(0.16)	**(15.50)**
As at March 31, 2022	**373.25**	**721.10**	**1,379.67**	**20.52**	**48.82**	**92.00**	**4.68**	**0.49**	**2,640.53**
Accumulated Depreciation									
As at April 1, 2021	-	89.51	405.74	7.78	19.01	27.15	1.87	0.17	**551.23**
Charge for the year	-	25.10	114.19	2.04	4.69	10.14	0.58	0.04	**156.78**
Disposals	-	(0.01)	(6.38)	(0.09)	(1.37)	(1.31)	-	(0.01)	**(9.17)**
As at March 31, 2022	**-**	**114.60**	**513.55**	**9.73**	**22.33**	**35.98**	**2.45**	**0.20**	**698.84**
Net Block as at March 31, 2022	**373.25**	**606.50**	**866.12**	**10.79**	**26.49**	**56.02**	**2.23**	**0.29**	**1,941.69**
As at March 31, 2021									
Gross Block									
As at April 1, 2020	361.63	576.56	1,093.43	16.09	39.20	51.64	3.51	0.55	**2,142.61**
Additions	12.98	68.73	147.62	2.42	4.45	17.70	1.15	0.03	**255.08**
Disposals	(1.36)	(0.47)	(7.82)	(0.03)	(2.77)	(0.21)	-	(0.01)	**(12.67)**
As at March 31, 2021	**373.25**	**644.82**	**1,233.23**	**18.48**	**40.88**	**69.13**	**4.66**	**0.57**	**2,385.02**
Accumulated Depreciation									
As at April 1, 2020	-	67.83	307.20	5.87	15.74	19.96	1.36	0.12	**418.08**
Charge for the year	-	22.07	102.95	1.91	4.24	7.28	0.51	0.05	**139.01**
Disposals	-	(0.39)	(4.41)	(0.00)	(0.97)	(0.09)	-	0.00	**(5.86)**
As at March 31, 2021	**-**	**89.51**	**405.74**	**7.78**	**19.01**	**27.15**	**1.87**	**0.17**	**551.23**
Net Block as at March 31, 2021	**373.25**	**555.31**	**827.49**	**10.70**	**21.87**	**41.98**	**2.79**	**0.40**	**1,833.79**

Note 2.1: Legal formalities relating to the transfer of title of immovable assets situated at Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited), are being complied with. Stamp duty payable thereon is not presently determinable.

Notes forming part of the Consolidated Financial Statements

Note 3: Capital Work In Progress

(₹ in crore)

Particulars	Amount
As at March 31, 2022	
Cost	
As at April 1, 2021	136.77
Additions during the year	183.30
Capitalised during the year	(239.15)
As at March 31, 2022	**80.92**
As at March 31, 2021	
As at April 1, 2020	150.47
Additions during the year	204.71
Capitalised during the year	(218.41)
As at March 31, 2021	**136.77**

Note: Capital work in progress includes borrowing cost capitalised during the year of ₹ 0.74 crore (Previous Year ₹ 0.26 crore).

Capital Work in progress (CWIP) Ageing

As at March 31, 2022

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress	77.57	1.77	-	0.19	**79.53**
Projects temporarily suspended	-	-	-	1.39	**1.39**
TOTAL	**77.57**	**1.77**	**-**	**1.58**	**80.92**

As at March 31, 2021

(₹ in crore)

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	134.27	0.77	0.08	0.26	**135.38**
Projects temporarily suspended	-	-	-	1.39	**1.39**
TOTAL	**134.27**	**0.77**	**0.08**	**1.65**	**136.77**

Project execution plans are modulated basis capacity requirement assessment and all the projects are executed as per rolling annual plan.

Notes forming part of the Consolidated Financial Statements

Note 4: Right of use Assets

(₹ in crore)

Particulars	Buildings	Land	Vehicles	Total
Cost				
As at April 1, 2021	39.25	92.60	11.19	**143.04**
Additions	9.84	1.84	-	**11.68**
Disposals	(2.59)	-	-	**(2.59)**
As at March 31, 2022	**46.50**	**94.44**	**11.19**	**152.13**
Accumulated depreciation and impairment				
As at April 1, 2021	14.45	2.90	5.22	**22.57**
Depreciation	9.14	0.96	2.86	**12.96**
Eliminated on disposals of assets	(1.28)	-	-	**(1.28)**
As at March 31, 2022	**22.31**	**3.86**	**8.08**	**34.25**
Carrying amounts				
As at April 1, 2021	24.80	89.70	5.97	**120.47**
As at March 31, 2022	**24.19**	**90.58**	**3.11**	**117.88**

Breakdown of lease expenses

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Short-term lease expense	11.74	12.57
Total lease expense	**11.74**	**12.57**

Cash outflow on leases

(₹ in crore)

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Repayment of lease liabilities	12.52	10.20
Interest on lease liabilities	3.10	3.46
Short-term lease expense	9.85	12.36
Variable lease expenses (other than short term)	1.88	2.30
Total cash outflow on leases	**27.35**	**28.32**

Maturity analysis of lease liability

(₹ in crore)

Particulars	Total Lease Payable	Less than 1 year	1 and 5 years	Over 5 years	Weighted average effective interest rate %
March 31, 2022					
Lease liabilities	36.49	10.94	11.92	13.63	9%
March 31, 2021					
Lease liabilities	41.08	10.89	21.23	8.96	9%

Notes forming part of the Consolidated Financial Statements

Note 5: Intangible assets

(₹ in crore)

Particulars	Computer Software	Brand	Product Registration	Total
As at March 31, 2022				
Cost				
As at April 1, 2021	23.05	54.79	2.71	**80.55**
Additions	4.25	-	-	**4.25**
Disposals	(0.00)	-	-	**(0.00)**
As at March 31, 2022	**27.30**	**54.79**	**2.71**	**84.80**
Accumulated amortisation				
As at April 1, 2021	14.66	1.66	2.71	**19.03**
Charge for the year	2.77	0.83	-	**3.60**
Disposals	(0.00)	-	-	**(0.00)**
As at March 31, 2022	**17.43**	**2.49**	**2.71**	**22.63**
Net Block as at March 31, 2022	**9.87**	**52.30**	**-**	**62.17**
As at March 31, 2021				
Cost				
As at April 1, 2020	21.58	54.79	2.71	**79.08**
Additions	1.47	-	-	**1.47**
Disposals	-	-	-	**-**
As at March 31, 2021	**23.05**	**54.79**	**2.71**	**80.55**
Accumulated amortisation				
As at April 1, 2020	11.99	0.83	2.71	**15.53**
Charge for the year	2.67	0.83	-	**3.50**
Disposals	-	-	-	**-**
As at March 31, 2021	**14.66**	**1.66**	**2.71**	**19.03**
Net Block as at March 31, 2021	**8.39**	**53.13**	**-**	**61.52**

Note 5 (a): Intangible assets under development (IAUD)

(₹ in crore)

Particulars	Amount
As at March 31, 2022	
Cost	
As at April 1, 2021	4.66
Additions during the year	7.37
Capitalised during the year	(2.71)
As at March 31, 2022	**9.32**
As at March 31, 2021	
As at April 1, 2020	2.74
Additions during the year	3.04
Capitalised during the year	(1.12)
As at March 31, 2021	**4.66**

Notes forming part of the Consolidated Financial Statements

Intangible assets under development Ageing (IAUD)

As at March 31, 2022 (₹ in crore)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	6.38	1.69	1.25	-	**9.32**
Projects temporarily suspended	-	-	-	-	**-**
TOTAL	**6.38**	**1.69**	**1.25**	**-**	**9.32**

As at March 31, 2021 (₹ in crore)

Particulars	Amount in IAUD for a period of				Total
	Less than 1 year	1 - 2 years	2-3 years	More than 3 years	
Projects in progress	3.39	1.27	-	-	**4.66**
Projects temporarily suspended	-	-	-	-	**-**
TOTAL	**3.39**	**1.27**	**-**	**-**	**4.66**

Project execution plans are modulated basis requirements assessment and all the projects are executed as per rolling annual plan.

Note 6: Biological Assets other than bearer plants

A. Reconciliation of carrying amount

March 31, 2022 (₹ in crore)

Particulars	Oil palm saplings		Cattle		PS Birds / Hatching eggs / Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2021	8,07,167	5.69	965	6.46	67.06	**79.21**
Add:						
i. Purchases	8,56,000	4.78	187	1.59	87.04	**93.41**
ii. Production/ Cost of Development		3.63	441	3.07	334.63	**341.33**
Less:						
i. Sales / Disposals	(7,51,224)	(6.92)	(486)	(2.31)	(405.61)	**(414.84)**
ii. Change in fair value less cost to sell:	**-**	**(0.73)**	**-**	**(0.45)**	**0.41**	**(0.77)**
Realised	-	(0.30)	-	(0.45)	(19.92)	**(20.67)**
Unrealised	-	(0.43)	-	(0.00)	20.33	**19.90**
Balance as at March 31, 2022	**9,11,943**	**6.45**	**1,107**	**8.36**	**83.53**	**98.34**
Non -Current	**-**	**6.45**		**8.36**	**5.62**	**20.43**
Current	**-**	**-**		**-**	**77.91**	**77.91**

March 31, 2021 (₹ in crore)

Particulars	Oil palm saplings		Cattles		PS Birds / Hatching eggs / Broilers	Total
	Qty.	Amount	Qty.	Amount	Amount	
Balance as April 1, 2020	8,08,247	6.27	781	5.25	68.17	**79.69**
Add:		-				
i. Purchases	6,87,500	3.30	6	0.04	76.37	**79.71**
ii. Production/ Cost of Development		1.81	388	2.53	232.05	**236.39**
Less:						
i. Sales / Disposals	(6,88,580)	(5.61)	(210)	(0.54)	(311.24)	**(317.39)**
ii. Change in fair value less cost to sell:	**-**	**(0.08)**	**-**	**(0.82)**	**1.71**	**0.81**
Realised	-	(0.40)	-	(0.51)	(18.21)	**(19.12)**
Unrealised	-	0.32	-	(0.31)	19.92	**19.93**
Balance as at March 31, 2021	**8,07,167**	**5.69**	**965**	**6.46**	**67.06**	**79.21**
Non -Current	**-**	**5.69**	**965**	**6.46**	**5.51**	**17.66**
Current	-	**-**	**-**	**-**	**61.55**	**61.55**

Notes forming part of the Consolidated Financial Statements

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, 2022, the group purchased 8,56,000 (Previous year: 6,87,500) number of saplings, out of which 8,56,000 (Previous year: 6,87,500) were still under cultivation.

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for oil palm saplings, cattles and PS Birds /Hatching eggs /Broilers have been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

The following table shows a breakdown of the total gains (losses) recognised in respect of Level 3 fair values-

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
	Oil palm saplings / Cattles	Oil palm saplings / Cattle
Gain/(loss) included in 'other operating revenue'	(1.18)	(0.90)
Change in fair value (realised)	(0.75)	(0.91)
Change in fair value (unrealised)	(0.43)	0.01

Particulars	March 31, 2022	March 31, 2021
	PS Birds / Hatching eggs / Broilers	PS Birds / Hatching eggs / Broilers
Gain/(loss) included in 'cost of goods sold'	0.41	1.71
Change in fair value (realised)	(19.92)	(18.21)
Change in fair value (unrealised)	20.33	19.92

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Oil Palm Saplings - it comprises the stock under cultivation	Cost approach and percentage completion method	Estimated cost of completing the stock under cultivation ₹ 68.5 to 131.0 per sapling	The estimated fair valuation would increase/(decrease) if - Estimated cost to complete was lower (higher)
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm-Broilers	Discounted cash flows	Estimated price of each component - PS birds - INR 25.90 (31 March 2021: INR 20.59) per Hatching eggs, - Hatching eggs - INR 30.57 (31 March 2021: INR 34.49) per Day Old Chicks, - Contract farms- Broilers (average rate) - INR 118.00 (31 March 2021: INR 105.00) per kg for live bird	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher/(lower) - discounting is done for the expected cash flows
Cattle	Market approach with the help of Valuation certificate from an external valuer	Estimated price impact on age, breed and yield of the Cattle	The estimated fair valuation would increase/(decrease) if - Estimated yield of the cattle is increased or decreased

C. Risk Management strategies related to agricultural activities

The group is exposed to the following risks relating to its plantations, Cattles and PS Bird /Hatching egg /Broiler

i. Regulatory and environmental risks

The group is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

The group is exposed to risks arising from fluctuations in the price and sales volume of plants and milk. For oil palm plants, when possible, the group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing. For milk, the Group manage this risk by effictive marketing tie up for sale of milk.

The group exposed the risk arising from the flutuations in the price of Hatching eggs, commercial day old chicks and live birds. when the price goes down the management possibly manage this risk by diverting more live birds for processing and when prices goes up the management sells more Hatching eggs, Day old Chicks and Live Birds.

iii. Climate and other risks

The group's oil palm plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The group has extensive processes in place aimed at monitoring and mitigating those risks, including regular plantation health surveys and industry pest and disease surveys.

The Group is exposed to risks arising from fluctuations in yield and health of the Cattle. Group manages this risk by effective sourcing and maintenance of cattle.

The Group's Livestock are exposed to the extreme climatic changes in summer and winter season. However, the Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting Industry best practices by professional qualified veterinarian doctors.

A reasonably possible change of 10% in estimated cost of completing the stock under cultivation at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

Particulars	Profit or (loss) for the year ended March 31, 2022		Profit or (loss) for the year ended March 31, 2021	
	10% increase	10% decrease	10% increase	10% decrease
Variable cost (Oil palm saplings)	(0.18)	0.19	(0.13)	0.14
Estimated change in valuation- Cattle	0.84	(0.84)	0.65	(0.65)
Estimated change in valuation- Poultry (PS Birds /Hatching eggs /Broilers)	9.37	(9.37)	7.77	(7.77)
Cash flow sensitivity (net)	**10.03**	**(10.02)**	**8.29**	**(8.28)**

Notes forming part of the Consolidated Financial Statements

Note 7: Investments

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
A. Equity accounted investees		
I Investment in Equity Instrument (Fully Paid)		
a) Investment in joint ventures (Unquoted)		
i. ACI Godrej Agrovet Private Limited, Dhaka, Bangladesh.	95.02	84.99
1,850,000 (Previous Year 1,850,000) Equity Shares of ₹ 100/- each.		
ii. Omnivore India Capital Trust	45.42	35.16
2,444.37 (Previous Year 2,444.37) units of ₹ 1,00,000 each.		
Total (A)	**140.44**	**120.15**
B. Non-current Investments		
Investment in equity instruments		
i. Quoted at FVOCI		
i. KSE Limited	19.20	3.56
90,551 (Previous Year 15,554) Equity Shares of ₹ 10/- each		
{Acquired 74,949 shares during the current year (Previous year 8,087)}		
ii. Unquoted at FVTPL		
a) Investment in Co-operative Society	0.01	0.01
b) Investment in Other Corporates	0.00	0.00
Total (B)	**19.21**	**3.57**
TOTAL	**159.65**	**123.72**

Note 8: Non Current - Loans (refer note 42.2)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good (unless otherwise stated)		
1. Loan to Employees	0.50	0.49
TOTAL	**0.50**	**0.49**

Note 9: Other non-current financial assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Claims receivable	1.86	1.89
2. Security deposits		
i. Considered good	40.19	22.71
ii. Considered doubtful	0.24	0.25
Less : Allowance for bad and doubtful deposits	(0.24)	(0.25)
Net Deposits	**40.19**	**22.71**
3. Bank Deposit with original maturity of more than 12 months (refer note 9.1)	0.21	0.61
TOTAL	**42.26**	**25.21**

Note 9.1: Fixed Deposits of ₹ 0.21 crore (Previous year ₹0.01 crore) are pledged with government authorities. Further, Fixed deposits with scheduled banks of ₹ Nil (Previous Year ₹ 0.60 crore) held as margin money towards overdraft limit.

Notes forming part of the Consolidated Financial Statements

Note 10: Other non-current assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Capital advances	20.97	11.46
2. Balance with Government Authorities	16.37	18.38
3. Others		
i) Considered good	11.94	5.28
ii) Considered doubtful	1.23	1.13
Less : Allowance for doubtful advances	(1.23)	(1.13)
	11.94	5.28
TOTAL	**49.28**	**35.12**

Note 11: Inventories

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
(Valued at lower of cost and net realizable value)		
1. Raw Materials (including packing materials)	962.28	663.73
2. Raw Materials in Transit	14.52	1.14
3. Work in progress	70.30	52.90
4. Project in progress	5.72	5.72
5. Finished goods	238.25	129.87
6. Stock-in-Trade	89.62	85.85
7. Stores and Spares	48.10	41.18
TOTAL	**1,428.79**	**980.39**

Note 12: Current Investments

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
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	-	-
TOTAL	**-**	**-**

Note 13: Trade Receivables (refer note 42.2)

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
i. Secured and considered good (refer note 13.1)	112.22	106.57
ii. Unsecured and considered good	839.13	716.00
iii. Credit impaired	44.27	37.13
Less : Loss allowance	(44.27)	(37.13)
TOTAL	**951.35**	**822.57**

Note 13.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them

Note 13.2: Refer to note 25 for information on trade receivables pledged as security by the group.

Notes forming part of the Consolidated Financial Statements

Note 13.3: Trade receivables Ageing Schedule

(₹ in crore)

As at March 31, 2022	Outstanding for following periods					Total
	Not due and < 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Undisputed Trade Receivables – considered good	820.31	78.67	45.68	2.12	2.69	**949.47**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
Undisputed Trade receivable – credit impaired	3.01	0.66	30.25	2.43	0.92	**37.27**
Disputed Trade Receivables – considered good	0.52	0.34	0.97	-	-	**1.83**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
Disputed Trade receivable – credit impaired	-	0.26	4.25	0.45	2.09	**7.05**
TOTAL	**823.84**	**79.93**	**81.15**	**5.00**	**5.70**	**995.62**

(₹ in crore)

As at March 31, 2021	Outstanding for following periods					Total
	Not due and < 6 months	6 months to 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Undisputed Trade Receivables – considered good	691.25	66.73	54.47	4.56	0.45	**817.46**
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
Undisputed Trade receivable – credit impaired	0.70	1.32	28.38	1.10	0.83	**32.33**
Disputed Trade Receivables – considered good	0.43	0.73	3.96	-	-	**5.12**
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	**-**
Disputed Trade receivable – credit impaired	-	-	2.66	0.16	1.97	**4.79**
TOTAL	**692.38**	**68.78**	**89.47**	**5.82**	**3.25**	**859.70**

Note 14: Cash and cash equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Cash on hand	1.59	2.67
2. Cheques, Drafts on Hand	0.63	0.62
3. Balances with Banks:		
a) Current Accounts	29.10	45.30
b) Saving Bank Account of Company's ESOP Trust	0.04	0.04
TOTAL	**31.36**	**48.63**

Notes forming part of the Consolidated Financial Statements

Note 15: Bank Balances Other Than Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Fixed Deposits -more than 3 months and less than 12 months (refer note. 15.1)	3.04	2.12
2. Unclaimed dividend accounts	0.25	0.19
TOTAL	**3.29**	**2.31**

Note 15.1: Fixed deposits of ₹ 0.08 crore (Previous year ₹0.08 crore) are kept as earnest money deposit. Further fixed deposits with scheduled banks held as margin money towards bank guarantees/ sales tax registration/ overdraft limit.

Note 16: Loans

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Loans and advances to employees	1.74	0.58
2. Other Loans & Advances		
i. Unsecured and considered good	38.27	22.98
ii. Credit impaired	0.13	0.13
Less : Loss allowance	(0.13)	(0.13)
TOTAL	**40.01**	**23.56**

Note 17: Other current financial assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Interest on Bank Fixed Deposit	0.04	0.07
2. Interest Accrued on other Deposits	0.38	0.40
3. Security deposits	6.12	2.94
4. Other Receivables	54.99	56.08
TOTAL	**61.53**	**59.49**

Note 18: Other current assets

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances to suppliers	36.95	30.11
Less: Allowance for doubtful advance	(0.22)	(0.28)
2. Balance with government authorities		
i) Considered good	67.89	58.08
ii) Considered doubtful	0.23	0.36
Less : Allowance for doubtful advances	(0.23)	(0.36)
3. Others (includes prepayments, inventory receivable on returns etc.)	97.61	57.38
TOTAL	**202.23**	**145.29**

Notes forming part of the Consolidated Financial Statements

Note 19: Share Capital

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
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		
19,21,12,960 (Previous Year 19,20,71,900) Equity shares of ₹ 10 each fully paid up.	192.11	192.07
TOTAL	**192.11**	**192.07**

(₹ in crore)

Particulars	As at March 31, 2022		As at March 31, 2021	
	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	19,20,71,900	192.07	19,20,41,898	192.04
Shares issued during the year (refer note 41)	41,060	0.04	30,002	0.03
Outstanding at the end of the year	**19,21,12,960**	**192.11**	**19,20,71,900**	**192.07**

4. Rights, preferences and restrictions attached to:

a. Equity Shares: The group has one class of Equity shares having a par value of ₹ 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion to their share holding.

5. Shareholders holding more than 5% shares in the company is set out below:	As at March 31, 2022		As at March 31, 2021	
(a) Equity shares	**No. of shares**	**%**	**No. of shares**	**%**
1. Godrej Industries Limited (the holding Company)	12,00,18,596	62.47%	11,50,59,634	59.90%
2. V-Sciences Investments Pvt Ltd	2,27,20,743	11.83%	2,28,15,329	11.88%

6. There are no shares reserved for issue under options.

Notes forming part of the Consolidated Financial Statements

7. Details of shares held by promoters

Name of the Promoters	As at 31st March 2022			As at 31st March 2021		
	No of Shares	% of Total Shares	% change	No of Shares	% of Total Shares	% change
1. Godrej Industries Limited	12,00,18,596	62.5%	4.3%	11,50,59,634	59.9%	1.1%
2. Nadir Barjorji Godrej	102	0.0%	0.0%	102	0.0%	0.0%
3. Adi Barjorji Godrej	5,096	0.0%	0.0%	5,096	0.0%	0.0%
4. Rishad Kaikhushru & Others (Partners of RKN Enterprises)	41,46,156	2.2%	0.0%	41,46,156	2.2%	0.0%
5. Smita Godrej Crishna, Freyan Crishna Bieri, Nyrika Holkar (Trustees of FVC Family Trust)	20,73,027	1.1%	0.0%	20,73,027	1.1%	0.0%
6. Smita Godrej Crishna, Freyan Crishna Bieri, Nyrika Holkar (Trustees of NVC Family Trust)	20,73,027	1.1%	0.0%	20,73,027	1.1%	0.0%
7. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of Navroze Lineage Trust)	20,73,000	1.1%	0.0%	20,73,000	1.1%	0.0%
8. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of Raika Lineage Trust)	20,73,070	1.1%	0.0%	20,73,070	1.1%	0.0%
9. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of HNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
10. Nisaba Godrej & Pirojsha Godrej (Trustees of NG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
11. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of BNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
12. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of SNG Family Trust)	8,61,001	0.4%	-37.7%	13,82,018	0.7%	0.0%
13. Tanya Dubash And Pirojsha Godrej (Trustees of TAD Family Trust)	7,67,151	0.4%	-43.6%	13,61,018	0.7%	-1.5%
14. Pirojsha Adi Godrej	4,14,034	0.2%	NM	34	0.0%	0.0%
15. Karla Bookman	1,87,000	0.1%	-42.5%	3,25,000	0.2%	0.0%
16. Sasha Godrej	1,86,000	0.1%	-42.6%	3,24,000	0.2%	0.0%
17. Lana Godrej	74,000	0.0%	-65.1%	2,12,000	0.1%	-39.4%
18. Tanya Arvind Dubash	93,884	0.0%	346.3%	21,034	0.0%	NM
19. Nisaba Godrej	34	0.0%	0.0%	34	0.0%	0.0%
20. Raika Jamshyd Godrej	5	0.0%	0.0%	5	0.0%	0.0%
21. Nyrika Holkar	51	0.0%	0.0%	51	0.0%	0.0%
22. Navroze Jamshyd Godrej	78	0.0%	0.0%	78	0.0%	0.0%
23. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of The Raika Godrej Family Trust)	3	0.0%	0.0%	3	0.0%	0.0%
24. Pirojsha Godrej And Nisaba Godrej (Trustees of PG Family Trust)	1	0.0%	-100.0%	521,018	0.3%	36.0%
25. Adi Godrej, Tanya Dubash, Nisaba Godrej, Pirojsha Godrej (Trustees of ABG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
26. Tanya Dubash And Pirojsha Godrej (Trustees of TAD Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
27. Nisaba Godrej & Pirojsha Godrej (Trustees of NG Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
28. Pirojsha Godrej And Nisaba Godrej (Trustees of PG Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
29. Pirojsha Godrej And Nisaba Godrej (Trustees of PG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
30. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of NBG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
31. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of RNG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
32. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of BNG Successor Trust)	1	0.0%	0.0%	1	0.0%	0.0%

Notes forming part of the Consolidated Financial Statements

Promoter Name	As at 31st March 2022			As at 31st March 2021		
	No of Shares	% of Total Shares	% change	No of Shares	% of Total Shares	% change
33. Nadir Godrej, Hormazd Godrej & Burjis Godrej (Trustees of BNG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
34. Nadir Godrej, Hormazd Godrej & Rati Godrej (Trustees of SNG Successor Trust)	1	0.0%	0.0%	1	0.0%	0.0%
35. Nadir Godrej, Hormazd Godrej & Sohrab Godrej (Trustees of SNG Lineage Trust)	1	0.0%	0.0%	1	0.0%	0.0%
36. Smita Godrej Crishna Freyan Crishna Bieri & Nyrika Holkar (Trustees of NVC Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
37. S.G. Crishna, V.M. Crishna, F.C. Bieri & Nyrika Holkar (SGC Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
38. S.G. Crishna, V.M. Crishna, F.C. Bieri & Nyrika Holkar (VMC Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
39. Smita Godrej Crishna, Freyan Crishna Bieri & Nyrika Holkar (Trustees of FVC Children Trust)	1	0.0%	0.0%	1	0.0%	0.0%
40. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of JNG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
41. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of PJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
42. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of NJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
43. Jamshyd Godrej, Pheroza Godrej & Navroze Godrej (Trustees of RJG Family Trust)	1	0.0%	0.0%	1	0.0%	0.0%
44. Freyan Crishna Bieri	51	0.0%	0.0%	51	0.0%	0.0%

Note 20: Other Equity

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Retained Earnings	1,764.21	1,516.78
2. Capital Reserve	1.73	1.73
3. General Reserve	18.14	18.14
4. Exchange differences on translating the financial statements of a foreign operation	(7.55)	(7.27)
5. Effective portion of Cash Flow Hedges	0.02	0.02
6. Employee stock grants Outstanding	5.10	4.46
7. Non Controlling Interest Reserve	(136.89)	(104.30)
8. Securities Premium	431.55	429.47
TOTAL	**2,076.31**	**1,859.03**

General reserve

General reserve is a free reserve which is created by transferring fund from retained earnings to meet future obligations and purposes.

Capital Reserve

Excess of assets recognised over consideration paid on business acquisition made by the group.

Exchange differences on translating the financial statements of a foreign operation

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

Effective portion of Cash Flow Hedges

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective; the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve are reclassified to statement of profit & loss when the hedged item affects the profit & loss.

Non- controlling Interest Reserve

Non- controlling Interest Reserve represent the difference between the consideration paid and the carrying value of non-controlling interest acquired in subsidiaries.

Employee stock grants outstanding:

The employee share grant outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock option plan.

Securities Premium:

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

9. Dividend

The following dividends were declared and paid by the Company during the year:

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Equity Dividend paid @ ₹ 8.00 (previous year @ ₹ 5.50) per share	153.70	105.64
	153.70	**105.64**

The Board, in its meeting on May 9, 2022 has recommended a final dividend of ₹ 9.50 per equity share for the financial year ended March 31, 2022 subject to the approval at the Annual General Meeting. The cash outflow on account of dividend would be ₹ 182.51 crore.

Note 21: Non-Current Borrowings

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
Term loans from banks (refer note 21.1)	47.26	148.74
TOTAL	**47.26**	**148.74**

Note 21.1:

(a) Term loans from banks of ₹ 7.11 crore (previous year ₹ 98.25 crore) including current maturity of ₹ 1.95 crore (Previous year ₹ 23.53 crore) carries interest rates of 6.30% p.a. These loans are repayable in instalments on different dates upto 40 months from the date of the Financial Statements.

(b) Term Loan from Bank of ₹ 40.00 crore (previous year ₹ 40.17 crore) including current maturity of ₹ 40.00 cr (Previous year 0.17 crore) carries interest rate at 3-month T Bill + 1.75% and is repayable on 15th April, 2022.

(c) Term loans from Bank for ₹ 11.00 crore (Previous Year ₹ 19.00 crore) including current maturity of ₹ 4.00 crore (previous year ₹ 4.00 crore) carries interest Rate of 4.75% (Previous year 7.05%) . These loans are repayable at 28 equal quarterly instalment of ₹ 1.00 crore each from February 2019.

Notes forming part of the Consolidated Financial Statements

(d) Term loans from Bank for ₹ 11.74 crore (Previous Year Nil) including current maturity of ₹ 1.95 crore (previous year ₹ Nil) carries interest Rate of 4.75% (Previous year Nil). These loans are repayable at 18 equal quarterly instalments of ₹ 0.65 crore each from July 2022.

(e) Term Loans from Bank amounting to ₹ 4.92 crore (Previous year ₹ 7.73 crore) including current maturities of ₹ 2.81 crore (Previous Year ₹ 2.81 crore) is repayable in 16 structured quarterly instalments commencing from 31st December 2019 and carries interest at T Bill + 1.0% p.a. Current interest rate of the loan is 5.24% per annum.

(f) Term loans from Bank amounting to ₹ 5.36 crore (Previous year ₹ 12.50 crore) including current maturities of ₹ 4.29 cr (Previous year ₹ 10.00 crore) is repayable in quarterly instalments commencing from 30th September 2020. Current interest rate of the loan is 6.15% per annum.

(g) Term loan amounting to ₹ 18.41 crore (Previous year ₹ Nil) including current maturities of ₹ 6.14 Crore (Previous year ₹ Nil) is repayable in quarterly instalments commencing from 30th June, 2022. Current interest rate of the loan is 4.90% per annum.

(h) Term loan amounting to ₹ 1.87 crore (Previous year ₹ Nil) including current maturities of ₹ Nil (Previous year ₹ Nil) is repayable in single instalment in September 2023. Current interest rate of the loan is 4.90% per annum.

(i) Term Loan amounting to ₹ 11.60 crore (Previous year 15.20 crore) including current maturities of ₹ 3.60 crore (Previous year ₹ 3.60 crore) carries Interest Rates of 3 months T Bill + 1.75%. The loan is repayable in 19 instalments commencing from November 2020. The first 18 instalment are of ₹ 0.90 crore and last instalment is of ₹ 0.80 crore.

Note 22: Other Non-current Financial Liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Employee benefits payable	13.00	-
2. Non Trade Payables	0.32	0.27
TOTAL	**13.32**	**0.27**

Note 23: Non-current Provisions

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Provision for employee benefits (refer note 40)		
- Provision for compensated absences	5.30	7.27
- Provision for gratuity	1.66	2.04
TOTAL	**6.96**	**9.31**

Note 24: Other non-current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred grant	15.93	17.05
TOTAL	**15.93**	**17.05**

Notes forming part of the Consolidated Financial Statements

Note 25: Current Borrowings

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Secured		
a) Cash credit from banks (refer note 25.1)	10.97	3.00
b) Working Capital loan (refer note 25.2)	28.00	21.00
Unsecured		
a) Term loans from Banks (refer note 25.3)	75.00	-
b) Commercial paper (refer note 25.4)	1,145.22	547.53
c) Cash credit (refer note 25.5)	9.39	0.95
d) Working Capital Demand Loans from Banks (refer note. 25.6)	185.31	221.58
e) Current maturities of long term borrowings (refer note 21.1)	64.83	45.35
TOTAL	**1,518.72**	**839.41**

Note 25.1: Cash Credit from banks / overdrafts are repayable on demand and carries interest at the rate of MCLR + 0.25% and 4.50% to 7.20% per annum (Previous year MCLR + 0.25 and 7.20% to 8.20% per annum). The cash credit from Bank is secured against inventories and receivables.

Note 25.2: Working capital loan from Bank carries interest rate 4.70% to 7.10% (Previous Year 4.75% to 6.80%) and repayable on different dates and secured against inventories and receivables.

Note 25.3: Term loans from banks for the year ended 31 March 2022 are at an Interest Rate of 4.75 (31 March 2021: 6.45%). Term loan 1 are repayable in 28 equal quarterly instalment of ₹ 1.00 crore each from 15 February 2019 and Term Loan II repayable in 18 equal quarterly instalment of ₹ 0.65 crore.

Note 25.4: The group has raised Commercial Paper which carries interest rate of 3.25% to 4.78% (Previous year 3.50% to 4.25%)

Note 25.5: Cash credit from banks are repayable on demand and carries interest rate ranging from 4.50% per annum to 7.20% per annum (31 March 2021: 7.20%).

Note 25.6 : Working capital Demand loan from banks carries interest rate of 4% to 7.40% and T Bill + 0.20% to T Bill +1.70% (Previous year 3.41% to 4.75%, T Bill+ 0.2 bps to T Bill + 0.40%, Repo rate + 0 bps and three months MCLR + 0.15 %). These loans are repayable on different dates

Note 26: Current Trade Payables

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Trade Payables		
a) Due to micro enterprises and small enterprises	28.78	8.03
b) Other than micro enterprises and small enterprises	645.56	502.20
2. Acceptances	20.48	267.54
TOTAL	**694.82**	**777.77**

Notes forming part of the Consolidated Financial Statements

Note 26.1: Trade payables ageing Schedule

(₹ in crore)

As at March 31, 2022	Outstanding for following periods				Total
	Not Due and Less than 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Total outstanding dues of micro enterprises and small enterprises	28.55	-	-	-	**28.55**
Total outstanding dues of creditors other than micro enterprises and small enterprises	647.49	11.74	5.43	0.27	**664.93**
Disputed dues of micro enterprises and small enterprises	0.15	0.05	0.01	0.02	**0.23**
Disputed dues of creditors other than micro enterprises and small enterprises	-	0.34	0.15	0.62	**1.11**
TOTAL	**676.19**	**12.13**	**5.59**	**0.91**	**694.82**

(₹ in crore)

As at March 31, 2021	Outstanding for following periods				Total
	Not Due and Less than 1 year	1 - 2 years	2 - 3 years	more than 3 years	
Total outstanding dues of micro enterprises and small enterprises	7.65	-	-	-	**7.65**
Total outstanding dues of creditors other than micro enterprises and small enterprises	743.84	19.37	4.49	0.59	**768.29**
Disputed dues of micro enterprises and small enterprises	0.30	0.01	0.01	0.06	**0.38**
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	0.70	0.75	**1.45**
TOTAL	**751.79**	**19.38**	**5.20**	**1.40**	**777.77**

Note 27: Other financial liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Liabilities towards beneficiaries of companies ESOP Trust	0.06	0.06
2. Security Deposit	96.43	84.74
3. Non Trade Payables	31.54	64.83
4. Derivative liability	0.20	0.21
5. Unclaimed Dividend	0.25	0.19
6. Others (includes accrual for bonus, etc.)	62.52	41.75
TOTAL	**191.00**	**191.78**

Note 28: Other current liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Advances from Customers	59.61	50.41
2. Statutory Liabilities	20.56	20.98
3. Deferred Grants	1.27	1.26
4. Others	0.00	0.01
TOTAL	**81.44**	**72.66**

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 forming part of the Consolidated Financial Statements

Note 29: Provisions

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Provision for employee benefits (refer note 40)		
- Provision for compensated absences	6.30	1.27
- Provision for gratuity	6.11	2.39
2. Others	0.25	0.25
3. Provision for sales return (refer note 29.1 & 29.2)	120.67	57.09
TOTAL	**133.33**	**61.00**

Note 29.1: Movement of provision for sales return

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Provision	57.09	34.11
Add : Provision made for the year	347.32	246.39
Less: Utilised during the year	283.74	223.41
Less:- Reversed during the year	-	-
Closing Provision	**120.67**	**57.09**

Note. 29.2: The Group makes a provision on estimated sales return based on historical experience. The Sales returns are generally expected within a year.

Note 30: Revenue from operations

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Sale of products (refer note 30.1)		
1.Sale of products	8,245.40	6,204.25
2.Sale of Scrap and Empties	47.53	35.35
	8,292.93	**6,239.60**
Other operating revenue		
1.Export Incentives	0.33	3.80
2.Rebates / Incentives from Government	8.95	14.12
3.Processing income	5.06	0.49
4.Sales of Real Estate project (refer note 52)	-	9.60
5.Fair value of Biological Assets (refer note 6)	(1.18)	(0.90)
	13.16	**27.11**
TOTAL	**8,306.09**	**6,266.71**

Notes forming part of the Consolidated Financial Statements

Note 30.1:

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Reconciliation of revenue from contract with customers		
Revenue from contract with customer as per the contract price	**8,546.73**	**6,424.12**
Adjustments made to contract price on account of :-		
a) Commission / Discounts	(253.80)	(184.52)
	8,292.93	**6,239.60**
2. Disaggregation of revenue		
Animal Feed	4,345.80	3,093.16
Vegetable Oil	1,264.76	709.57
Crop Protection	1,197.03	1,123.20
Dairy	1,174.37	1,031.74
Poultry and processed food	783.98	602.45
Other Business	30.39	30.32
Inter segment elimination	(503.40)	(350.84)
	8,292.93	**6,239.60**
3. Geographical disaggregation		
Sales in India	7,894.51	5,951.50
Sales outside India	398.42	288.10
	8,292.93	**6,239.60**

Note 31: Other Income

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Interest Income		
(a) Instruments measured at amortised cost		
(i) Interest received on Deposits	2.94	2.68
(ii) Interest – Others	1.14	0.56
(b) Interest received from Income Tax Refund	0.09	0.05
2. Dividend received	0.16	0.05
3. Profit on sale of Investments (net)	-	0.10
4. Profit on sale of subsidiary	-	0.25
5. Claims received	5.81	3.85
6. Liabilities no longer required written back	1.68	4.41
7. Recovery of Bad Debts written off	0.77	1.77
8. Royalty & Technical Knowhow	6.66	6.85
9. Contingent consideration received	42.08	-
10. Other Miscellaneous Income	9.97	15.19
11. Grant amortization	1.10	1.15
12. Applicable net gain on foreign currency transactions and translation	7.25	2.65
TOTAL	**79.65**	**39.56**

Notes forming part of the Consolidated Financial Statements

Note 32: Cost of materials consumed

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
a) Raw Material Stocks at the Commencement of the Year	664.87	574.30
b) Add : Purchases / Change in Project-in-progress (refer note 52)	6,542.53	4,475.34
c) Less : Raw Material sold	19.32	23.01
	7,188.08	**5,026.63**
d) Less: Raw Material Stocks at the Close of the year	976.80	664.87
Total Cost of Raw Material Consumed	**6,211.28**	**4,361.76**

Note 33: Purchase of stock-in-trade

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Agri inputs	212.31	226.90
2. Others	28.02	20.50
TOTAL	**240.33**	**247.40**

Note 34: Changes in Inventories of Finished Goods, Work In Progress, Stock under cultivation, Stock-In-Trade and Biological assets

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Stocks at the Commencement of the year		
a) Finished Goods	129.87	155.61
b) Work In Progress	52.90	46.48
c) Biological assets	67.07	68.17
d) Stock under cultivation	5.69	6.27
e) Stock-in-Trade	85.85	63.50
Total Stock at the commencement of the year	**341.38**	**340.03**
2. Less : Stocks at the Close of the year		
a) Finished Goods	238.25	129.87
b) Work In Progress	70.30	52.90
c) Biological assets	83.54	67.07
d) Stock under cultivation	6.45	5.69
e) Stock-in-Trade	89.62	85.85
Total Stock at the close of the year	**488.16**	**341.38**
Change in the stock of Finished Goods, Work In Progress, Stock under cultivation, Stock in Trade and Biological Asset	**(146.78)**	**(1.35)**

Note 35: Employee benefit expenses

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Salaries, Wages, Bonus and Allowances	389.29	333.48
2. Contribution to Provident, Gratuity and Other Funds (refer note 40)	24.85	23.46
3. Expense on Employee Stock based payments (refer note.41)	2.83	2.05
4. Staff Welfare Expense	22.31	17.41
TOTAL	**439.28**	**376.40**

Notes forming part of the Consolidated Financial Statements

Note 36: Finance Costs

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Interest Expense		
i. Paid to Banks on Loans and Cash Credit	24.18	17.47
ii. On Lease liability	2.91	3.47
iii. EPCG	-	8.98
iv. Others	34.77	15.27
2. Other Borrowing Costs	1.22	1.28
TOTAL	**63.08**	**46.47**

Note 36.1: Finance costs are net of interest capitalised to capital work in progress ₹ 0.74 crore (Previous year ₹ 0.26 crore).

Note 37: Depreciation and Amortisation Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Depreciation	156.77	139.01
2. Amortization	3.60	3.50
3. Depreciation of Right of Use Asset (refer note 4)	12.97	11.49
TOTAL	**173.34**	**154.00**

Note 38: Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
1. Stores and Spares consumed	41.27	33.60
2. Power and Fuel	146.06	116.35
3. Processing and other manufacturing expenses	218.33	181.49
4. Rent	11.74	12.57
5. Rates and Taxes	13.40	7.55
6. Repairs and Maintenance		
(a) Machinery	27.53	19.06
(b) Buildings	2.89	1.48
(c) Other assets	5.25	4.47
7. Insurance	11.22	8.20
8. Payment to auditors	1.53	1.51
9. Freight	94.06	72.55
10. Advertisement, Selling and Distribution Expenses	104.93	86.91
11. Bad Debts/Advances Written Off/sundry balance written off	47.65	33.18
12. Allowances for Doubtful Debts and Advances	9.27	13.73
13. Loss on Sale/Write off of property, plant and equipments	3.29	0.12
14. Research Expenses	3.87	2.98
15. Net gain/loss on foreign currency transactions and translation	0.92	-
16. Corporate Social Responsibility Expenses	8.44	7.68
17. Miscellaneous Expenses	144.92	115.30
TOTAL	**896.57**	**718.73**

Notes forming part of the Consolidated Financial Statements

Note 39: Earnings per share

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

Particulars	March 31, 2022	March 31, 2021
1. Calculation of weighted average number of equity shares – Basic		
Number of equity shares at the beginning of the year	**19,20,71,900**	**19,20,41,898**
Equity shares issued during the year	41,060	30,002
Number of equity shares outstanding at the end of the year	**19,21,12,960**	**19,20,71,900**
Weighted average number of equity shares outstanding during the year	**19,21,04,728**	**19,20,66,153**
2. Calculation of weighted average number of equity shares – Diluted		
Weighted average equity shares - Basic	**19,21,04,728**	**19,20,66,153**
Effect of exercise of share grants (refer note 39.1)	72,663	54,912
Revised number of potential equity shares outstanding at the end of the year	**19,21,77,391**	**19,21,21,065**
Weighted average number of potential equity shares outstanding during the year	**19,21,77,391**	**19,21,21,065**
3. Profit attributable to ordinary shareholders (Basic/diluted)		
Profit for the year, attributable to the owners of the Company (₹ in crore)	402.59	313.74
Profit for the year, attributable to ordinary shareholders (₹ in crore)	**402.59**	**313.74**
4. Basic Earnings per share (₹)	**20.96**	**16.34**
5. Diluted Earnings per share (₹)	**20.95**	**16.33**
6. Nominal Value of Shares (₹)	**10.00**	**10.00**

Note 39.1: Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year.

Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

Note. 40: Employee benefits

The group contributes to the following post-employment plans in India.

Defined Contribution Plans:

The group's contributions paid/payable to Regional Provident Fund at certain locations, Super Annuation Fund, Employees State Insurance Scheme, Employees' Pension Schemes, 1995 and other funds are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of Profit and Loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved trusts/appropriate authorities.

The group recognised ₹ 18.38 crore for the year ended March 31, 2022 (Previous Year ₹ 17.27 crore) towards provident fund contribution, ₹ 0.48 crore for the year ended March 31, 2022 (Previous Year ₹ 0.53 crore) towards employees' state insurance contribution and ₹ 0.48 crore for the year ended March 31, 2022 (Previous Year ₹ 0.52 crore) towards superannuation fund contribution in the Statement of Profit and Loss.

Defined Benefit Plan:

I. Provident Fund

a) The Group manages the Provident Fund plan through a Provident Fund Trust for its employees which is permitted under The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and is actuarially valued. The plan envisages contribution by the employer and employees and guarantees interest at the rate notified by the Provident Fund authority. The contribution by employer and employee, together with interest, are payable at the time of separation from service or retirement, whichever is earlier.

Notes forming part of the Consolidated Financial Statements

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, 2022.

(₹ in Crore)

Particulars	March 31, 2022	March 31, 2021
Plan assets at period end, at fair value	175.16	154.67
Provident Fund Corpus/ obligation	171.15	151.09
Valuation assumptions under Deterministic Approach:		
Weighted Average Yield	8.01%	9.32%
Weighted Average YTM	8.00%	9.25%
Guaranteed Rate of Interest	8.10%	8.50%

II. Gratuity

b) The group's gratuity schemes are defined benefit plans. The group's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services in the current and prior periods and that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Other Comprehensive Income in the Statement of Profit and Loss.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Group has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Group.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Group makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by the ICICI Prudential Life insurance, a funded defined benefit plan for qualifying employees. The Holding Company has a Gratuity Trust and Trustees administer the contributions made by the Company to the gratuity scheme. The employee gratuity fund scheme for other Indian subsidiaries is managed by Life Insurance Corporation of India.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2022. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Defined benefit obligation	(46.56)	(42.67)
Fair value of plan assets	38.79	38.24
Net defined benefit (obligation)/assets	**(7.77)**	**(4.43)**

Notes forming part of the Consolidated Financial Statements

i. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components

(₹ in crore)

Particulars	Defined Benefit Obligation		Fair value of plan assets		Net defined benefit (asset) liability	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Opening balance	42.67	40.20	38.24	30.88	4.43	9.32
Included in profit or loss						
Current service cost	4.01	3.76	-	-	4.01	3.76
Past service cost	0.06	-	-	-	0.06	-
Interest cost (income)	2.83	2.67	2.56	2.07	0.27	0.60
Liability / Assets transferred in / Acquisitions	-	-	-	-	-	-
Included in OCI						
Remeasurement loss (gain):						
Actuarial loss (gain) arising from:						
Demographic assumptions	0.93	-	-	-	0.93	-
Financial assumptions	(0.46)	0.13	-	-	(0.46)	0.13
Experience adjustment	1.02	1.16	-	-	1.02	1.16
Acquisition adjustment	(0.02)	(0.00)	-	(0.01)	(0.02)	0.01
Return on plan assets excluding interest income	-	-	(0.21)	1.87	0.21	(1.87)
	51.04	**47.92**	**40.59**	**34.81**	**10.45**	**13.11**
Other						
Contributions paid by the employer	-	-	2.68	7.89	(2.68)	(7.89)
Benefits paid	(4.48)	(5.25)	(4.48)	(4.46)	-	(0.79)
Acquisitions	-	-	-	-	-	-
Closing balance	**46.56**	**42.67**	**38.79**	**38.24**	**7.77**	**4.43**
Represented by						
Net defined benefit liability	7.77	4.43				
	7.77	**4.43**				

ii. Plan assets

Plan assets comprise the following

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Insurer managed fund (100%)	38.79	38.24
	38.79	**38.24**

iii. Actuarial assumptions

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

Particulars	March 31, 2022	March 31, 2021
Discount rate	6.78%	6.47%
Future salary growth	5.00%	5.00%
Rate of employee turnover	For service 4 yrs. & Below 21.60 % p.a. & For service 5 yrs and above 7.00 % 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 (2012-14) Urban	Indian Assured Lives Mortality (2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Notes forming part of the Consolidated Financial Statements

iv. Sensitivity Analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

(₹ in crore)

Particulars	March 31, 2022		March 31, 2021	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(2.48)	2.79	(2.92)	3.36
Future salary growth (1% movement)	2.82	(2.54)	3.39	(2.99)
Rate of employee turnover (1% movement)	0.28	(0.41)	0.33	(0.42)

The sensitivity analysis above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

v. Expected future cash flows

The expected future cash flows in respect of gratuity as at March 31, 2022 and March 31, 2021 were as follows

(₹ in crore)

Expected future benefit payments	March 31, 2022	March 31, 2021
1st Following year	6.98	4.96
2nd Following year	4.91	3.48
3rd Following year	6.60	3.97
4th Following year	4.46	4.99
5th Following year	5.10	3.12
Thereafter	43.69	20.64

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the period ended March 31, 2022 based on actuarial valuation using the projected accrued benefit method is ₹ 5.89 crore (Previous Year ₹ 1.71 crore).

Termination Benefits: All termination benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss.

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on the achievement of key performance indicators and profitability, as prescribed in the scheme.

Note 41: Share-based payment arrangements:

Description of share-based payment arrangements

A. Godrej Agrovet Limited

Employee stock grants - 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.

Notes forming part of the Consolidated Financial Statements

The total number of Stock Grants to be awarded under the ESGS Scheme are restricted to 25,00,000 (Twenty-five Lakhs) fully paid up equity shares of the Company. Not more than 5,00,000 (Five Lac) fully paid up equity shares or 1% of the issued equity share capital at the time of awarding the Stock Grant, whichever is lower, can be awarded to any one employee in any one year.

The Stock Grants shall vest in the Eligible Employees pursuant to the ESGS Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Grants are awarded for a period of three consecutive years, or as may be determined by the Nomination and Remuneration Committee, subject to the condition that the Eligible Employee continues to be in employment of the Company or the Subsidiary company as the case may be.

The Eligible Employee shall exercise her / his right to acquire the shares vested in her / him all at one time within 1 month from the date on which the shares vested in her / him or such other period as may be determined by the Nomination and Remuneration Committee.

The Exercise Price of the shares has been fixed at ₹ 10 per share. The fair value of the employee share options has been measured using the Black-Scholes Option Pricing Model and charged to the Statement of Profit and Loss. The value of the options is treated as a part of employee compensation in the financial statements and is amortised over the vesting period.

The Company has provided ₹ 2.72 crore (Previous Year ₹ 2.03 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, 2022:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Description of the Inputs used
Dividend yield %	1.56%	1.21%	Dividend yield of the options is based on recent dividend activity.
Expected volatility %	32% - 42%	28% - 29%	Expected volatility of the option is based on historical volatility, during a period equivalent to the option life, of the observed market prices of the Company's publicly traded equity shares.
Risk free Interest rate %	3.848% to 4.73%	3.649% to 4.277%	Risk-free interest rates are based on the government securities yield in effect at the time of the grant.
Expected life of share options	1 to 3 years	1 to 3 years	
Weighted Average Market price on date of granting the options	512.27	455.34	

The Status of the above plan is as under:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021	Weighted average Exercise Price (₹)
Options Outstanding at the Beginning of the Year	89,301	69,234	10.00
Options Granted	56,391	57,853	
Options Vested	41,060	30,002	
Options Exercised	41,060	30,002	
Options Lapsed / Forfeited	-	7,784	
Total Options Outstanding at the end of the year	**104,632**	**89,301**	

The weighted average exercise price of the options outstanding as on March 31, 2022 is ₹ 10/- (previous year ₹ 10/- per share).

Notes forming part of the Consolidated Financial Statements

B. Astec LifeSciences Limited

(a) Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

The Company had set up the Employees Stock Option Plan 2012 which was amended by the Shareholders by way of a Special Resolution obtained by way of Postal Ballot, whose results have been declared on September 27, 2021.

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 Option to be awarded under the ESOP Scheme are restricted to 1% of the issued equity share capital at the time of awarding the Stock Option, can be awarded to any one employee in any one year.

The Stock Options shall vest in the Eligible Employees pursuant to the ESOP Scheme in the proportion of 1/3rd at the end of each year from the date on which the Stock Options 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.

(b) Employee stock option scheme (ESOS, 2015)

The Company 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.

(c) Employee stock option plan (ESOP,2012)

The Company 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 remain exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of ₹ 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under both the plans:

Employee stock option scheme (ESOP, 2012 as amended by the Shareholders by way of a Special Resolution)

Particulars	March 31, 2022	
	Average exercise price per share option (₹)	Number of options
Opening balance	-	-
Granted during the year	10.00	3,316
Exercised during the year	-	-
Lapsed during the year	-	-
Forfeited during the year	-	-
Closing balance		**3,316**
Vested and exercisable		**3,316**

Notes forming part of the Consolidated Financial Statements

Employee stock option plan (ESOP,2012)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	34.00	6,800	34.00	8,800
Granted during the period	-	-	-	-
Exercised during the period	34.00	2,500	34.00	2,000
Lapsed during the period	-	-	-	-
Closing balance		**4,300**		**6,800**
Vested and exercisable		**4,300**		**6,800**

Employee stock option plan (ESOP,2015)

Particulars	March 31, 2022		March 31, 2021	
	Average exercise price per share option (₹)	Number of options	Average exercise price per share option (₹)	Number of options
Opening balance	387.35	12,500	387.35	29,700
Granted during the period	-	-	-	-
Exercised during the period	387.35	7,500	387.35	17,200
Lapsed during the period	-	-	-	-
Closing balance		**5,000**		**12,500**
Vested and exercisable		**5,000**		**12,500**

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, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	34.00	-	-
January 31, 2015	January 30, 2024	34.00	-	-
January 31, 2015	January 30, 2025	34.00	-	1,000
January 31, 2015	January 30, 2026	34.00	1,300	2,800
May 16, 2015	May 15, 2023	34.00	-	-
May 16, 2015	May 15, 2024	34.00	-	-
May 16, 2015	May 15, 2025	34.00	2,000	2,000
May 16, 2015	May 15, 2026	34.00	1,000	1,000
July 26, 2016	July 25, 2020	387.35	-	-
July 26, 2016	July 25, 2021	387.35	-	1,500
July 26, 2016	July 25, 2022	387.35	1,000	7,000
July 26, 2016	July 25, 2023	387.35	4,000	4,000
October 30, 2021	November 30, 2022	10.00	1,105	-
October 30, 2021	August 31, 2023	10.00	1,105	
October 30, 2021	August 31, 2024	10.00	1,106	
TOTAL			**12,616**	**19,300**
Weighted average remaining contractual life of options outstanding at end of period			2.30	2.58

Notes forming part of 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, 2022 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, 2022	March 31, 2021
			Share options	Share options
January 31, 2015	January 30, 2023	95.84	-	-
January 31, 2015	January 30, 2024	109.41	-	-
January 31, 2015	January 30, 2025	109.91	-	1,000
January 31, 2015	January 30, 2026	110.49	1,300	2,800
May 16, 2015	May 15, 2023	105.77	-	-
May 16, 2015	May 15, 2024	118.18	-	-
May 16, 2015	May 15, 2025	119.30	2,000	2,000
May 16, 2015	May 15, 2026	119.67	1,000	1,000
July 26, 2016	July 25, 2020	100.00	-	-
July 26, 2016	July 25, 2021	159.00	-	1,500
July 26, 2016	July 25, 2022	278.00	1,000	7,000
July 26, 2016	July 25, 2023	297.00	4,000	4,000
October 30, 2021	November 30, 2022	1,241.00	1,105	-
October 30, 2021	August 31, 2023	1,239.65	1,105	-
October 30, 2021	August 31, 2024	1,238.16	1,106	-
TOTAL			**12,616**	**19,300**

The model inputs for options granted includes:

ESOP, 2012 as amended, granted on October 30, 2021

Particulars	October 30, 2021
Exercise Price	₹ 10
Grant Date	October 30, 2021
Expected life of share options	1 to 3 years
Share price at grant date	1,243
Expected price volatility of the company's shares	44% to 58%
Expected dividend yield	0.12%
Risk free interest rate	4.107% to 5.124%

ESOS, 2015 granted on July 26, 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.

Particulars	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Exercise Price	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Grant Date	July 26, 2016	July 26, 2016	July 26, 2016	July 26, 2016
Expiry Date	July 25, 2020	July 25, 2021	July 25, 2022	July 25, 2023
Share price at grant date	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-	₹ 387.35/-
Expected price volatility of the Group's shares	57%	66%	115%	109%
Expected dividend yield	0.00%	0.00%	0.00%	0.00%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The model inputs for options granted include:

ESOP, 2012 - Option B granted on May 16, 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.

Particulars	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	May 16, 2015	May 16, 2015	May 16, 2015	May 16, 2015
Expiry Date	May 15, 2023	May 15, 2024	May 15, 2025	May 15, 2026
Share price at grant date	₹ 138/-	₹ 138/-	₹ 138/-	₹ 138/-
Expected price volatility of the Group's shares	71%	139%	121%	108%
Expected dividend yield	0.91%	0.91%	0.91%	0.91%
Risk free interest rate	8.30%	8.19%	8.21%	8.30%

The model inputs for options granted includes:

ESOP, 2012- Option A granted on January 31, 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.

Particulars	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Exercise Price	₹ 34/-	₹ 34/-	₹ 34/-	₹ 34/-
Grant Date	January 31, 2015	January 31, 2015	January 31, 2015	January 31, 2015
Expiry Date	January 30, 2023	January 30, 2024	January 30, 2025	January 30, 2026
Share price at grant date	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-	₹ 127.70/-
Expected price volatility of the Group's shares	72%	143%	120%	108%
Expected dividend yield	0.78%	0.78%	0.78%	0.78%
Risk free interest rate	8.27%	8.17%	8.20%	8.32%

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Employee stock option plan	0.10	0.01
TOTAL	**0.10**	**0.01**

Notes forming part of the Consolidated Financial Statements

Note 42: Financial instruments – Fair values and risk management

Note 42.1: Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

(₹ in crore)

March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
I. Non-Current Financial Assets								
1. Investments	0.01	19.20	-	19.21	19.20	0.01	-	19.21
2. Loans	-	-	0.50	0.50	-	-	-	-
3. Others	-	-	42.27	42.27	-	-	-	-
II. Current Financial Assets								
1. Trade receivables	-	-	951.35	951.35	-	-	-	-
2. Cash and cash equivalents	-	-	31.36	31.36	-	-	-	-
3. Other bank balances	-	-	3.29	3.29	-	-	-	-
4. Loans	-	-	40.01	40.01	-	-	-	-
5. Others	2.79	-	58.74	61.53	-	2.79	-	2.79
	2.80	**19.20**	**1,127.52**	**1,149.52**	**19.20**	**2.80**	**-**	**22.00**
Financial liabilities								
I. Non-Current Financial Liabilities								
1. Borrowings	-	-	47.26	47.26	-		-	-
2. Others	-	-	13.32	13.32	-	-	-	-
II. Current Financial liabilities								
1. Borrowings	-	-	1,518.72	1,518.72	-	-	-	-
2. Trade payables	-	-	694.82	694.82	-	-	-	-
3. Others	0.20	-	190.80	191.00	-	0.20	-	0.20
	0.20	**-**	**2,464.92**	**2,465.12**	**-**	**0.20**	**-**	**0.20**

(₹ in crore)

March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
I. Non-Current Financial Assets								
1. Investments	0.01	3.56	-	3.57	3.56	0.01	-	3.57
2. Loans	-	-	0.49	0.49	-	-	-	-
3. Others	-	-	25.21	25.21	-	-	-	-
II. Current Financial Assets								
1. Trade receivables	-	-	822.57	822.57	-	-	-	-
2. Cash and cash equivalents	-	-	48.63	48.63	-	-	-	-
3. Other bank balances	-	-	2.31	2.31	-	-	-	-
4. Loans	-	-	23.56	23.56	-	-	-	-
5. Others	-	-	59.49	59.49	-	1.20	-	1.20
	0.01	**3.56**	**982.26**	**985.83**	**3.56**	**1.21**	**0.00**	**4.77**
Financial liabilities								
I. Non-Current Financial Liabilities								
1. Borrowings		-	148.74	148.74	-		-	-
2. Others	-	-	0.27	0.27	-		-	-
II. Current Financial liabilities								
1. Borrowings	-	-	839.41	839.41	-	-	-	-
2. Trade payables	-	-	777.77	777.77	-	-	-	-
3. Others	0.21	-	191.56	191.77	-	0.38	-	0.38
	0.21	**-**	**1,957.75**	**1,957.96**	**-**	**0.38**	**-**	**0.38**

Valuation technique used to determine fair value

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as significant unobservable input used.

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contract for foreign exchange contracts	- The fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.	NA	NA
Remaining financial instrument	- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.	NA	NA

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk; and
- Currency risk;

i. Risk management framework

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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.

Notes forming part of the Consolidated Financial Statements

Note 42.2: Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's receivables from customers and loans and advance.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the group grants credit terms in the normal course of business.

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the group segments the customers into Distributors and Others for credit monitoring.

The group maintains adequate security deposits for sales made to its distributors. For other trade receivables, the group individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the group makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The group 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)

Particulars	Carrying amount	
	March 31, 2022	March 31, 2021
Trade Receivables (net of credit impaired)	951.35	822.57
Exports		
Distributors	164.92	78.57
Other	1.85	-
Domestic		
Distributors	753.30	677.46
Other	31.28	66.54
	951.35	**822.57**
Other Receivables	139.57	104.72

Impairment

The ageing of trade receivables that were not impaired is as per Note 13.

The movement in the allowance for impairment in respect of trade and other receivables during the year was as follows:

(₹ in crore)

For Trade Receivables	March 31, 2022	March 31, 2021
Balance as at April 1	37.13	25.70
Impairment loss recognised	54.80	43.83
Amounts written off	(47.66)	(32.40)
Balance as at March 31	**44.27**	**37.13**

(₹ in crore)

For Other Receivables	March 31, 2022	March 31, 2021
Balance as at April 1	0.38	0.36
Impairment loss recognised	(0.02)	0.80
Amounts written off	0.01	(0.78)
Balance as at March 31	**0.37**	**0.38**

Notes forming part of the Consolidated Financial Statements

Cash and cash equivalents and other bank balances

The group held cash and cash equivalents and other bank balances of ₹ 34.86 crore at March 31, 2022 (Previous Year ₹ 51.55 crore). The cash and cash equivalents and other bank balances are held with bank and financial institution counterparties with good credit rating.

Other than trade and other receivables, the group has no other financial assets that is past due but not impaired.

Note 42.3: Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the group's reputation. The Group has access to funds from debt markets through loans from banks, commercial papers and other debt instruments.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and exclude the impact of netting agreements.

(₹ in crore)

March 31, 2022	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Term Loan from Bank	47.26	47.26			23.34	23.92	-
Other non-current financial liabilities	13.32	13.32	-	-	0.32	13.00	-
Current, non derivative financial liabilities							
Cash credit from bank	20.36	20.36	20.36	-	-	-	-
Term loans from banks	75.00	75.00	63.28	11.72			-
Commercial papers	1,145.22	1,145.22	1,145.22	-	-	-	-
Working Capital Loans from Banks	213.31	213.31	213.31	-	-	-	-
Current maturities of long-term debt	64.83	64.83	64.83				
Trade payables	674.35	674.35	674.35		-	-	-
Acceptances	20.48	20.48	20.48	-	-	-	-
Other current financial liabilities	190.79	190.80	190.80		-	-	-
Derivative liability							
MTM on forward exchange contract	0.20	0.20	0.20	-	-	-	-
TOTAL	**2,465.12**	**2,465.13**	**2,392.83**	**11.72**	**23.66**	**36.92**	**-**

Notes forming part of the Consolidated Financial Statements

(₹ in crore)

March 31, 2021	Contractual cash flows						
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Non current, non derivative financial liabilities							
Term Loan from Bank	148.74	161.56	6.41	6.41	126.07	22.67	-
Other non-current financial liabilities	0.27	0.27			0.27	-	-
Current, non derivative financial liabilities							
Cash credit from bank	3.95	3.95	3.95	-	-	-	-
Commercial papers	547.53	547.53	547.53	-	-	-	-
Working Capital Loans from Banks	242.59	242.59	242.59	-	-	-	-
Current maturities of long-term debt	45.35	45.35	45.35				
Trade payables	510.23	510.23	481.81	28.42	-	-	-
Acceptances	267.54	267.54	267.54	-	-	-	-
Other current financial liabilities	191.56	191.57	189.01	2.56	-	-	-
Derivative liability							
MTM on forward exchange contract	0.21	0.21	0.21	-	-	-	-
TOTAL	**1,957.97**	**1,970.80**	**1,784.40**	**37.39**	**126.34**	**22.67**	**-**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

The Group has sufficient current assets to manage the liquidity risk, if any, in relation to current financial liabilities.

Note 42.4: Currency Risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Our Board of Directors and its Audit Committee are responsible for overseeing our risk assessment and management policies. Our major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by our Company treasury department, which evaluates and exercises independent control over the entire process of market risk management.

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

Interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimised.

Notes forming part of the Consolidated Financial Statements

Currency risk

The group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time.

The functional currencies of the group companies are primarily the local currency of the respective countries in which they operate. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and expenses are denominated and the respective functional currencies of group companies.

The currencies in which these transactions are primarily denominated are INR. Foreign currency revenues and expenses are in the nature of export sales, import purchases, royalty, technical know-how & professional and consultation fees.

Exposure to currency risk

The summary quantitative data about the group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

(₹ in crore)

Particulars	March 31, 2022			March 31, 2021		
	USD	EUR	GBP	USD	EUR	GBP
Financial Assets						
Trade and other receivables	173.94	-	-	89.99	-	-
Foreign exchange forward contracts	(60.83)	-	-	-	-	-
Net exposure to foreign currency risk (Assets)	**113.11**	**-**	**-**	**89.99**	**-**	**-**
Financial Liabilities						
Trade payables	(167.83)	(0.58)	-	(111.24)	-	(0.09)
Non Trade Payables	(0.05)	-	-	-	-	-
Foreign exchange forward contracts	29.34	-	-	22.44	-	-
Net exposure to foreign currency risk (Liabilities)	**(138.54)**	**(0.58)**	**-**	**(88.80)**	**-**	**(0.09)**
Net exposure	**(25.43)**	**(0.58)**	**-**	**1.19**	**-**	**(0.09)**
Un-hedged foreign currency exposures						
Purchase	(138.54)	(0.58)	-	(88.80)	-	(0.09)
Sale	113.11	-	-	89.99	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 2022 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2022				
USD (1% movement)	(0.19)	0.19	(0.19)	0.19
EUR (3% movement)	(0.01)	0.01	(0.01)	0.01
	(0.20)	**0.20**	**(0.20)**	**0.20**

Effect in INR crore	Profit or loss (net of tax)		Equity (net of tax)	
	Strengthening	Weakening	Strengthening	Weakening
March 31, 2021				
USD (2% movement)	0.02	(0.02)	0.02	(0.02)
GBP (3% movement)	(0.00)	0.00	(0.00)	0.00
	0.02	**(0.02)**	**0.02**	**(0.02)**

Note: Sensitivity has been calculated using standard Deviation % of USD, EURO and GBP rate movement.

Notes forming part of the Consolidated Financial Statements

Note 42.5: Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management of the Group is as follows.

Nominal amount (₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Fixed-rate instruments		
Financial Assets		
Loans and Advances	40.22	23.60
Other financial assets	9.11	8.80
TOTAL	**49.33**	**32.40**
Financial Liabilities		
Borrowings	1,005.24	526.18
Other financial liabilities	78.31	75.32
TOTAL	**1,083.55**	**601.50**
Variable -rate instruments		
Financial Liabilities		
Borrowings	560.75	460.73
TOTAL	**560.75**	**460.73**

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

(₹ in crore)

Particulars	Profit or (loss) and Equity (net of tax) March 31, 2022		Profit or (loss) and Equity (net of tax) March 31, 2021	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(4.20)	4.20	(3.45)	3.45
Cash flow sensitivity (net)	**(4.20)**	**4.20**	**(3.45)**	**3.45**

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarized above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Fair value sensitivity analysis for fixed-rate instruments

The Group does not account for any borrowings at fair value through profit or loss. Therefore, a change in interest rates at the reporting date would not affect profit or loss.

Notes forming part of the Consolidated Financial Statements

Note 43: Tax expense

(a) Amounts recognised in profit and loss

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current income tax	145.00	101.09
Adjustments in respect of earlier years	0.10	0.14
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(22.68)	4.30
Deferred tax expense	**(22.68)**	**4.30**
Tax expense for the year	**122.42**	**105.53**

(b) Amounts recognised in other comprehensive income

(₹ in crore)

Particulars	For the year ended March 31, 2022			For the year ended March 31, 2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Items that will not be reclassified to profit or loss						
Remeasurements of defined benefit liability	(1.71)	0.43	(1.28)	0.59	(0.13)	0.46
Equity accounted investee's share of other comprehensive income	0.58	(0.10)	0.48	-	-	-
Changes in Fair Value of investment in equity shares	(0.94)	0.24	(0.70)	1.77	(0.45)	1.32
Items that will be reclassified to profit or loss						
Exchange difference on translation of financial statements of foreign operations	(0.28)	-	(0.28)	1.03	-	1.03
TOTAL	**(2.35)**	**0.57**	**(1.78)**	**3.39**	**(0.58)**	**2.81**

(c) Reconciliation of effective tax rate

(₹ in crore)

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Profit before tax	541.57	453.10
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	136.31	114.04
Tax effect of:		
Expenses not allowed for tax purpose	2.34	2.08
Income not considered for tax purpose	(7.07)	0.15
Tax paid at lower rate	-	(0.36)
Tax at higher than groups domestic tax rate	2.67	4.20
Share of profit of JV/Associate	(10.29)	(10.57)
Adjustment for current tax of earlier years	0.10	0.14
Tax impact on distribution of profit by Joint Venture	-	(4.45)
Other items	(1.64)	0.29
TOTAL	**122.42**	**105.53**

The Group's weighted average tax rates for the year ended March 31, 2022 and March 31, 2021 was 22.60% and 23.29% respectively.

Notes forming part of the Consolidated Financial Statements

Note 44 : Movement in deferred tax balances for the year ended March 31, 2022

(₹ in crore)

Particulars	Net balance April 1, 2021	Recognised in profit or loss /OCI			Closing Balance as of March 31, 2022		
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax asset	Deferred tax liability	Deferred tax (Net)
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(188.12)	(3.21)	-	-	(6.52)	(184.81)	(191.33)
Compensated absences	2.64	0.90	0.07	-	1.60	2.01	3.61
Investments	(1.35)	(1.93)	0.62	-	(2.84)	0.18	(2.66)
Biological Assets	(7.09)	0.07	-	-	(7.04)	0.02	(7.02)
Doubtful Debts	8.30	1.89	-	-	0.58	9.61	10.19
Provisions	2.32	0.08	-	-	1.64	0.76	2.40
MAT Credit Entitlement	6.28	0.76	-	-	7.04	-	7.04
Carried forward Loss	20.01	10.67	-	-	30.68	-	30.68
Leases arrangements	0.81	(1.01)	-	-	0.12	(0.32)	(0.20)
Others	4.51	14.46	(0.04)	-	2.23	16.70	18.93
TOTAL	**(151.69)**	**22.68**	**0.65**	**-**	**27.49**	**(155.85)**	**(128.36)**

Movement in deferred tax balances for the year ended March 31, 2021

(₹ in crore)

Particulars	Net balance April 1, 2020	Recognised in profit or loss /OCI			Closing Balance as of March 31, 2021		
		Recognised in profit or loss	Recognised in OCI	Recognised directly in equity	Deferred tax asset	Deferred tax liability	Deferred tax (Net)
Deferred tax asset/(liabilities)							
Property, plant and equipment & Intangible assets	(184.26)	(3.86)	-		(1.20)	(186.92)	(188.12)
Compensated absences	2.43	(0.01)	0.22	-	0.15	2.49	2.64
Investments	0.85	(1.75)	(0.45)	-	(0.90)	(0.45)	(1.35)
Biological Assets	(6.40)	(0.69)	-	-	(6.90)	(0.19)	(7.09)
Doubtful Debts	6.21	2.09	-	-	-	8.30	8.30
Provisions	0.97	1.35	-	-	1.75	0.57	2.32
MAT Credit Entitlement	4.50	1.77	-	-	6.28	-	6.28
Carried forward Loss	29.21	(9.20)			20.01	-	20.01
Leases arrangements	0.78	0.03		-	0.02	0.79	0.81
Others	(1.57)	5.96	0.12	-	0.40	4.11	4.51
TOTAL	**(147.28)**	**(4.30)**	**(0.11)**	**-**	**19.61**	**(171.30)**	**(151.69)**

The group offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.

Given that the group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset / liability in relation to such investments has not been recognised.

Deferred tax liabilities of undistributed earnings of subsidiaries and joint venture was not recoginised because the company controls the dividend policy of its subsidiaries and joint venture and does not expect any distribution of part profits in the foreseeable future.

Deferred tax assets as at March 31, 2022 aggregating to ₹ 30.68 crore (Previous Year ₹ 20.01 crore) arising on account of business losses incurred. The management has assessed the recoverability of this deferred tax asset in near future within the adequate time-frame.

Notes forming part of the Consolidated Financial Statements

Note 45: Capital Management

The Group's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The board of directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the group's Capital Management is to maximise shareholder value. The group manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Group monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings (excluding lease liability) less cash and cash equivalents. Equity comprises all components of equity.

The Group's adjusted net debt to equity ratio at March 31, 2022 and March 31, 2021 were as follows.

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Total Borrowings	1,565.99	988.15
Less : Cash and cash equivalent	31.36	48.63
Adjusted net debt	**1,534.63**	**939.52**
Total equity (including non-controlling interests)	**2,688.69**	**2,461.36**
Adjusted net debt to adjusted equity ratio	0.57	0.38

Note 46: Segment Information for the year ended March 31, 2022

Factors used to identify the entity's reportable segments, including the basis of organisation –

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the group. The group has identified the following segments as reporting segments based on the information reviewed by CODM:

1. Animal feed
2. Vegetable Oil
3. Crop Protection
4. Dairy
5. Poultry & processed food
6. Real estate
7. Other Business Segment includes Seed Business and Energy Generation through Windmill and Cattle Breeding Businesses

Segment Information for the year ended March 31, 2022

(₹ in crore)

Particulars	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	Total
Total Revenue	4,350.23	1,264.75	1,197.37	1,175.00	783.98	-	38.16	-		8,809.49
Less : Inter-segment	-	-	-	-	-	-	-	-	(503.40)	(503.40)
External Revenue	4,350.23	1,264.75	1,197.37	1,175.00	783.98	-	38.16	-	(503.40)	8,306.09
Results										
Segment Results	**233.16**	**240.83**	**233.89**	**(24.57)**	**5.25**	**-**	**(8.13)**	**-**	**-**	**680.43**
Unallocated expenditure net of unallocated income	-	-	-	-	-	-	-	(113.04)	-	(113.04)
Interest expenses	-	-	-	-	-	-	-	(64.99)	1.91	(63.08)
Interest Income	-	-	-	-	-	-	-	5.89	(1.72)	4.17
Dividend Income and Profit on Fair Valuation / sale of Investments	-	-	-	-	-	-	-	36.86	(36.70)	0.16
Profit before Exceptional, Tax & Share of Equity Accounted Investees	**233.16**	**240.83**	**233.89**	**(24.57)**	**5.25**	**-**	**(8.13)**	**(135.28)**	**(36.51)**	**508.64**
Share of Equity Accounted Investees Net of Tax	-	-	-	-	-	-	-	50.21	-	50.21
Exceptional Items				(17.28)	-			-		(17.28)
Profit Before Taxation	**233.16**	**240.83**	**233.89**	**(41.85)**	**5.25**	**-**	**(8.13)**	**(85.07)**	**(36.51)**	**541.57**
Provision for taxation	-	-	31.79	(12.77)	0.77	-	0.05	100.13	2.45	122.42
Profit after taxation	**233.16**	**240.83**	**202.10**	**(29.08)**	**4.48**	**-**	**(8.18)**	**(185.20)**	**(38.96)**	**419.15**
Segment assets	1,778.35	365.59	1,775.64	818.61	461.94	7.18	109.97	361.28	(94.57)	5,583.99
Segment liabilities	412.34	45.79	750.86	397.04	200.29	5.69	43.18	1,134.68	(94.57)	2,895.30
Capital expenditure	85.80	16.90	110.68	24.18	18.29	-	6.29	6.54	-	268.68
Depreciation and amortisation	48.25	28.95	40.57	29.64	17.08	-	3.64	5.93	(0.72)	173.34

Segment Information for the year ended March 31, 2021

(₹ in crore)

Particulars	Animal Feed	Vegetable Oil	Crop Protection	Dairy	Poultry and processed food	Real Estate	Other Business	Unallocated	Elimination	Total
Total Revenue	3,093.16	710.04	1,140.13	1,032.23	602.45	9.60	29.94	-	-	6,617.55
Less : Inter-segment	-	-	-	-		-	-	-	(350.84)	(350.84)
External Revenue	3,093.16	710.04	1,140.13	1,032.23	602.45	9.60	29.94	-	(350.84)	6,266.71
Results										
Segment Results	**190.76**	**83.74**	**248.48**	**10.57**	**24.64**	**2.49**	**(3.93)**	**-**	**-**	**556.75**
Unallocated expenditure net of unallocated income	-	-	-	-	-	-	-	(110.77)	-	(110.77)
Interest expenses	-	-	-	-	-	-	-	(48.85)	2.38	(46.47)
Interest Income	-	-	-	-	-	-	-	5.39	(2.10)	3.29
Dividend Income and Profit on Fair Valuation / sale of Investments	-	-	-	-	-	-	-	67.23	(67.17)	0.06
Profit before Exceptional, Tax & Share of Equity Accounted Investees	**190.76**	**83.74**	**248.48**	**10.57**	**24.64**	**2.49**	**(3.93)**	**(87.00)**	**(66.89)**	**402.86**
Share of Equity Accounted Investees Net of Tax								50.24		50.24
Exceptional Items					-			-		-
Profit Before Taxation	190.76	83.74	248.48	10.57	24.64	2.49	(3.93)	(36.76)	(66.89)	453.10
Provision for taxation	-	-	24.65	1.78	7.17	-	0.73	73.56	(2.36)	105.53
Profit after taxation	**190.76**	**83.74**	**223.83**	**8.79**	**17.47**	**2.49**	**(4.66)**	**(110.32)**	**(64.53)**	**347.57**
Segment assets	1,365.12	367.57	1,458.66	809.11	437.02	7.18	105.53	337.16	(88.42)	4,798.93
Segment liabilities	395.09	47.94	567.25	342.21	176.89	2.86	74.69	819.06	(88.42)	2,337.57
Capital expenditure	49.79	41.16	104.52	20.27	7.80	-	11.10	11.43	-	246.07
Depreciation and amortisation	44.41	25.80	30.52	27.67	17.14	-	3.36	5.98	(0.88)	154.00

1. There are no transactions with single external customers which amounts to 10% or more of the company's revenue.

2. As the Group mainly caters to the need of domestic market and the total export turnover is not significant, separate geographical segment information has not been given in the consolidated financial statements.

Notes forming part of the Consolidated Financial Statements

Note 47 : Contingent Liabilities

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
Claims against the group not acknowledged as debts:		
(i) Excise Matter Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the group has contested and is in appeal at various levels	128.72	122.52
(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.	1.69	1.56
(iii) Goods and Service tax (GST)		
a) GST demands relating to issues pertaining to cenvat credit transition to GST. The said amount includes up-to-date interest.	3.19	2.88
b) GST demand pertains to disallowance of input tax credit claimed in Trans 1 & 2 The Company shall be filing an appeal against the impugned order in the GST Appellate Tribunal as and when the same is constituted	0.87	-
c) Issue pertaining to service tax credit of EOU unit -The said amount includes up-to-date interest.	1.43	-
d) GST Demands pertaining to Compensation Cess credit -The said amount includes up-to-date interest.	0.66	-
(iv) Income Tax		
a) The Group has preferred appeal against the order of assessing officer and CIT in which demand of ₹ 4.76 crore has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing officer / CIT.	4.76	4.52
b) The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the Order of the Assessing Officer in which he has disallowed against sec. 14A in respect of exempt income , Depreciation on Land/ rights in Land of Godrej One and cash deposited during demonetization period.	1.41	1.41
c) The group has preferred appeals against the disallowance of deduction U/s 32(1)(iia) (Additional depreciation), dis-allowance u/s 14A & u/s.56(2)(viib), 36(2) and 80JJA of the Income Tax Act, 1961. Tax paid under protest as at 31st March 2022: ₹ 2.39 crore (Previous Year - ₹ 2.35 crore).	23.54	9.25
d) The company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of Assessing officer.	0.05	-
(v) Sales Tax Matters		
a) Pending before JSCT(Appeal)	6.60	6.60
b) Contingent Liabilities against pending C & H Forms	0.62	0.57
c) Indirect tax cases	0.69	0.98
d) Value added tax demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels.	10.02	9.00
e) Sales tax demands relating to Non- submission of declaration forms which the Company has contested and is in appeal with Joint Commissioner of sales tax, Mumbai	0.07	0.07
(vi) Civil Matter		
a) Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds.	65.00	65.00
(vii) Surety Bond issued on behalf of related party	1.21	1.21
(viii) Guarantees issued by the Banks and counter guaranteed by the group	16.83	18.61
(ix) Claims against the company not acknowledged as debt	8.15	10.41

Note 47.1: Contingent liabilities represent estimates made mainly for probable claims arising out of litigation/ disputes pending with authorities under various statutes (Excise duty, Customs duty, Income tax). The probability and timing of outflow with regard to these matters depend on the final outcome of litigations/ disputes. Hence the Group is not able to reasonably ascertain the timing of the outflow.

Note 47.2: The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liability section in the financial statements. The impact of the same is not ascertainable.

Note 48: Commitments

(₹ in crore)

Particulars	As at March 31, 2022	As at March 31, 2021
1. Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for	101.04	88.78
2. Outstanding Export obligation Under EPCG Scheme	2.70	8.72

Note 49: Investments in Subsidiary

On June 21, 2021, the group has acquired 2,95,840 equity shares of Godrej Maxximilk Pvt. Ltd (GMPL) for a consideration of ₹ 10.00 crore. Pursuant to these acquisition of 25.10% stake in GMPL, it became a wholly owned subsidiary of the Group.

Subsequently on June 24, 2021 the group has subscribed to 4,41,176 shares of GMPL for a consideration of ₹ 15.00 crore. Subsequently on March 22, 2022 the group has subscribed to 7,35,295 shares of GMPL for a consideration of ₹ 25.00 crore. The shareholding in GMPL is 100% and it became a wholly owned subsidiary of the group.

On May 11, 2021, the group has acquired 2,00,000 equity shares of Astec LifeSciences Limited for a consideration of ₹ 24.05 crore. Pursuant to these acquisition, the shareholding in Astec increased to 63.29%.

Note 50: Information in Respect of Investment in Associates

The management has decided to divest its stake in AL Rahaba International Trading Limited Liability Company. Consequently, the same had been classified as current investment.

Note 51: Assessment of impact of Covid-19 pandemic

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

Note 52: With a view to focus on its core activities, the Company has partially sold the real estate project during the previous year to Godrej Properties Limited and the revenue of ₹ Nil (Previous year: ₹ 9.60 crore) has been included in other operating revenue and cost thereof has been included in the cost of material consumed.

Note 53: Exceptional Item

During the year ended March 31, 2022, Exceptional item represents an amount of ₹ 17.28 crore towards differential GST liability arising out of classification issue of flavoured milk, being faced by the Dairy sector. The payment of GST liability has been made for all the states in which the Company's subsidiary (CDPL) is in operations.

Notes forming part of the Consolidated Financial Statements

Note 54: Goodwill and Other Intangible Assets with indefinite useful life

The Goodwill and Indefinite life intangible assets (Brand) are tested for impairment and accordingly no impairment charges were identified for the year ended March 31, 2022.

The Goodwill and intangible asset (Brand) arises from the following Group's Cash Generating Units (CGU):

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Astec LifeSciences Limited (Crop Protection)	118.17	118.17
Creamline Dairy Products Limited (Dairy)		
- Goodwill	76.70	76.70
- Brand	38.22	38.22
Godrej Tyson Foods Limited (Poultry)	64.18	64.18
Godrej Maxximilk Private Limited (Cattle Breeding)	5.84	5.84
TOTAL	**303.11**	**303.11**

Astec LifeSciences Limited

The recoverable amount of this Cash Generating Unit (CGU) is higher of its fair value less cost to sell and its value in use. The goodwill allocated pertains to a listed entity and accordingly, the fair value of the CGU is determined based on market capitalisation.

Creamline Dairy Products Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	11%	11%
Long term growth rate beyond 5 years	5%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Godrej Tyson Foods Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five-year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	11%	11%
Long term growth rate beyond 5 years	5%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Godrej Maxximilk Private Limited

The recoverable amount of a CGU is based on its value in use. The value in use is estimated using discounted cash flows over a period of 5 years. Cash flows beyond 5 years is estimated by capitalising the future maintainable cash flows by an appropriate capitalisation rate and then discounted using appropriate discount rate.

Operating margins and growth rates for the five-year cash flow projections have been estimated based on past experience and after considering the financial budgets/forecasts provided by the management. Other key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industry and have been based on historical data from both external and internal sources.

Particulars	As at March 31, 2022	As at March 31, 2021
Discount rate	11%	11%
Long term growth rate beyond 5 years	5%	2%

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the CGU.

Note 55: No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Group (Ultimate Beneficiaries). The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries."

Note 56: Disclosure of Joint Venture and Associates

Equity accounted investees

Financial information of joint ventures and associates that are material to the Group is provided below :

(₹ in crore)

Name of the entity	Place of Business	% of ownership interest as of March 31, 2022	% of ownership interest as of March 31, 2021	Relationship	Accounting method	Carrying Amounts	
						March 31, 2022	March 31, 2021
ACI Godrej Agrovet Private Limited*	Bangladesh	50.0%	50.0%	Joint Venture	Equity method	95.02	84.99
Omnivore India Capital Trust	Maharashtra			Investment entity	Equity method	45.42	35.16
Al Rahaba International Trading Limited Liability Company	Abu Dhabi	24.0%	24.0%	Associate	Equity method	-	-
Total equity accounted investments						**140.44**	**120.15**

* Unlisted equity, no quoted prices available

Notes forming part of the Consolidated Financial Statements

Summary financial information of ACI Godrej Agrovet Private Limited not adjusted for the percentage ownership held by the Company is as follows:

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Ownership	50%	50%
Cash and cash equivalent	20.38	8.61
Other current assets	309.69	283.16
Total current assets	330.07	291.77
Total non-current assets	211.86	216.64
Total assets	**541.93**	**508.41**
Current liabilities		
Financial liabilities (excluding trade payables and provisions)	126.18	123.20
Other liabilities	181.51	167.10
Total current liabilities	307.69	290.30
Total non-current liabilities	44.84	48.06
Total liabilities	**352.53**	**338.36**
Net assets	**189.40**	**170.05**
Groups' share of net assets	**94.70**	**85.02**
Carrying amount of interest in joint venture	**95.02**	**84.99**

(₹ in crore)

Reconciliation of Group share of net assets and carrying amount of interest in joint venture	March 31, 2022	March 31, 2021
Carrying amount of interest in joint venture	95.02	84.99
Less : Other adjustments	0.32	(0.03)
Groups' share of net assets	**94.70**	**85.02**

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Revenues	1,557.87	1,251.43
Interest income	1.33	0.30
Depreciation and amortization	28.16	25.44
Interest expense	(10.61)	(8.63)
Income tax expense	(15.84)	(16.01)
Profit from continuing operations	**79.90**	**82.62**
Profit from discontinued operations	-	-
Profit for the year	**79.90**	**82.62**
Other comprehensive income	0.98	-
Total comprehensive income	**80.88**	**82.62**
Group's share of profit	**39.95**	**41.31**
Group's share of Other comprehensive income (net of tax)	**0.49**	**-**
Group's share of Total comprehensive income (net of tax)	**40.44**	**41.31**

Net Asset of Omnivore India Capital Trust and group's share

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Net Assets	468.70	359.86
Groups' share of net assets (in %)	9.69%	9.77%
Groups' share of net assets	**45.42**	**35.16**

Notes forming part of the Consolidated Financial Statements

Note 57: Non Controlling Interest

Non controlling interest

Financial information of subsidiaries that have material non-controlling interests is provided below :

Name of the entity	Place of business / country of incorporation	Ownership interest held by the group		Ownership interest held by non-controlling interest		Principal activities
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	
Astec LifeSciences Limited	India	63.29%	62.30%	36.71%	37.70%	Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates.
Creamline Dairy Products Limited	India	51.91%	51.91%	48.09%	48.09%	The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. The Company is also engaged in generation of power through renewable energy sources.
Godrej Maxximilk Private Limited	India	100.00%	74.90%	0.00%	25.10%	The Company is an agribusiness company and its principal activities include Dairy Farm activities and Developing high breed Cattles.
Godrej Tyson Foods Limited	India	51.00%	51.00%	49.00%	49.00%	The Company is principally engaged in poultry processing, marketing and selling of value added vegetarian and poultry products.

Notes forming part of the Consolidated Financial Statements

The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations.

I. Summarized Statement of Profit or Loss

(a) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Total Revenue	13.96	8.92
Profit for the year	(9.77)	(8.14)
Other Comprehensive Income	(0.01)	-
Profit allocated to non-controlling interests	**(0.53)**	**(2.06)**
OCI allocated to non-controlling interests	**-**	**-**
Dividends paid to non-controlling interests	**-**	**-**

(b) Astec LifeSciences Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Total Revenue	687.02	562.79
Profit for the year	91.52	67.01
Other Comprehensive Income	(0.01)	(0.18)
Profit allocated to non-controlling interests	**33.71**	**25.24**
OCI allocated to non-controlling interests	**(0.00)**	**(0.07)**
Dividends paid to non-controlling interests	**-**	**-**

(c) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Total Revenue	1,178.55	1,038.66
Profit for the year	(36.04)	7.22
Other Comprehensive Income	(0.22)	(0.64)
Profit allocated to non-controlling interests	**(17.33)**	**3.47**
OCI allocated to non-controlling interests	**(0.11)**	**(0.31)**
Dividends paid to non-controlling interests	**-**	**-**

(d) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Total Revenue	785.56	604.22
Profit for the year	1.44	14.68
Other Comprehensive Income	0.08	(0.12)
Profit allocated to non-controlling interests	**0.70**	**7.19**
OCI allocated to non-controlling interests	**0.04**	**(0.06)**
Dividends paid to non-controlling interests	**-**	**-**

II. Summarised Balance Sheet

(a) Astec LifeSciences Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Non-current liabilities	13.41	49.34
Current liabilities	490.59	322.28
Total Liabilities	**504.00**	**371.62**
Non-current assets	393.35	357.24
Current assets	515.68	330.43
Total Assets	**909.03**	**687.67**
Net assets	**405.03**	**316.05**
Net assets attributable to non-controlling interest	**148.97**	**119.80**

(b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Non-current liabilities	114.64	84.92
Current liabilities	264.29	239.18
Total Liabilities	**378.93**	**324.10**
Non-current assets	555.57	555.58
Current assets	186.35	176.83
Total Assets	**741.92**	**732.41**
Net assets	**362.99**	**408.31**
Net assets attributable to non-controlling interest	**174.57**	**195.56**

(c) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Non-current liabilities	33.67	32.60
Current liabilities	166.62	144.29
Total Liabilities	**200.29**	**176.89**
Non-current assets	228.26	234.97
Current assets	169.50	137.87
Total Assets	**397.76**	**372.84**
Net assets	**197.47**	**195.95**
Net assets attributable to non-controlling interest	**96.76**	**96.02**

(d) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Non-current liabilities	9.97	12.80
Current liabilities	17.15	39.01
Total Liabilities	**27.12**	**51.81**
Non-current assets	44.19	41.96
Current assets	6.72	4.17
Total Assets	**50.91**	**46.13**
Net assets	**23.79**	**(5.68)**
Net assets attributable to non-controlling interest	**(0.00)**	**(1.17)**

Notes forming part of the Consolidated Financial Statements

III. Summarised cash flow information

a) Astec LifeSciences Ltd.

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash flows from (used in) in operating activities	23.60	(8.16)
Cash flows from (used in) in investing activities	(103.87)	(73.11)
Cash flows from (used in) in financing activities	80.48	81.34
Net increase /(decrease) in cash and cash equivalents	**0.21**	**0.07**

b) Creamline Dairy Products Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash flows from(used in) in operating activities	(153.94)	68.06
Cash flows from(used in) in investing activities	(22.70)	(19.50)
Cash flows from(used in) in financing activities	174.06	(51.60)
Net increase /(decrease) in cash and cash equivalents	**(2.58)**	**(3.04)**

c) Godrej Tyson Foods Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash flows from(used in) in operating activities	2.76	36.28
Cash flows from(used in) in investing activities	(17.76)	(10.46)
Cash flows from(used in) in financing activities	13.14	(23.68)
Net increase /(decrease) in cash and cash equivalents	**(1.86)**	**2.14**

d) Godrej Maxximilk Private Limited

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Cash flows from(used in) in operating activities	(11.90)	(0.01)
Cash flows from(used in) in investing activities	(5.12)	(12.51)
Cash flows from(used in) in financing activities	18.52	11.44
Net increase /(decrease) in cash and cash equivalents	**1.50**	**(1.08)**

Transactions with Non-Controlling Interests - Astec LifeSciences Limited

I) During the current year, the Group has acquired 1.02% (previous year Nil) of subsequent interest in Astec LifeSciences Limited. The carrying amount of such additional NCI stake acquired is ₹ 24.05 crore (previous year Nil).

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Carrying amount of non-controlling interests acquired	3.36	-
Consideration paid	24.05	-
Decrease in Equity attributable to the owners of the Company	(20.69)	-

Transactions with Non-Controlling Interests - Godrej Maxximilk Private Limited

II) During the current year, the Group has acquired 25.10% (Previous Year 0.90%) of subsequent interest in Godrej Maxximilk Private Limited. The carrying amount of such additional NCI stake acquired is ₹ 10.00 crore (Previous Year ₹ 1.00 crore).

(₹ in crore)

Particulars	March 31, 2022	March 31, 2021
Carrying amount of non-controlling interests acquired	(1.91)	(0.26)
Consideration paid	10.00	1.00
Decrease in Equity attributable to the owners of the Company	(11.91)	(0.26)

Notes forming part of the Consolidated Financial Statements

Note 58: Additional information, as required under Schedule III to the Companies Act, 2013

(₹ in crore)

Name of the entity	Net Assets - total assets minus total liabilities (net off intercompany eliminations)		Share in profit or loss		Share in other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated net assets	Amount	As % of Consolidated profit or loss	Amount	As % of Consolidated other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
1	2	3	4	5	6	7	8	9
Parent								
1.Godrej Agrovet Limited	47.48%	1,276.50	76.41%	320.29	103.95%	(1.85)	76.30%	318.44
Subsidiaries								
Indian								
2. Godvet Agrochem Limited	0.63%	16.82	0.26%	1.09	0.00%	-	0.26%	1.09
3. Astec Lifesciences Limited	13.90%	373.73	13.89%	58.22	0.23%	(0.00)	13.95%	58.22
4. Creamline Dairy Products Limited	9.89%	265.91	-4.46%	(18.71)	5.84%	(0.10)	-4.51%	(18.81)
5. Godrej Tyson Foods Limited	6.13%	164.92	0.17%	0.73	-2.30%	0.04	0.19%	0.77
6. Godrej Maxximilk Private Limited	1.12%	30.10	-2.20%	(9.24)	0.34%	(0.01)	-2.22%	(9.25)
Minority interest in all subsidiaries	15.63%	420.27	3.95%	16.56	3.90%	(0.07)	3.95%	16.49
Associates (Investment as per equity method)								
Al Rahaba International Trading Limited Liability Company	0.00%	-	0.00%		0.00%		0.00%	-
Joint Ventures (as per proportionate consolidation / Investment as per equity method)								
Indian								
Omnivore India Capital Trust	1.69%	45.42	2.45%	10.26	0.00%	-	2.46%	10.26
Foreign								
ACI Godrej Agrovet Private Limited	3.53%	95.02	9.53%	39.95	-11.95%	0.21	9.62%	40.16
TOTAL	**100.00%**	**2,688.69**	**100.00%**	**419.15**	**100.00%**	**(1.78)**	**100.00%**	**417.37**

Notes forming part of the Consolidated Financial Statements

Note 59 : Relationship and Transactions with Struck off Companies

(₹ in crore)

Name of Struck off Company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year March 31, 2022	Balance Outstanding as on March 31, 2022	Relationship with Struck off Company
Stuti Agro Processor Pvt Ltd	Receivables	-	0.00	Non-Related Party
GSLD Egg and Agro Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Agrisy Layer Farm Private Limited	Payables	-	(0.00)	Non-Related Party
Acknotech Software Solutions Private Limited	Payables	0.06	(0.00)	Non-Related Party
Utkarsh Agro Industries Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Kannauj Chemicals & Seeds Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Yeerla Retail Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Tyagi Agriscience Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Jyotsna Poultry Pvt Ltd	Payables	0.41	(0.00)	Non-Related Party
Arca Safety Pvt Ltd	Payables	-	(0.00)	Non-Related Party

Name of Struck off Company	Nature of transactions (pertaining to balance outstanding)	Transactions during the year March 31, 2021	Balance Outstanding as on March 31, 2021	Relationship with Struck off Company
GSLD Egg and Agro Pvt Ltd	Payables	0.02	(0.00)	Non-Related Party
Agrisy Layer Farm Private Limited	Payables	0.52	(0.00)	Non-Related Party
Acknotech Software Solutions Private Limited	Payables	0.08	(0.00)	Non-Related Party
Utkarsh Agro Industries Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Kannauj Chemicals & Seeds Pvt Ltd	Receivables	-	0.02	Non-Related Party
Yeerla Retail Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Tyagi Agriscience Pvt Ltd	Payables	-	(0.00)	Non-Related Party
BMGS Agro Products Pvt Ltd	Payables	0.58	(0.00)	Non-Related Party
Arca Safety Pvt Ltd	Payables	-	(0.00)	Non-Related Party
Shivaganga Polymers Pvt Ltd	Payables	0.00	(0.00)	Non-Related Party

The amount reflected as "0.00" are values with less than ₹ one lakh.

Notes forming part of the Consolidated Financial Statements

Note 60: Related Party Disclosures

1. In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

a) (i) Key Management Personnel and Entities where Key Management Personnel has significant influence and their Relatives	Mr. N. B. Godrej (Chairman)
	Mr. J. N. Godrej
	Mr. V. M. Crishna (upto 8th November, 2021)
	Ms. Tanya A. Dubash
	Ms. Nisaba Godrej
	Mr. Pirojsha A. Godrej
	Mr. B. S. Yadav (Managing Director)
	Mr. K. N. Petigara (upto 31st March, 2021)
	Dr. Raghunath A. Mashelkar
	Dr. Ritu Anand
	Ms. Aditi Kothari Desai
	Ms. Roopa Purushothaman
	Mr. N. Srinivasan
	Mr. Kannan Sitaram
	Mr. Ashok Gulati
	Mr. Vivek Raizada (Company Secretary)
	Mr. S. Varadaraj (Chief Financial Officer)
	Mr. A. B. Godrej
	The Raika Godrej Family Trust
	ABG Family Trust
	TAD Family Trust
	TAD Children Trust
	NG Family Trust
	NG Children Trust
	PG Family Trust
	PG Children Trust
	PG Lineage Trust
	NBG Family Trust
	RNG Family Trust
	BNG Successor Trust
	BNG Lineage Trust
	BNG Family Trust
	HNG Family Trust
	SNG Successor Trust
	SNG Lineage Trust
	SNG Family Trust
	JNG Family Trust
	PJG Family Trust
	RJG Family Trust
	NJG Family Trust
	SGC Family Trust
	VMC Family Trust
	FVC Family Trust
	FVC Children Trust
	NVC Family Trust
	NVC Children Trust
	Navroze Lineage Trust
	Raika Lineage Trust
	PherozaJamshyd Godrej
	FreyanCrishnaBieri
	Nyrika Holkar
	NavrozeJamshyd Godrej
	RaikaJamshyd Godrej
	Rishad Kaikhushru Naoroji
	Karla Bookman
	Sasha Godrej
	Lana Godrej

Notes forming part of the Consolidated Financial Statements

b) (i) Holding companies	Godrej Industries Limited
(ii) Fellow Subsidiary Companies	Godrej Properties Limited
	Godrej Housing Finance Limited
	Godrej One Premises Management Private Limited
	Godrej Vikhroli Properties India Limited
(iii) Joint Ventures	ACI Godrej Agrovet Private Limited, Bangladesh
	Omnivore India Capital Trust
(iv) Associates	Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
(v) Other Related Parties	Godrej & Boyce Manufacturing Company Limited
	Godrej Consumer Products Limited
	Godrej Seeds & Genetics Limited
	Godrej Infotech Limited
	Kavali Milkline Private Limited
	Khammam Milkline Private Limited
	Mohan Milkline Private Limited
	Pamuru Milkline Private Limited
	Pragathi Milkline Private Limited
	Vidya Milkline Private Limited
	Ongole Milkline Private Limited.
	Prima Food Tech Private Limited
	Anamudi Real Estates LLP
(vi) Post-employment benefit plan (entities) for the benefit of employees of the company	Godrej Agrovet Limited Provident Fund Trust
	Godrej Agrovet Limited Superannuation Scheme
	Godrej Agrovet Limited Group Gratuity Trust

Notes forming part of the Consolidated Financial Statements

2. The following transactions were carried out with the related parties in the ordinary course of business:

(i) Details relating to parties referred to in items 1 (b) (i), (ii), (iii), (iv), (v), (vi)

(₹ in crore)

Sr. No.	Nature of Transactions	Holding Companies	Fellow Subsidiaries	Joint Ventures	Associates	Other related Parties
		(i)	(ii)	(iii)	(iv)	(v) & (vi)
1	Purchase / Transfer of property, plant and equipment	**0.00**	**-**	**-**	**-**	**0.09**
		-	-	-	-	0.54
2	Advances given during the year	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	0.10
3	Sundry deposits placed	**0.11**	**-**	**-**	**-**	**-**
		0.07	-	-	-	-
4	Intercorporate deposits returned	**-**	**-**	**-**	**-**	**0.23**
		-	-	-	-	-
5	Sale of materials / finished goods / other operating revenue	**0.00**	**-**	**3.10**	**-**	**7.09**
		0.09	-	-	-	0.02
6	Purchase of materials / finished goods / services	**5.77**	**-**	**-**	**-**	**196.18**
		2.52	0.12	-	-	61.19
7	Expenses charged to / reimbursement received from other companies	**0.15**	**0.00**	**-**	**-**	**0.76**
		0.02	0.01	-	-	0.30
8	Expenses charged by / reimbursement made to other companies	**10.92**	**2.45**	**-**	**-**	**0.83**
		4.23	1.46	-	-	0.61
9	Dividend income	**-**	**-**	**30.14**	**-**	**-**
		-	-	33.01	-	-
10	Dividend paid	**96.01**	**-**	**-**	**-**	**-**
		-	-	-	-	-
11	Interest income on inter corporate deposits placed / loans given	**-**	**-**	**-**	**-**	**0.02**
		-	-	-	-	0.14
12	Sundry income	**-**	**-**	**6.66**	**-**	**0.01**
		-	-	3.27	-	0.01
13	Outstanding inter corporate deposit receivable	**-**	**-**	**-**	**-**	**-**
		-	-	-	-	0.23
14	Capital advance given during the year	**-**	**-**	**-**	**-**	**0.51**
		-	-	-	-	0.42
15	Outstanding capital advance	**-**	**0.07**	**-**	**-**	**0.00**
		-	0.07	-	-	0.08
16	Outstanding receivables	**0.66**	**0.00**	**12.56**	**-**	**0.63**
		0.37	0.10	11.46	-	0.23
17	Outstanding payables	**0.07**	**5.78**	**-**	**-**	**8.60**
		-	2.85	-	-	3.94
18	Guarantees outstanding	**-**	**-**	**-**	**-**	**1.21**
		-	-	-	-	1.21
19	Contribution to post-employment benefit plans	**-**	**-**	**-**	**-**	**25.88**
		-	-	-	-	11.58

(ii) Details relating to persons referred to in items 1(a)(i) above

(₹ in crore)

Sr. No.	Particulars	As at March 31, 2022	As at March 31, 2021
1	**Remuneration to key management personnel**		
	Salary and short term employee benefit paid	**9.84**	2.83
	Post employee gratuity & medical benefits	**0.11**	0.05
	Shared based payment	**1.25**	0.35
2	Dividend paid	**13.58**	-
3	Director's sitting fees	**0.48**	0.45
4	Director's commission	**0.97**	0.96

Notes forming part of the Consolidated Financial Statements

3. Significant Related Party Transactions:

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
1	**Purchase of property, plant and equipment**		
	Godrej & Boyce Manufacturing Company Limited	0.09	0.54
2	**Sale / Transfer of property, plant and equipment**		
	Godrej Industries Limited	0.00	-
3	**Advances given during the year**		
	Godrej & Boyce Manufacturing Company Limited	-	0.10
4	**Sundry deposits placed**		
	Godrej Industries Limited	0.11	0.07
5	**Intercorporate deposits returned**		
	Prima FoodTech Private Limited	0.23	-
6	**Sale of materials / finished goods / other operating revenue**		
	ACI Godrej Agrovet Private Limited	3.10	-
	Godrej Consumer Products Limited	6.98	0.00
	Godrej Industries Limited	0.00	0.09
	Khammam Milkline Private Limited	0.11	0.02
7	**Purchase of materials / finished goods / services**		
	Godrej & Boyce Manufacturing Company Limited	0.38	0.04
	Godrej Industries Limited	5.77	2.52
	Godrej Consumer Products Limited	0.19	0.19
	Godrej Seeds & Genetics Limited	83.28	-
	Godrej Properties Limited	-	0.12
	Ongole Milkline Private Limited	19.02	11.57
	Mohan Milkline Private Limited	33.48	18.81
	Vidya Milkline Private Limited	7.12	3.10
	Khammam Milkline Private Limited	21.74	10.80
	Pamuru Milkline Private Limited	12.90	6.50
	Kavali Milkline Private Limited	15.39	8.58
	Pragathi Milkline Private Limited	2.68	1.58
	Prima FoodTech Private Limited	-	0.04
8	**Expenses charged to / reimbursement received from other companies**		
	Godrej & Boyce Manufacturing Company Limited	0.76	0.30
	Godrej Industries Limited	0.15	0.02
	Godrej Properties Limited	0.00	0.01
9	**Expenses charged by / reimbursement made to other companies**		
	Godrej Infotech Limited	0.10	0.04
	Godrej & Boyce Manufacturing Company Limited	0.26	0.16
	Godrej Consumer Products Limited	0.47	0.41
	Godrej Industries Limited	10.92	4.23
	Godrej One Premises Management Private Limited	2.43	1.46
	Godrej Housing Finance Limited	0.02	-
10	**Dividend income**		
	ACI Godrej Agrovet Private Limited	30.14	33.01
11	**Dividend paid**		
	Godrej Industries Limited	96.01	-
	Mr. B. S. Yadav (Managing Director)	2.64	-
	Mr. N. B. Godrej (Chairman)	0.00	-
	Mr. A. B. Godrej	0.00	-
	Ms. Tanya A. Dubash	0.02	-
	Ms. Nisaba Godrej	0.00	-
	Mr. Pirojsha A. Godrej (w.e.f. 5th November, 2018)	0.33	-
	Dr. Ritu Anand	0.00	-
	Ms. Roopa Purushothaman	0.00	-
	Mr. S. Varadaraj (Chief Financial Officer)	0.17	-

Notes forming part of the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
11	Mr. Vivek Raizada (Company Secretary)	0.00	-
	The Raika Godrej Family Trust	0.00	-
	ABG Family Trust	0.00	-
	TAD Family Trust	0.67	-
	TAD Children Trust	0.00	-
	BNG Family Trust	0.69	-
	HNG Family Trust	0.69	-
	SNG Family Trust	0.69	-
	NG Family Trust	0.69	-
	NG Children Trust	0.00	-
	PG Family Trust	0.00	-
	PG Children Trust	0.00	-
	PG Lineage Trust	0.00	-
	NBG Family Trust	0.00	-
	RNG Family Trust	0.00	-
	BNG Successor Trust	0.00	-
	BNG Lineage Trust	0.00	-
	SNG Successor Trust	0.00	-
	SNG Lineage Trust	0.00	-
	JNG Family Trust	0.00	-
	PJG Family Trust	0.00	-
	RJG Family Trust	0.00	-
	NJG Family Trust	0.00	-
	SGC Family Trust	0.00	-
	VMC Family Trust	0.00	-
	FVC Children Trust	0.00	-
	NVC Children Trust	0.00	-
	Freyan Crishna Bieri	0.00	-
	Nyrika Holkar	0.00	-
	Navroze Jamshyd Godrej	0.00	-
	Navroze Lineage Trust	1.66	-
	Raika Jamshyd Godrej	0.00	-
	Raika Lineage Trust	1.66	-
	FVC Family Trust	1.66	-
	NVC Family Trust	1.66	-
	Karla Bookman	0.15	-
	Sasha Godrej	0.15	-
	Lana Godrej	0.06	-
12	**Interest income on intercorporate deposits placed / loans given**		
	Prima Food Tech Private Limited	0.02	0.14
13	**Sundry income**		
	ACI Godrej Agrovet Private Limited	6.66	3.27
	Godrej Consumer Products Limited	0.01	0.01
14	**Outstanding intercorporate deposit receivable**		
	Prima FoodTech Private Limited	-	0.23
15	**Capital advance given during the year**		
	Godrej & Boyce Manufacturing Company Limited	0.51	0.42
16	**Outstanding capital advance**		
	Godrej Vikhroli Properties India Limited	0.04	0.04
	Godrej Properties Limited	0.04	0.04
	Godrej & Boyce Manufacturing Company Limited	0.00	0.08

Notes forming part of the Consolidated Financial Statements

(₹ in crore)

Sr. No.	Nature of Transactions	For the year ended March 31, 2022	For the Year ended March 31, 2021
	Outstanding receivables		
	Godrej & Boyce Manufacturing Company Limited	0.58	0.17
	Godrej Industries Limited	0.66	0.37
	Godrej One Premises Management Private Limited	-	0.10
17	Godrej Seeds & Genetics Limited	-	0.00
	Godrej Properties Limited	0.00	-
	Godrej Consumer Products Limited	0.05	0.05
	ACI Godrej Agrovet Private Limited	12.52	11.42
	Omnivore India Capital Trust	0.03	0.03
	Outstanding payables		
	Godrej Industries Limited	0.07	-
	Godrej Properties Limited	5.68	2.85
	Godrej One Premises Management Private Limited	0.10	-
	Godrej Agrovet Limited Provident Fund Trust.	1.98	1.83
	Godrej Agrovet Limited Superannuation Scheme.	0.04	0.04
	Godrej Agrovet Limited Group Gratuity Trust.	4.03	0.84
18	Godrej Seeds & Genetics Limited	1.55	-
	Kavali Milkline Private Limited	0.05	0.07
	Khammam Milkline Private Limited	0.60	0.86
	Mohan Milkline Private Limited	0.12	0.06
	Pamuru Milkline Private Limited	0.05	0.05
	Pragathi Milkline Private Limited	0.02	0.02
	Vidya Milkline Private Limited	0.10	0.09
	Ongole Milkline Private Limited.	0.07	0.08
19	**Guarantees outstanding**		
	Godrej Consumer Products Limited	1.21	1.21
	Director's sitting fees		
	Mr. K. N. Petigara (Independent Director)	-	0.07
	Dr. Ritu Anand (Independent Director)	0.08	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.07	0.07
20	Dr. Raghunath A. Mashelkar (Independent Director)	0.06	0.06
	Ms. Roopa Purushothaman (Independent Director)	0.08	0.06
	Mr. N. Srinivasan (Independent Director)	0.09	0.06
	Mr. Kannan Sitaram (Independent Director)	0.05	0.05
	Mr. Ashok Gulati	0.05	-
	Director's commission		
	Mr. N. B. Godrej (Chairman)	0.08	0.08
	Mr. K. N. Petigara (Independent Director)	0.08	0.08
	Mr. Amit B. Choudhury (Independent Director)	-	0.01
	Dr. Ritu Anand (Independent Director)	0.08	0.08
	Ms. Aditi Kothari Desai (Independent Director)	0.08	0.08
	Dr. Raghunath A. Mashelkar (Independent Director)	0.08	0.08
21	Ms. Roopa Purushothaman (Independent Director)	0.08	0.08
	Ms. Tanya A. Dubash	0.08	0.08
	Mr. V. M. Crishna	0.07	0.07
	Mr. J. N. Godrej	0.08	0.08
	Ms. Nisaba Godrej	0.08	0.08
	Mr. N. Srinivasan (Independent Director)	0.08	0.08
	Mr. Kannan Sitaram (Independent Director)	0.08	0.06
	Mr. Pirojsha A. Godrej (Director)	0.08	0.08
	Contribution to post-employment benefit plans		
22	Godrej Agrovet Limited Provident Fund Trust.	22.96	11.33
	Godrej Agrovet Limited Superannuation Scheme.	0.48	0.25
	Godrej Agrovet Limited Group Gratuity Trust.	2.44	-

Notes forming part of the Consolidated Financial Statements

Note 61: The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosures.

Note 62: The amount reflected as "0.00" in Financials are values with less than Rs. one lakh.

As per our report of even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

For and on behalf of the Board of Directors of Godrej Agrovet Limited
(CIN: L15410MH1991PLC135359)

N. B. GODREJ
Chairman
DIN: 00066195

B. S. YADAV
Managing Director
DIN: 00294803

Koosai Lehery
Partner
Membership Number: 112399
Mumbai, May 9, 2022

S. VARADARAJ
Chief Financial Officer
ICAI Memb. No. 047959
Mumbai, May 9, 2022

VIVEK RAIZADA
Company Secretary
ICSI Memb. No. ACS11787



GODREJ AGROVET LIMITED

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Email: gavlinvestors@godrejagrovet.com