



**BUSINESS
RESPONSIBILITY**
REPORT

BUSINESS RESPONSIBILITY REPORT OF GODREJ AGROVET LIMITED

[Corporate Identity Number (CIN): L15410MH1991PLC135359]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

Godrej Agrovet Limited (“**the Company**”) is pleased to present this Business Responsibility Report for the Financial Year (F.Y.) 2019-20, in accordance with sub-regulation (2) of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, issued by the Securities and Exchange Board of India (“SEBI”), to describe the initiatives taken by the Company from an environmental, social and governance perspective. This Report is prepared in accordance with the ‘National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business’ (“NVGs”) notified by the Ministry of Corporate Affairs (“MCA”), Government of India, in July 2011.

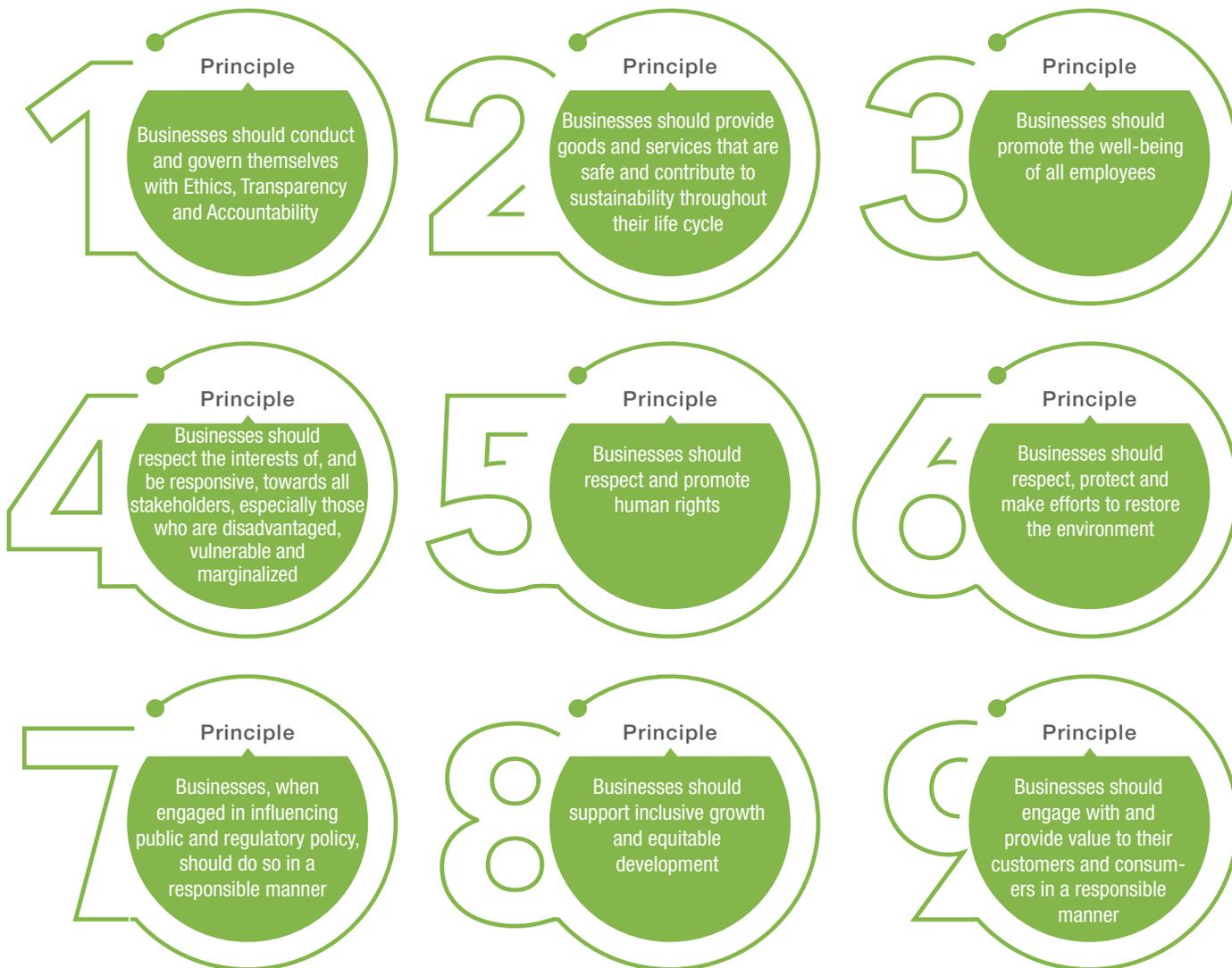
The Company recognizes the underlying idea of NVGs that a corporate needs to act as a ‘Responsible Business’ and ensure that its economic growth is socially and environmentally sustainable. The concept of parting with a portion of one’s surplus wealth for the good of the society is a part of the Indian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

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

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

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





ABOUT THE GODREJ GROUP & ITS PHILANTHROPIC EFFORTS:

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

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

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

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

“

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

”

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

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

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



**Ensuring
Employability**



**Creating a
Greener India**



**Innovating for
Good & Green
Products**

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

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

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

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

services to all our customers at competitive prices.

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

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



ABOUT THIS BUSINESS RESPONSIBILITY REPORT:

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

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

SECTION A:

GENERAL INFORMATION ABOUT THE COMPANY:

- 1. Corporate Identity Number (CIN):** L15410MH1991PLC135359
- 2. Name of the Company:** GODREJ AGROVET LIMITED
- 3. Registered Office Address :** Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra, India.
- 4. Website:** www.godrejagrovvet.com
- 5. E-mail ID:** gavlinvestors@godrejagrovvet.com
- 6. Financial Year reported:** From April 1, 2019 to March 31, 2020
- 7. Sector(s) that the Company is engaged in / List of three key products / services that the Company manufactures / provides (as in the Balance Sheet, industry activity code wise):**

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

3.	Vegetable Oils	10402
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Moreover, the Company has subsidiaries and Joint Ventures engaged in the business of agrochemicals, pharmaceuticals intermediates, dairy products, poultry, chicken processing and value-added vegetarian and non-vegetarian products.

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

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

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

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

SECTION B:

FINANCIAL DETAILS OF THE COMPANY:

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

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

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

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

SECTION C:

OTHER DETAILS:

1. Subsidiary Companies:

The Company has 8 (eight) subsidiaries as on March 31, 2020, in or outside India, which includes 5 (five) direct subsidiaries and 3 (three) sub-sub-subsidiaries.

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

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

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

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

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

Limited have their own CSR projects.

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

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

SECTION D:

BUSINESS RESPONSIBILITY (BR) INFORMATION:

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

The Board of Directors of the Company has constituted a Corporate Social Responsibility (CSR) Committee pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, comprising of the following Directors as its Members (as on March 31, 2020): -

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

3.	Mr. Balram S. Yadav	Member (Executive, Non-Independent Director)	00294803
4.	Ms. Roopa Purushoth-aman	Member (Non-Executive, Independent Director)	02846868

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

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

The CSR Committee has formulated 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 2019-20 (i.e., on May 6, 2019 and November 4, 2019).

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

Name : Mr. Balram S. Yadav
 Designation : Managing Director
 Telephone : 022 – 2519 4437
 Email id : bs.yadav@godrejagrovvet.com

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

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

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

SECTION E:

PRINCIPLE-WISE PERFORMANCE:

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

PRINCIPLE 1:

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

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

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

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

Organization Structure:

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

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

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

Code of Conduct:

The Board of Directors and Senior Management of the Company comply with the Code of Conduct. An annual confirmation affirming compliance with the Code of Conduct from Board Members and Senior Management has been obtained for the Financial Year ended March 31, 2020.

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

The same can be viewed on the website of the

Company viz., www.godrejagrovet.com

Whistle Blower Policy & Mechanism:

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

Stakeholders' Complaints:

There were no Stakeholders' Complaints outstanding at the beginning of the Financial Year (F.Y.) 2019-20.

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

Dealings with Business Partners:

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

PRINCIPLE 2:

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

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

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

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

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

The Company stays committed to making environmental sustainability a key part of its manufacturing processes. At the Company's factories, there is a relentless focus on productivity and environmental sustainability. To strengthen this approach, the Company has invested in a robust technology solution that has revolutionized the speed and accuracy of data monitoring and work towards achieving the targets. The Company is continuously working on energy efficiency and trying to get the best possible technology available in the market. The Company is moving from low efficient to high efficient utility. Technologies implemented by the Company are not only energy efficient but also more reliable.

This has helped the Company to reduce down time, enhance productivity and build a more sustainable business. The Company recognizes the fact that over-consumption results in unsustainable exploitation of the planet's resources, and therefore, it is necessary to promote sustainable consumption of resources, including recycling of resources.

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

PRINCIPLE 3:

BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

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

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

The details of the Company's workforce as on March 31, 2020, are given in the table below: -

Total number of permanent employees	2,708
Total number of employees hired on temporary / contractual / casual basis	3,873
Number of permanent women employees	125
Number of permanent employees with disabilities	5
Whether the Company has an employee association that is recognized by management	Yes
Percentage of permanent employees of the Company who are members of recognized employee association/s	23.41%
Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment and discriminatory employment in the Financial Year 2019-20 and pending, as on the end of the said Financial Year, i.e., March 31, 2020	As regards complaints relating to child labour, forced labour, involuntary labour, sexual harassment: No.
Percentage of employees who were given safety and skill upgradation training during the Financial Year 2019-20	75.78%

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

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

DIVERSITY AND EQUAL OPPORTUNITIES:

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

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

- **Godrej Careers 2.0:**

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

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

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

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

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

- **Diversity Sensitization Workshops:**

A special diversity sensitization workshop

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

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

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

HEALTH & SAFETY:

- **On-campus:**

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

- **Health Check-up:**

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

GOOD WORKING ENVIRONMENT:

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

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

- **Engagement Forums:**

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

PRINCIPLE 4:

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

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

The stakeholder engagement process consists of a variety of activities from stakeholder identification, consultation, prioritization, collaboration and reporting. The identification of all relevant stakeholders and

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

The Company gives high priority to communities around our plant locations. In order to develop programmes that meet the needs of these communities, 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.

- **Integrated Rural Livelihoods Programme:**

The Company endeavors to build capacities of marginalized farmers in agriculture and livestock development along with enterprise management in the states of Maharashtra, Bihar, Andhra Pradesh, Chhattisgarh, West Bengal, Karnataka

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



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

- **Integrated Watershed Management:**

Around the world, climate change is affecting seasonal weather patterns, leading to either intense precipitation or drought-like events. In 2016-17, the Company initiated an integrated watershed management programme in the drought prone district, Magadi, Karnataka and Bharwani, Madhya Pradesh. The Company is working in partnership with NABARD to help restore the ecological balance of the region and mitigate the risk of climate change for the local farmers. The projects cover over 5350 hectares of land and will aim to recharge groundwater and make more water available for irrigation. The Company is also working to support farmers in adopting sustainable farming practices, and mitigating the impact of climate change. It estimates that the project will offset GHG emissions to the tune of 35,000 tCO₂e and restore 2.5 million kL of water. The Company has reached out to 1276 farmers across 15 villages in these two states.

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

For the last 60 years, Sophia College has been committed to responding to the changing needs of women in our society. These women are going to be the change for sustainable and inclusive development. In an effort to bring in sustainability to education institutes and optimize energy utility, the Company has installed a solar rooftop power plant with a capacity of 64.02kW at Sophia

College Mumbai which is expected to generate around 1 lakh units of electricity per year. This will also reduce the GHG footprint of the college by 75 Tons of CO₂. This is not only going to reduce the amount spent on energy of Sophia College but is a step towards making the educational institute more environmentally friendly.

- **Agri-vocational training:**

The agriculture sector in India today faces a major manpower/labor shortage. While the mouths to feed in the country are growing at a fast pace, the hands to work on farm lands is reducing drastically. The Company aspires to see a change in the mindset of the young students towards farming and dairy management and for the said purpose has attempted to gather its expertise and knowledge of agriculture and animal husbandry in a curriculum and share it with 7000 young students from 41 schools in Satara, Maharashtra and one block in Gujarat. The purpose is to acquaint 2000+ students each year with the basic know how of agriculture and animal husbandry. By engaging them each year in various projects and building their knowledge and hands on learning on subjects like growing vegetables, milking animals, constructing small irrigation channels in the agricultural plots.

- **Future of Farming Conclave:**

In December 2018, the Company hosted its first ever 'Future of Farming' conclave. The theme of the conclave was on shaping the future of Indian agriculture with a focus on doubling farmer income, women farmers, and the role of millets and proteins in nutrition and income generation. The Company hosted a series of exciting panels with speakers from agri business, government, non-profits, social enterprises, food industry, academia and media, with over 150 audience



participants. In one of the sessions, we brought together women farmers to talk about whether it is even possible to double farmer income.

PRINCIPLE 5:

BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS

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

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

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

human rights.

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

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

The Company encourages its business partners to respect human rights.

No complaints pertaining to violation of human rights were received by the Company during the Financial Year 2019-20.

PRINCIPLE 6:

BUSINESSES SHOULD RESPECT, PROTECT AND MAKE EFFORTS TO

RESTORE THE ENVIRONMENT

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

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

- Reduce specific energy
- Become Water Positive
- Increase renewable energy usage
- Become carbon neutral
- Ensure zero waste to landfill

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

- **Reduction in specific energy consumption:**

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

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

Case in point: Creamline Dairy’s (CDPL) Energy Saving Initiatives:

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

- **Increasing Use of Renewable Energy:**

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

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

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

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

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

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

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

Case in point: Creamline Dairy Product

Limited's (CDPL) Water Conservation Project

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

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

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

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

- **Ensuring zero Waste to Landfill:**

The Company segregates its waste at source and follows the 5R (Reduce, Reuse, Recycle, Refuse and Recover) principle to minimize its quantum of waste. This year, we have reduced the specific waste to landfill by 8% through initiatives such as using biomass ash for making briquettes and converting ETP sludge as manure, among others.

- **Employee Engagement:**

At Godrej, we believe that employee awareness and engagement is a key factor in driving sustainability. The Company has demonstrated

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

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

Awards and Accolades:

This year, Oil Palm manufacturing site located at Chintampalli, won two awards for their sustainability initiatives. The plant was awarded

the 'Excellent Energy Efficient Unit - Silver rating' at the SNEMA Award 2019 for the first time, the National Safety Award 2019 and the Bombay Chamber of Commerce Award for Sustainability.

PRINCIPLE 7:

BUSINESSES, WHEN ENGAGED IN INFLUENCING PUBLIC AND REGULATORY POLICY, SHOULD 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 are no undisputed customer complaints pending as at the end of the Financial Year 2019-20.

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

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

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

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

Sd/-

**Nadir B. Godrej
Chairman**

(DIN: 00066195)

Date: May 11, 2020

Place: Mumbai