Certified True Copy
For **Godrej Maxximilk Private Limited**
SUBRAMANIAN VARADARAJ Digitally signed by SUBRAMANIAN VARADARAJ Date: 2020.09.19 15:37:42 +05'30'
S. Varadaraj
Director
DIN: 00323436

DIRECTORS' REPORT

OF

GODREJ MAXXIMILK PRIVATE LIMITED

[Corporate Identification Number (CIN): U01119MH2016PTC280677]

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

TO THE SHAREHOLDERS:

Your Directors have pleasure in presenting the Board's Report along with the Audited Financial Statements for the Financial Year ended March 31, 2020.

FINANCIAL SUMMARY / HIGHLIGHTS:

Your Company's performance during the Financial Year ended March 31, 2020 is summarized below:-

(₹. in Lakh)

Particulars	For the Financial Year ended March 31, 2020	For the Financial Year ended March 31, 2019
Total Income	809.51	294.44
Total Expenditure	(1589.76)	(937.14)
Profit / (Loss) Before Taxation	(780.25)	(642.70)
Less : Tax expenses	-	-
Less : Deferred Tax	-	(157.50)
Profit/(Loss) After Taxation	**(780.25)**	**(485.20)**
Balance Brought Forward from Previous Year	(585.41)	(100.21)
TOTAL	**(1365.66)**	**(585.41)**
Appropriations:		-
Balance Carried Forward to Balance Sheet	(1365.66)	(585.41)
Adjustment due to adoption of Ind AS 116	(17.65)	-
TOTAL	**(1383.31)**	**(585.41)**

During the Financial Year under review, your Company has registered a total loss of Rs.780.25 Lakh. Your Directors are hopeful for the bright future of the Company in the years to come.

REVIEW OF OPERATIONS / STATE OF AFFAIRS:

Your Company is engaged in Agribusiness and its principle business activities include Dairy Farm, Manufacturing Milk and Developing High Breed Cattles. During the Year under review, there was no change in the business of the Company.

Your Company has managed the affair in a fair and transparent manner as it understand that is vital to gain and retain the trust of our stakeholders.

MATERIAL CHANGES AND COMMITMENTS FROM THE END OF THE FINANCIAL YEAR TILL THE DATE OF THIS REPORT, IF ANY:

Except as stated in this Report, there have been no material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2020 and the date of this Directors' Report.

DIVIDEND:

In view of the losses, your Directors do not recommend any Final Dividend for the Financial Year ended March 31, 2020.

TRANSFER TO RESERVE:

In view of the losses, your Directors do not propose to transfer any amount to general reserve.

SHARE CAPITAL:

The Company's Equity Share Capital position as on March 31, 2020 is as follows:-

	Authorized Share Capital			**Issued, Subscribed & Paid-up Share Capital**		
	No. of Shares	**Face Value (Rs.)**	**Amount (Rs.)**	**No. of Shares**	**Face Value (Rs.)**	**Amount (Rs.)**
Equity	20,00,000	10	2,00,00,000	11,37,846	10	1,13,78,460
Total			**2,00,00,000**	**Total**		1,13,78,460

Pursuant to the resolution passed by the Board of Directors of the Company at its Board Meeting held on September 30, 2019, to allot additional Equity shares to existing Shareholders of the Company on Rights basis, the holding of Godrej Agrovet Limited increased from 62.97% to 74% of the total paid up equity share capital of the Company. The entire issue was subscribed by Godrej Agrovet Limited, due to renouncement of entitled equity shares by Dr. Saar Yavin and Ms. Adaya Aroyo (existing shareholders) to Godrej Agrovet Limited.

Your Company offers facility to hold its Equity Shares in electronic form, i.e., facilitates dematerialisation of all its existing securities in accordance with provisions of the Depositories Act, 1996 and Regulations made thereunder.

The Company appointed National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") so as to enable allotment, holding, transfer, transmission, spit or consolidation of securities of the Company in dematerialized form and to give effect to the aforementioned amendment.

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 ended March 31, 2020.

HOLDING COMPANY:

Godrej Agrovet Limited, continues to be the Holding Company pursuant to Section 2(87) of the Companies Act, 2013 and there was no change in this position during the Financial Year 2019-20.

During the period under review, Godrej Agrovet Limited increased its stake from 62.97% to 74.00%.

SUBSIDIARY COMPANY:

Your Company does not have any Subsidiary Company and there was no change in this position during the Financial Year 2019-20.

ASSOCIATE COMPANY:

Your Company does not have any Associate Company and there was no change in this position during the Financial Year 2019-20.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMPs):

The Board of Directors of the Company comprised of the following Directors as on March 31, 2020:

Sr. No.	Name of the Director	Director Identification Number (DIN)	Designation
1.	Dr. Saar Yavin	07452119	Whole Time Director
2.	Ms. Adaya Aroyo	07452111	Whole Time Director
3.	Mr. S. Varadaraj	00323436	Non-Executive Director
4.	Mr. Burjis Nadir Godrej	08183082	Non-Executive Director
5.	Mr. Sandeep Kumar Singh	08207627	Non-Executive Director

Mr. Sandeep Kumar Singh, Non-Executive Director, liable to retire by rotation and being eligible offered himself for re-appointment at the ensuing 4th Annual General Meeting of the Company.

There was no change in the composition of the Board of Directors of the Company during the Financial Year 2019-20.

During the Financial Year under review, there was no appointment of any Key Managerial Personnel as per the provisions of Section 203 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013 and no cessation of appointment of any Key Managerial Personnel.

MEETINGS OF THE BOARD OF DIRECTORS:

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance to order to facilitate them to plan their schedule.

There were 6 (Six) Meetings of the Board of Directors held during the Financial Year 2019-20 [i.e., on May 4, 2019, July 31, 2019, September 3, 2019, September 30, 2019, November 13, 2019 & February 17, 2020] in compliance with the requirements of the Companies Act, 2013 & SS -1 (Secretarial Standards on Board Meetings) issued by The Institute of Company Secretaries of India (ICSI).

The names of Members of the Board, their attendance at the Board Meetings are as under:

Sr. No.	Name of the Directors	Number of Meetings attended out of Total Meetings held during the Financial Year ended March 31, 2020.
1.	Mr. S. Varadaraj	6 out of 6
2.	Mr. Burjis Nadir Godrej	1 out of 6
3.	Mr. Sandeep Kumar Singh	2 out of 6
4.	Dr. Saar Yavin	4 out of 6
5.	Ms. Adaya Aroyo	4 out of 6

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

The provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors are not applicable to your Company. Therefore, the requirement of obtaining the declaration confirmation from the Independent Director, is not applicable to the Company.

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

The provisions of Section 149 of the Companies Act, 2013 with respect to appointment of Independent Directors are not applicable to your Company. Therefore, the disclosure requirement of opinion of the Board of Directors with regards to integrity, expertise and experience of Independent Directors, is not applicable to the Company.

VIGIL MECHANISM:

The provisions of Section 177(9) of the Companies Act, 2013 with respect to establishment of Vigil Mechanism is not applicable to the Company.

INTERNAL COMPLAINTS COMMITTEE:

The Board of Directors of your Company has formed an Internal Complaints Committee (ICC) for its head office situated at Mumbai, pursuant to the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, as of March 31, 2020 consist of the following Members:

1. Ms. Chhavi Agarwal, Chairperson (Presiding Officer)
2. Mr. Vivek Raizada, Member
3. Mr. Salil Chinchore, Member
4. Ms. Divya Jha, Member
5. Ms. Sharmila Khair, Member (External)

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

During the Financial Year 2019, 20, 1 cases filed and resolved pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

MAINTENANCE OF COST RECORDS

During the period under review, Section 148(1) of the Companies Act, 2013 and Companies (Cost Records and Audit) Rules, 2014 are not applicable to the Company. Hence, the Company has not maintained any cost records and not appointment any Cost Auditor.

CORPORATE SOCIAL RESPONSIBILITY:

The provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 are not applicable to the Company.

EXTRACT OF ANNUAL RETURN:

The Extract of Annual Return in Form MGT-9 pursuant to Sections 92(3) and 134(3)(a) of the Companies Act, 2013 and Rule 12 of the Companies (Management & Administration) Rules, 2014 and forming part of the Directors' Report is annexed hereto as "**ANNEXURE 'A'**".

DIRECTORS' RESPONSIBILITY STATEMENT:

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

a) in the preparation of the accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2020) and of the profit and loss of the Company for that period (i.e., the Financial Year ended March 31, 2020);

c) the Directors had 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) the Directors had prepared the accounts on a going concern basis; and

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

EXPLANATION(S) / COMMENT(S) TO QUALIFICATIONS, RESERVATIONS, ADVERSE REMARKS & DISCLAIMERS MADE BY THE STATUTORY AUDITORS:

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year March 31, 2020.

FRAUD REPORTING:

During the Financial Year under review, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company Pursuant to provisions of Section 143(12) of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:

The particulars of loans, guarantees or investments made during the Financial Year March 31, 2020, if any, have been disclosed in the notes attached to and forming part of the Financial Statements of the Company prepared for the Financial Year 2019-20, as per the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013.

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

The disclosure of particulars of contracts or arrangements with Related Parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 ('the Act') including certain arm's length transactions under the third proviso thereto and forming part of the Directors' Report in the prescribed Form No. AOC-2 pursuant to Section 134(3)(h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is given in "**ANNEXURE "B"**" to this Directors' Report.

All the Related Party transactions which were entered into during the Financial Year 2019-20 were on arm's length basis and in the ordinary course of business.

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

The disclosures pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Adaption and

Innovation and foreign exchange earnings and outgo during the Financial Year ended March 31, 2020 are annexed hereto as **"ANNEXURE 'C'"**.

RISK MANAGEMENT:

Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate/control the probability and/or impact of unfortunate events or to maximize the realization of opportunities.

The Company has laid down a comprehensive Risk Assessment and Minimization Procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework.

The Board judges the fair and reasonable extent of risks that your Company is willing to take and its decisions shall be based on this reasonable judgment.

SIGNIFICANT REGULATORY OR COURT OR TRIBUNAL ORDERS:

During the Financial Year ended March 31, 2020, there are no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

INTERNAL FINANCIAL CONTROLS:

The Company has in place adequate internal financial controls with reference to financial statements. The internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors.

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

During the period under review, such controls were tested and no reportable material weakness in the design or operation was observed.

STATUTORY AUDITORS:

The Members of the Company at their 1st (first) Annual General Meeting held on November 30, 2017, have appointed M/s. Kalyaniwalla & Mistry, Chartered Accountants, Mumbai, (Firm Registration No.: 104607W) as the Statutory Auditors of the Company for the period of 5 (five) years i.e. to hold office from the conclusion of the 1st (First) AGM until the conclusion of the 6th (sixth) AGM, subject to ratification by the Members at each AGM, pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014.

Pursuant to the Companies Amendment Act, 2017 read with the Companies (Audit and Auditors) 2nd Amendment Rules, 2018 and Notification S.O. 1833(E) dated May 7, 2018, the ratification of appointment of Statutory Auditor at each Annual General Meeting of the Company is not required. Accordingly, ratification of appointment of the statutory Auditors are not proposed at the ensuing 7th Annual General Meeting of the Company.

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

PARTICULARS OF EMPLOYEES:

None of the employees who have worked throughout the year or a part of the Financial Year 2019-20, who were getting remuneration in excess of the threshold mentioned under Section 197(12) of the Act read with rule 5(2) of Companies (Appointment and Remuneration) Rules, 2014.

SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as may be amended from time to time.

ACKNOWLEDGMENT

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during the year under review.

Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors of
Godrej Maxximilk Private Limited

Saar Yavin	**S. Varadaraj**
Whole Time Director	**Director**
(DIN: 07452119)	**(DIN: 00323436)**

Date: May 7, 2020
Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT

EXTRACT OF ANNUAL RETURN IN FORM NO. MGT-9

OF

GODREJ MAXXIMILK PRIVATE LIMITED

As at the Financial Period ended on March 31, 2020

[Pursuant to Section 92(3) *of the Companies Act, 2013* and
Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i. CIN: U01119MH2016PTC280677

ii. Registration Date: 04/05/2016

iii. Name of the Company: GODREJ MAXXIMILK PRIVATE LIMITED

iv. Category / Sub-Category of the Company:
Company limited by Shares – Indian Non-government Company

v. Address of the Registered Office and Contact details:
Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway,
Vikhroli (East) Mumbai Mumbai City MH 400079

vi. Whether listed company: No

vii. Name, Address and Contact details of Registrar and Transfer Agent, if any:
NSDL Database Management limited
4th Floor, 'A' Wing, Trade World, Kamala Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai – 400 013.
Tel.: No. 91-22-4914 2700; Fax: 91-22-4914 2503
Email ID: info_ndml@nsdl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company:-

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service (as per NIC 2008)	% to Total Turnover of the Company
1.	Production of Milk from Cows and Buffalos	01412	94%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name And Address of the Company	CIN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Godrej Agrovet Limited	L15410MH1991PLC135359	Holding Company	74%	2(87)(ii)

IV. SHARE HOLDING PATTERN:

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the period				No. of Shares held at the end of the period				% Change during the period
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
-									
(1) Indian									
Individual / HUF	-	-	-	-	-	-	-		-
Central Govt.	-	-	-	-	-	-	-		-
State Govt.(s)	-	-	-	-	-	-	-		-
Bodies Corporate	13,310	4,89,733	5,03,043	62.96	8,42,006	-	8,42,006	74.00	11.04
Banks / FIs	-	-	-	-	-	-	-		-
Any other	-	-	-	-	-	-	-		-
Sub-total (A) (1)	**13,310**	**4,89,733**	**5,03,043**	**62.96**	**8,42,006**	**-**	**8,42,006**	**74.00**	**11.04**
(2) Foreign									
NRIs - Individuals	-	-	-	-	-	-	-		-
Other - Individuals	-	2,95,840	2,95,840	37.04	-	2,95,840	2,95,840	26.00	(11.04)
Bodies Corporate	-	-	-	-	-	-	-		-
Banks / FIs	-	-	-	-	-	-	-		-
Any other	-	-	-	-	-	-	-		-
Sub-total (A) (2)	**-**	**2,95,840**	**2,95,840**	**37.04**	-	**2,95,840**	**2,95,840**	**26.00**	**(11.04)**
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	**13,310**	**7,85,573**	**7,98,883**	**100**	**8,42,006**	**2,95,840**	**11,37,846**	**100**	**-**
B. Public Shareholding									
-									

(1) Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI									
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)									
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
- **(a) Bodies Corporate**									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-
(i) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
- **(c) Others (specify)**	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-

GRAND TOTAL (A + B +C)	**13,310**	**7,85,573**	**7,98,883**	**100**	**8,42,006**	**2,95,840**	**11,37,846**	**100**	**-**

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the period			No. of Shares held at the end of the period			% Change in Share-holding during the period
		No. of Shares	% of Total Shares of the Company	% of Shares pledged / encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged / encumbered to Total Shares	
1.	Mr. Saar Yavin	1,47,920	18.52%	-	147920	13%	-	(5.52)
2.	Ms. Adaya Aroyo	1,47,920	18.52%	-	147920	13%	-	(5.52)
3.	Godrej Agrovet Limited	5,03,043	**62.96%**	**-**	842006	74%	-	11.04
	Total	**7,98,883**	**100.00%**	**-**	**11,37,846**	**100.00%**	**-**	**-**

(iii) Change in Promoters' Shareholding:

Sr. No.		Shareholding at the beginning of the period		Cumulative Shareholding during the end of the period	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the period	7,98,883	100.00	-	-
2.	Date-wise Increase / decrease in Promoters' Shareholding during the period specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.) Allotment of 338963 Equity Shares to Godrej Agrovet Limited on September 30, 2019 pursuant to Rights issue increasing its shareholding from 62.96 % to 74%.	3,38,963	11.04	11,37,846	100.00
3.	At the End of the Period	11,37,846	100.00	11,37,846	100.00

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the period		Cumulative Shareholding during the end of the period	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	At the beginning of the period	-	-	-	-
2	Date-wise Increase / decrease in Promoters' Shareholding during the period specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	-	-	-	-
3	At the End of the period	-	-	-	-

(v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the period		Cumulative Shareholding during the end of the period	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1.	At the beginning of the period	2,95,840	37.04%	-	-
2.	Date-wise Increase / decrease in Promoters' Shareholding during the period specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.) Percentage of shareholding diluted due to allotment of 3,38,963 Equity Shares to Godrej Agrovet Limited on September 30, 2019 pursuant to Rights issue increasing its shareholding from 62.96 % to 74%.	-	11.04%	-	11.04%
3.	At the End of the period	2,95,840	26%	2,95,840	26%

V. INDEBTEDNESS:

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(Rs. in Lakh)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness

Indebtedness at the beginning of the Financial Year				
(i) Principal Amount	-	1764.08	0.00	1764.08
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
TOTAL (i +ii + iii)	**-**	**1764.08**	**0.00**	**1764.08**
Changes in Indebtedness during the Financial Year				
(i) Principal Amount	-	840.92	-	840.92
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	0.81	-	0.81
Net Change	**-**	**841.73**	**-**	**841.73**
Indebtedness at the end of the Financial Year				
(i) Principal Amount	-	2605.00	-	2605.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	0.81	-	0.81
TOTAL (i +ii + iii)	**-**	**2605.81**	**-**	**2605.81**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

A. Remuneration to Director: (Amount in Rs.)

Sr. No.	Particulars of Remuneration	Name of Director	Name of Director	Total Amount
1		Dr. Saar Yavin (DIN: 07452119) Whole Time Director	Ms. Adaya Aroyo (DIN: 07452111) Whole Time Director	

	Gross Salary	37,35,722	37,35,722	74,71,444
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	31,63,212	31,63,212	63,26,424
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	1,80,000	1,80,000	3,60,000
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
	Sweat Equity (not issued during F.Y. 2014-15)	0	0	0
	Commission	0	0	0
	As a % of profit	0	0	0
	Others (specify)			0
	1. Short Term Employee Benefit	3,11,603	3,11,603	6,23,206
	2. Post Employee Gratuity & Medical Benefits	80,907	80,907	1,61,814
	Total (A)	**37,35,722**	**37,35,722**	**74,71,444**
	Ceiling as per the Companies Act	Not Applicable		

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
	Independent Directors:	-	-	-	
	Fee for attending Board & Committee Meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others (please specify)	NIL	NIL	NIL	NIL
	TOTAL (1)	**NIL**	**NIL**	**NIL**	**NIL**

	Other Non-executive Directors:	Mr. Burjis Godrej	Mr. Sandeep Kumar Singh	Mr. S. Varadaraj	Total Amount
	Fee for attending Board & Committee Meetings	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	Others (please specify)	NIL	NIL	NIL	NIL
	TOTAL (2)	**NIL**	**NIL**	**NIL**	**NIL**
	TOTAL (B) = (1) + (2)	**NIL**	**NIL**	**NIL**	**NIL**
	Overall Ceiling as per the Act	**Not Applicable**			

C. Remuneration to Key Managerial Personnel (KMP) other than Managing Director: Not Applicable

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross Salary	NIL	NIL	NIL	NIL
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
	Sweat Equity	NIL	NIL	NIL	NIL
	Commission	NIL	NIL	NIL	NIL
	As a % of profit	NIL	NIL	NIL	NIL
	Others (specify)	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding Fee imposed	Authority [RD / NCLT / Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors of
Godrej Maxximilk Private Limited

Saar Yavin
Whole Time Director
(DIN: 07452119)

S. Varadaraj
Director
(DIN: 00323436)

Date: May 7, 2020
Place : Mumbai

ANNEXURE 'B' TO THE DIRECTORS' REPORT

FORM NO. AOC-2

[Form for disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto]

OF

GODREJ MAXXIMILK PRIVATE LIMITED

As at the Financial Year ended on March 31, 2020

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. **Details of contracts or arrangements or transactions not at arm's length basis:** Nil

   a) Name(s) of the Related Party and nature of relationship
   b) Nature of contracts/arrangements/transactions
   c) Duration of the contracts/arrangements/transactions
   d) Salient terms of the contracts or arrangements or transactions including the value, if any
   e) Justification for entering into such contracts or arrangements or transactions
   f) Date(s) of approval by the Board
   g) Amount paid as advances, if any
   h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188

2. **Details of material contracts or arrangements or transactions at arm's length basis:-**

Sr. No.	Name of the Company	Nature of the Transaction and Salient Features	Amount (Rs. In Lakh)
1.	Godrej Agrovet Limited	Issue of Share Capital	747.07
2.	Godrej Agrovet Limited	Purchase	181.38
3.	Godrej Agrovet Limited	Sale	17.63
4.	Godrej Agrovet Limited	Interest Expense on Inter Corporate deposit	5.46
5.	Creamline dairy Products Ltd	Interest Expense on Inter Corporate deposit	29.68
6.	Astec LifeSciences Limited	Interest Expense on Inter Corporate deposit	0.90
7.	Godrej Agrovet Limited	Inter Corporate Deposit Taken	1007.47
8.	Creamline dairy Products Ltd	Inter Corporate Deposit	828.00

		Taken	
9.	Astec LifeSciences Limited	Inter Corporate Deposit Taken	905.81
10.	Godrej Agrovet Limited	Inter Corporate Deposit Returned	1,171.55
11.	Creamline dairy Products Ltd	Inter Corporate Deposit Returned	828.00
12.	Godrej Agrovet Limited	Expenses Charged/Reimbursed by Other Companies	334.95
13.	Maxximilk Limited, Israel	Expenses Charged/Reimbursed by Other Companies	46.58
14.	Godrej Agrovet Limited	Expenses Charged/Reimbursed to Other Companies	0.47
15.	Godrej & Boyce Manufacturing Company Limited	Acquisition of Property, plant and equipment	0.82
16.	Godrej Agrovet Limited	Inter Corporate Deposit Outstanding	-
17.	Astec LifeSciences Limited	Inter Corporate Deposit Outstanding	905.81
18.	Godrej & Boyce Manufacturing Company Limited	Outstanding Receivable	0.09
19.	Godrej Agrovet Limited	Outstanding Payables	454.34

For and on behalf of the Board of Directors of
Godrej Maxximilk Private Limited

Saar Yavin	**S. Varadaraj**
Whole Time Director	**Director**
(DIN: 07452119)	**(DIN: 00323436)**

Date: May 7, 2020
Place: Mumbai

ANNEXURE B TO THE DIRECTOR'S REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION AND FOREIGN EXCHANGE EARNINGS AND OUTGO DURING THE FINANCIAL YEAR ENDED MARCH 31, 2020

(A)	**Conservation of energy-**	
i.	the steps taken or impact on conservation of energy;	-
ii.	the steps taken by the company for utilizing alternate sources of energy;	-
iii.	the capital investment on energy conservation equipment;	-
(B)	**Technology absorption-**	
i.	the efforts made towards technology absorption;	Many efforts towards technology absorption have been initiated and will be completed in the years to come.
ii.	the benefits derived like product improvement, cost reduction, product development or import substitution;	Many efforts towards technology absorption have been initiated and will be completed in the years to come.
iii.	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	Nil
	(a) the details of technology imported;	Not Applicable
	(b) the year of import;	Not Applicable
	(c) whether the technology been fully absorbed;	Not Applicable
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	Not Applicable
iv.	the expenditure incurred on Research and Development.	Nil
(C)	**Foreign exchange earnings and Outgo-**	

i.	Foreign Exchange Earning	Nil
ii.	Foreign Exchange Outgo	Rs.1,40,27,443/-

For and on behalf of the Board of Directors of
Godrej Maxximilk Private Limited

Saar Yavin	**S. Varadaraj**
Whole Time Director	**Director**
(DIN: 07452119)	**(DIN: 00323436)**

Date: May 7, 2020
Place: Mumbai

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF GODREJ MAXXIMILK PRIVATE LIMITED
Report on the Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS Financial Statements of **GODREJ MAXXIMILK PRIVATE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (Including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the 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 Ind AS Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2020, and its loss, (financial performance including 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 Companies Act, 2013 ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Ind AS 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report, but does not include the financial statements and our auditor's report thereon.

Our opinion of the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Ind AS Financial Statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the 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.

KALYANIWALLA & MISTRY LLP MUMBAI

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS Financial Statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Ind AS Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS 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 financial controls 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 system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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MUMBAI

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast 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 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 financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of the users of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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.

Report on Other Legal and Regulatory Requirements As required by the Companies

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in **"Annexure A"** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extend applicable.

2. 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified (Ind AS) under Section 133 of the Act, read with relevant rules issued thereunder.

KALYANIWALLA & MISTRY LLP
MUMBAI

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.

g) According to information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act.

h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us.

   i. The Company does not have any pending litigations which would impact its financial position.

   ii. The Company does not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 20127355AAAABH6285
Place: Mumbai
Dated: May 07, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind AS Financial Statements for the year ended March 31, 2020.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets.

(c) The Company does not have any immovable property and hence the provisions of sub clause (c) of paragraph 3(i) of the Order are not applicable.

ii. The physical verification of the inventory has been conducted at reasonable intervals by the management. No material discrepancies were noticed during verification between physical inventories and book records.

iii. The Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable to the Company for the current year.

iv. In our opinion and according to the information and explanations given to us and the records examined by us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 and 186. Therefore, the provisions of Clause 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.

vi. In our opinion and according to the information and explanations given to us, the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Companies (Cost Record and Audit) Rules, 2014.

vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable and there are no such outstanding dues as at March 31, 2020, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and the records examined by us, there are no dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute.

KALYANIWALLA & MISTRY LLP MUMBAI

viii. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not defaulted in repayment of dues to banks and financial institution. The Company does not have dues to government or debenture holders.

ix. The Company has not raised money through initial public offer or further public offer. The Company has raised term loan during the year and has been applied for the purpose for which it was raised.

x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company, has been noticed or reported during the year.

xi. According to information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company.

xiii. In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Ind AS 24, Related Party Disclosure specified under Section 133 of the Act. Further the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, paragraph 3(xiii) of the Order is not applicable to the Company.

xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has made preferential allotment of fully paid equity shares during the year and has complied with the requirements of Section 42 of the Act. According to the information and explanation given to us, the amount raised through preferential allotment of fully paid equity shares have been used for the purpose for which funds were raised.

xv. According to the information and explanation given to us and based on our examination of the records, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 20127355AAAABH6285
Place: Mumbai
Dated: May 07, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Ind AS Financial Statements for the year ended March 31, 2020.

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to financial statements of **GODREJ MAXXIMILK PRIVATE LIMITED** ("the Company") as of March 31, 2020 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 system with reference to financial statements.

KALYANIWALLA & MISTRY LLP MUMBAI

Meaning of Internal Financial Controls with reference to Financial Statements

A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 control 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.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020, based on the internal control over financial reporting 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.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number: 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 20127355AAAABH6285

Place: Mumbai
Dated: May 07, 2020

Balance Sheet as at March 31, 2020

(Rs. in lakh)

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
(I) Non-current assets			
(a) Property, plant and equipment	2	2,304.33	2,239.21
(b) Capital work-in-progress		26.76	3.48
(c) Right-of-use Asset	3	102.51	-
(d) Intangible assets	4	4.50	-
(e) Biological assets other than bearer plants (Cattle)	5	524.55	413.01
(f) Financial Assets			
(i) Trade Receivables	6	-	-
(ii) Others	7	32.40	-
(g) Deferred tax assets	8	191.42	185.22
(h) Other tax assets		0.05	-
(i) Other non-current assets	9	7.25	10.08
Total Non-current assets		**3,193.77**	**2,851.00**
(II) Current Assets			
(a) Inventories	10	171.92	106.12
(b) Financial Assets			
(i) Trade Receivables	11	99.94	42.25
(ii) Cash and cash equivalents	12	14.35	7.29
(iii) Loans	13	2.81	3.14
(iv) Others	14	0.02	-
(c) Other current assets	15	20.61	5.13
Total current assets		**309.65**	**163.93**
Total Assets		**3,503.42**	**3,014.93**
EQUITY AND LIABILITIES			
(I) Equity			
(a) Equity share capital	16	113.78	79.89
(b) Other equity	17	32.49	117.21
Total equity		**146.27**	**197.10**
(II) Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities	18		
(i) Borrowings		1,450.00	1,600.00
(ii) Lease Liabilities recognised		123.22	-
Total non-current liabilities		**1,573.22**	**1,600.00**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	905.81	164.08
(ii) Trade payables	20		
Total outstanding dues of micro enterprises and small enterprises		10.71	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		317.14	190.30
(iii) Other financial liabilities	21	540.21	858.59
(b) Other current liabilities	22	10.06	4.86
Total current liabilities		**1,783.93**	**1,217.83**
Total Equity and Liabilities		**3,503.42**	**3,014.93**

The notes 1 to 40 form an integral part of the financial statements

As per our report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
Mumbai

Dated: May 07, 2020

Signatures to Balance Sheet and Notes to the Financial Statements
For and on behalf of the Board

S. VARADARAJ
DIRECTOR
DIN. 00323436

Dr. SAAR YAVIN
DIRECTOR
DIN. 07452119

Statement of Profit and Loss for the year ended March 31,2020 (Rs. in lakh)

	Particulars	Note No.	For the year ended March 31, 2020	For the year ended March 31, 2019
I.	Revenue from operations	23	783.41	290.37
II.	Other income	24	26.10	4.07
III.	**Total Income**		**809.51**	**294.44**
IV.	**Expenses**			
	Cost of materials consumed	25	601.22	203.04
	Changes in inventories of finished goods	26	-	16.92
	Employee benefits expense	27	162.95	159.00
	Finance costs	28	179.31	88.40
	Depreciation and amortisation expenses	29	154.14	91.90
	Other expenses	30	492.14	377.88
	Total Expenses		**1,589.76**	**937.14**
V.	**Loss before exceptional items and tax**		(780.25)	(642.70)
VI.	**Loss Before Tax**		**(780.25)**	**(642.70)**
VII.	**Tax expense:**		-	**(157.50)**
	1. Current Tax		-	-
	2. Deferred Tax		-	(157.50)
VIII.	**Loss for the year**		**(780.25)**	**(485.20)**
IX.	**Other comprehensive income**			
	(A) Items that will not be reclassified to profit or loss		-	-
			-	-
	(B) Items that will be reclassified to profit or loss		-	-
	Other comprehensive income for the year		-	-
X.	**Total comprehensive income for the year (VIII + IX)**		**(780.25)**	**(485.20)**
	Earnings per equity share			
XI.	**(Nominal value of Rs. 10 each, fully paid-up)**	31		
	Basic		(80.46)	(78.50)
	Diluted		(80.46)	(78.50)

The notes 1 to 40 form an integral part of the financial statements

As per our report of even date
For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
Mumbai

Dated: May 07, 2020

Signatures to Statement of Profit and Loss and Notes to the Financial Statements

For and on behalf of the Board

S. VARADARAJ
DIRECTOR
DIN. 00323436

Dr. SAAR YAVIN
DIRECTOR
DIN. 07452119

Statement of changes in equity for the year ended March 31, 2020

(a) Equity share capital

(Rs. in lakh)

	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the reporting year	79.89	61.71
Changes in equity share capital during the year (refer note 14)	33.89	18.18
Balance at the end of the reporting year	**113.78**	**79.89**

(b) Other equity

(Rs. in lakh)

	Attributable to the owners of the Company		
	Retained earnings	**Securities Premium Account**	**Total**
Balance as at April 1, 2019	**(585.41)**	**702.62**	**117.21**
Total comprehensive income for the year			
Loss for the year	(780.25)	-	(780.25)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	**(780.25)**	-	**(780.25)**
Transactions with the owners of the Company,recorded directly in equity			
Adjustment due to adoption of Ind AS 116	**(17.65)**	-	(17.65)
Additions during the year	-	**713.18**	713.18
Balance as at March 31, 2020	**(1,383.31)**	**1,415.80**	**32.49**
Balance as at April 1, 2018	**(100.21)**	**420.80**	**320.59**
Total comprehensive income for the year			
Loss for the year	(485.20)	-	(485.20)
Other comprehensive income for the year	-	-	-
Total comprehensive income for the year	**(485.20)**	-	**(485.20)**
Transactions with the owners of the Company,recorded directly in equity			
Additions during the year	-	**281.82**	281.82
Balance as at March 31, 2019	**(585.41)**	**702.62**	**117.21**

The notes 1 to 40 form an integral part of the financial statements

As per our report of even date

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
Mumbai

Dated: May 07, 2020

For and on behalf of the Board

S. VARADARAJ
DIRECTOR
DIN. 00323436

Dr. SAAR YAVIN
DIRECTOR
DIN. 07452119

Statement of Cash Flows for the year ended March 31, 2020 (Rs. in lakh)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
A. Cash Flow from Operating Activities :		
Net Profit Before Taxes	(780.25)	(642.70)
Adjustment for:		
Depreciation and amortisation	154.14	91.90
(Profit)/loss on sale of fixed assets	1.13	-
Interest income	(0.53)	-
Change in fair value of biological assets	82.38	38.25
Finance Cost	179.31	88.40
Allowances for Doubtful Debts and Advances	14.99	-
	431.42	218.55
Operating Profit Before Working Capital Changes	(348.83)	(424.15)
Adjustments for:		
Inventories	(65.80)	(82.66)
Trade Receivables	(72.68)	(40.41)
Non-current Financial assets- Others	(32.40)	-
Other non-current assets	(0.80)	(2.49)
Current Financial assets- Loans	0.33	2.16
Other current assets	(15.49)	(5.04)
Trade Payables	137.55	165.43
Current Financial liabilities- Others	(578.73)	523.81
Other current liabilities	5.20	(0.25)
	(622.82)	560.55
Cash Generated from Operations	(971.65)	136.40
Direct Taxes paid (net of refunds received)	(0.05)	-
Net Cash Flow from Operating Activities	(971.70)	136.40
B. Cash Flow from Investing Activities :		
Biological assets other than bearer plants	(193.92)	(348.84)
Acquisition of fixed assets	(239.29)	(976.16)
Interest Received	0.51	-
Net Cash Flow used for Investing Activities	(432.70)	(1,325.00)
C. Cash Flow from Financing Activities :		
Proceeds from issue of equity shares	747.07	300.00
Proceeds from Long Term Borrowings	100.00	1,600.00
Proceeds from Short Term Borrowings	2,741.28	1,054.38
Repayment of Short Term Borrowings	(1,999.55)	(1,674.00)
Rent paid on Leased assets	(9.88)	-
Finance Cost	(167.46)	(88.40)
Net Cash Flow from Financing Activities	1,411.46	1,191.98
Net increase in Cash and Cash equivalents	7.06	3.38
Cash and Cash equivalents (Opening balance)	7.29	3.91
Cash and Cash equivalents (Closing balance)	14.35	7.29

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 Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2 Movement in borrowings

Particulars	March 31, 2019	Cash Flows	Non-cash changes (Fair value changes)	March 31, 2020
Long term borrowings	1,600.00	100.00	-	1,700.00
Short term borrowings	164.08	741.73	-	905.81
Total borrowings	1,764.08	841.73	-	2,605.81

Particulars	March 31, 2018	Cash Flows	Non-cash changes (Fair value changes)	March 31, 2019
Long term borrowings	-	1,600.00	-	1,600.00
Short term borrowings	783.70	(619.62)	-	164.08
Total borrowings	783.70	980.38	-	1,764.08

3 Figures in bracket indicate cash outflow.

The Notes 1 to 40 form an integral part of the Financial Statements

As per our report of even date

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration Number 104607W/W100166

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
Mumbai

Dated: May 07, 2020

For and on behalf of the Board

S. VARADARAJ
DIRECTOR
DIN. 00323436

Dr. SAAR YAVIN
DIRECTOR
DIN. 07452119

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1. General information

Godrej Maxximilk Private Limited ("the Company") is a private 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 was incorporated on May 4, 2016 under the companies Act, 2013. The Company is an agribusiness company and its principal activities include Dairy Farm activities and Developing high breed Cattles.

2. Basis of preparation

(i) Compliance with Ind AS:

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act, as applicable.

The financial statements of the Company for year ended 31st March 2020 were authorized for issue in accordance with a resolution of the Board of Directors on 7th May 2020.

(ii) Historical cost convention

The financial statements have been prepared on a historical cost basis, except certain financial assets and liabilities that are measured at fair value.

- 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; and
- defined benefit plans – plan assets measured at fair value less present value of defined benefit obligation.

(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 lakh, unless otherwise indicated.

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 statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgement, estimates and assumptions are required in particular for:

- **Determination of the estimated useful lives of tangible assets**

  Useful lives of tangible assets 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, 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.

- **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 of deferred tax assets**

  Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

- **Recognition and measurement of other provisions**

  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 value of financial instruments**

  Derivatives are carried at fair value. Derivatives include foreign currency forward contracts, commodity futures and interest rate swaps. Fair value of foreign currency forward contracts is determined using the fair value reports provided by respective bankers. Fair value of interest rate swaps is determined with respect to current market rate of interest.

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- **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 judgement 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.

- **Biological Assets**

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

4. **Measurement of fair values**

The Company's accounting policies and disclosures require the measurement of fair values for, both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The management regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the management assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which such valuations should be classified.

When measuring the fair value of a financial asset or a financial liability, the Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows.

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- *Level 3*: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

5. Standards issued but not yet effective

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

6. Significant accounting policies

A. Revenue

i. Sale of goods

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised when significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of contracts and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of the goods.

ii. Interest income

For all financial instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR), which is the rate that discounts the estimated future cash payments or receipts through the expected life of the financial instruments or a shorter period, where appropriate, to the net carrying amount of the financial assets. Interest income is included in other income in the statement of profit or loss.

B. Foreign Currency

Transactions and balances

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the period in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of transactions. Non-monetary items that are measured at fair value in a foreign currency shall be translated using the exchange rates at the date when the fair value was measured.

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Exchange differences are generally recognised in profit or 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 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. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

Short-term benefits such as salaries, wages, short-term compensation absences, etc., are determined on an undiscounted basis and recognized in the period in which the employee renders the related service.

ii. Defined contribution plans

Obligations for contributions to defined contribution plans such as Provident Fund and Family pension maintained with Regional Provident Fund Office are expensed as the related service is provided.

iii. Defined benefit plans

The following post - employment benefit plans are covered under the defined benefit plans:

- Provident Fund Contributions other than those made to the Regional Provident Fund Office of the Government which are made to the Trust administered by the Company.

  The Company's contribution to the Provident Fund Trust as established by the Company, is also considered as a Defined Benefit Plan because, as per the rules of Company's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the Company. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted.

  The Company'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 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

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the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income (OCI). They are included in retained earnings in the statement of changes in equity and in the balance sheet.

iv. Other long-term employee benefits

Liability toward Long-term Compensated Absences is provided for on the basis of an actuarial valuation, using the Projected Unit Credit Method, as at the date of the Balance Sheet. Actuarial gains / losses comprising of experience adjustments and the effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss.

v. Terminal Benefits:

All terminal benefits are recognized as an expense in the period in which they are incurred.

D. Income Tax

Income tax expense comprises current and deferred tax. It is recognised in net profit in the statement of profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

i. **Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit / (tax loss) for the year determined in accordance with the provisions of the Income-Tax Act, 1961. Current income tax for current and prior periods is recognized at the amount expected to be paid to or recovered from the tax authorities, using tax rates and tax laws that have been enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Company:

a) has a legally enforceable right to set off the recognised amounts; and

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;

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- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.
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-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-Manufacturing: 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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.

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) Plant & Machinery using for cultivation and Farming activities: - 5 to 10 years.

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(c) Computer Hardware: Depreciated over its estimated useful life of 4 years.

(d) Leasehold improvements and equipments: Amortised over the Primary lease period.

Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase/acquisition.

G. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.
Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

H. Intangible assets

Recognition and measurement

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets viz. Grant of Licenses and Computer software, which are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses, if any.

Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of profit or loss, except in the case of certain intangibles, as per the provisions of various schemes of amalgamation.

The intangible assets are amortised over the estimated useful lives as given below:

- Grant of licenses : 10 years
- Computer Software : 6 years

Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

I. 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, interest rate swaps and currency options; and embedded derivatives in the host contract.

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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.

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.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) 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.

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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 amortised cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. Trade receivables are tested for impairment on a specific basis after considering the sanctioned credit limits, security like letters of credit, security deposit collected etc. and expectations about future cash flows.

ii. Financial liabilities

Classification

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

The Company classifies all financial liabilities as subsequently measured at amortised cost, except for financial liabilities at fair value through the Statement of Profit and Loss. Such liabilities, including derivatives that are liabilities, shall be subsequently measured at fair value.

Initial recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet 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.

J. Provisions and contingent liabilities

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

The expenses relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation 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 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.

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Provisions, contingent assets, contingent liabilities and commitments are reviewed at each balance sheet date.

K. Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement of the lease liability. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset. The estimated useful lives of right-of use assets are determined on the same basis as those of property, plant and equipment. Right-of-use assets are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the statement of profit and loss.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

Company as a lessor

At the inception of the lease the Company classifies each of its leases as either an operating lease or a finance lease.

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To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and awards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not then it is an operating lease. The Company recognises lease payments received under operating leases as income on a straight- line basis over the lease term.

Transition to Ind AS 116

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the Standard, recognised on the date of initial application (April 1, 2019). Accordingly, the Company has not restated comparative information, instead, the cumulative effect of initially applying this standard has been recognised as an adjustment to the opening balance of retained earnings as on April 1, 2019.

L. 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 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 Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

M. 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.

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N. Government Grants

Grants are recognized when there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

When the grant relates to an asset, the cost of the asset is shown at gross value and grant thereon is treated as a deferred grant which is recognized as income in the Statement of Profit and Loss over the period and in proportion in which depreciation is charged.

Revenue grants are recognized in the Statement of Profit and Loss in the same period as the related cost which they are intended to compensate are accounted for.

O. 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.

P. Biological assets

Biological assets are measured at fair value less costs to sell, with any change therein recognized in the Statement of Profit and Loss.

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Note 2 Property, plant & equipment

(Rs. in lakh)

PARTICULARS	Buildings	Plant and Machinery	Furniture and Fixtures	Vehicles	Office & Other Equipment	Leasehold Improvements	Total
As at March 31, 2020							
Gross Block							
As at April 1, 2019	1,771.09	119.25	7.24	79.60	295.28	62.22	2,334.68
Additions	10.75	175.78	0.60	5.35	23.43	-	215.91
Disposals	(2.14)	(0.16)	-	-	(0.32)	-	(2.62)
As at March 31, 2020	1,779.70	294.87	7.84	84.95	318.39	62.22	2,547.97
Accumulated Depreciation							
As at April 1, 2019	57.17	8.43	0.46	7.27	19.30	2.84	95.47
Charge for the year	88.79	13.11	0.70	9.87	33.48	2.52	148.47
Disposals	(0.14)	(0.02)	-	-	(0.14)	-	(0.30)
As at March 31, 2020	145.82	21.52	1.16	17.14	52.64	5.36	243.64
Net Block as at March 31 , 2020	**1,633.88**	**273.35**	**6.68**	**67.81**	**265.75**	**56.86**	**2,304.33**
As at March 31, 2019							
Gross Block							
As at April 1, 2018	-	69.14	0.64	9.35	8.66	45.15	132.94
Additions	1,771.09	50.82	6.60	70.25	286.62	17.07	2,202.45
Disposals	-	(0.71)	-	-	-	-	(0.71)
As at March 31 ,2019	1,771.09	119.25	7.24	79.60	295.28	62.22	2,334.68
Accumulated Depreciation							
As at April 1, 2018	-	2.06	0.04	0.37	0.54	0.59	3.60
Charge for the year	57.17	6.39	0.42	6.90	18.76	2.25	91.89
Disposals	-	(0.02)	-	-	-	-	(0.02)
As at March 31 , 2019	57.17	8.43	0.46	7.27	19.30	2.84	95.47
Net Block as at March 31, 2019	1,713.92	110.82	6.78	72.33	275.98	59.38	2,239.21

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Note 3 : Leases

Operating Lease:

The Company's leasing arrangements are in respect of operating leases for premises occupied by the Company. These leasing arrangements are renewable on a periodic basis by mutual consent on mutually acceptable terms.

Right-of-use assets (Rs. in lakh)

	Land and Buildings	TOTAL
Cost		
As at 1 April 2019	107.75	107.75
Additions	-	-
Disposals		-
Balance at 31 March 2020	107.75	107.75
Accumulated depreciation and impairment		
As at 1 April 2019	-	-
Depreciation	5.24	5.24
Impairment loss	-	-
Eliminated on disposals of assets	-	-
Balance at 31 March 2020	5.24	5.24
Carrying amounts		
As at 1 April 2019	107.75	107.75
Balance at 31 March 2020	102.51	102.51

Breakdown of lease expenses (Rs. in lakh)

	Year ended March 31, 2020
Short-term lease expense	9.58
Low value lease expense	-
Total lease expense	**9.58**

Cash outflow on leases

(Rs. in lakh)

	Year ended March 31, 2020
Repayment of lease liabilities	(1.96)
Interest on lease liabilities	11.84
Short-term lease expense	9.58
Low value lease expense	-
Total cash outflow on leases	**19.46**

Maturity analysis (Rs. in lakh)

		Less than 1 year	Between 1 and 2 years	2 and 5 years	Over 5 years	Weighted average effective interest rate %
31 March 2020						
Lease liabilities related to Land and Buildings	350.15	10.34	22.25	24.48	293.08	9%
31 March 2019						
Lease liabilities related to Land and Buildings	346.23	11.86	21.20	23.33	289.84	

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Impact of changes in accounting policies

Effective April 1, 2019 being the transition date, the Company has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. Accordingly comparatives for the periods prior to and the year ended March 31, 2019 have not been retrospectively adjusted.

The following table provides the extract of impacts of adopting Ind AS 116 on the financial statements

(Rs. in lakh)

	Impact of changes in accounting policies		
April 01, 2019	**As previously reported**	**Adjustments**	**As restated**
Right-of-use assets	-	107.75	107.75
Deferred tax Asset	185.22	6.20	191.42
Total assets	**185.22**	**113.95**	**299.17**
Lease liabilities	-	131.60	131.60
Total liabilities	**-**	**131.60**	**131.60**
Retained earnings	(585.41)	(17.65)	(603.06)
Total equity	**(585.41)**	**(17.65)**	**(603.06)**

The following table provides extract of effect on both basic and diluted earnings per share

For the year ended 31 March 2020	**Increase/ (decrease) in profit for the year attributable to owners of the Company**	**Increase/ (decrease) in basic earnings per share**	**Increase/ (decrease) in diluted earnings per share**
	(Rs. in lakh)	INR per share	INR per share
Changes in accounting policies relating to: - adoption of Ind AS 116	7.19	0.74	0.74

Reconciliation between operating lease commitments disclosed in March 2019 financials applying Ind AS 17 and lease liabilities recognised in the statement of financial position

Particulars	**(Rs. in lakh)**
Operating lease commitments disclosed in March 2019 financials (under Ind AS 17)	346.23
Less: Discounting impact	214.63
Lease liabilities recognised in the statement of financial position as at April 01, 2019	131.60

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Note 4 Intangible Assets

(Rs. in lakh)

PARTICULARS	Computer Software	Total
Gross Block		
As at April 1, 2019	-	-
Additions	4.93	4.93
Disposals	-	-
As at March 31, 2020	4.93	4.93
Accumulated amortisation		
As at April 1, 2019	-	-
Charge for the year	0.43	0.43
Disposals	-	-
As at March 31, 2020	0.43	0.43
Net Block as at March 31, 2020	**4.50**	**4.50**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 5 Biological Assets

A. Reconciliation of carrying amount

March 31, 2020 **(Rs. in lakh)**

Particulars	Cattles	
	Qty.	Amount
Balance as at April 1, 2019	554	413.01
Add:		
Purchases	63	42.53
Production/ Cost of Development	221	151.54
Less:		
Sales / Disposals	(57)	(0.15)
Change in fair value less cost to sell:	-	(82.38)
Realised	-	(31.30)
Unrealised	-	(51.08)
Balance as at March 31, 2020	**781**	**524.55**

March 31, 2019 **(Rs. in lakh)**

Particulars	Cattles	
	Qty.	Amount
Balance as at April 1, 2018	162	102.42
Add:		
Purchases	290	245.72
Production/ Cost of Development	143	106.12
Less:		
Sales/ Disposals	(41)	(3.00)
Change in fair value less cost to sell:	-	(38.25)
Realised	-	(13.79)
Unrealised	-	(24.46)
Balance as at March 31, 2019	**554**	**413.01**

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for Cattle has been categorised as Level 3 fair values based on the inputs to valuation technique used.

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ii. Level 3 Fair values

The following table shows a break down of the total gains /(losses) recognised in respect of Level 3 fair values-

Particulars	March 31, 2020	March 31, 2019
Gain/(loss) included in 'other operating revenue'		
Change in fair value (realised)	(31.30)	(13.79)
Change in fair value (unrealised)	(51.08)	(24.46)
Gain included in OCI	-	-

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Cattles	Market approach with the help of Valuation certificate	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 Company is exposed to the following risks relating to its Dairy Farms.

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 Milk. Company manages this risk by effective marketing tie up for sales of milk.

iii. Other risks

The Company is exposed to risks arising from fluctuations in yield and health of the Cattle. Company manages this risk by effective sourcing and maintenance of cattle.

A reasonably possible change of 10% in valuation at the reporting date would have increased/(decreased) profit or loss by the amounts shown below.

	Profit or (loss) for the year ended March 31,2020		Profit or (loss) for the year ended March 31,2019	
	10% increase	**10% decrease**	**10% increase**	**10% decrease**
Estimated change in valuation	52.46	(52.46)	30.56	(30.56)
Cash flow sensitivity (net)	52.46	(52.46)	30.56	(30.56)

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(Rs. in lakh)

	As at March 31, 2020	As at March 31, 2019
Note 6		
Non Current Trade Receivables		
Credit impaired	14.99	-
Less : Loss allowance	(14.99)	-
TOTAL	-	-

	As at March 31, 2020	As at March 31, 2019
Note 7		
Other non-current financial assets		
Income receivable (Government Grant)	32.40	-
TOTAL	**32.40**	-

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Note 8: Movement in deferred tax balances

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

(Rs. in lakh)

	Net balance April 1, 2019	Recognised in profit or loss	Recognised directly in equity	March 31, 2020 Deferred tax asset	March 31, 2020 Deferred tax liability	March 31, 2020 Net Deferred tax
Deferred tax asset/(liabilities)						
Carried forward Loss	224.37	-	-	224.37	-	224.37
Property, plant and equipment.	(45.77)	-	-	(45.77)	-	(45.77)
Lease	-	-	6.20	6.20	-	6.20
Biological Assets	6.62	-	-	6.62	-	6.62
Tax assets (Liabilities)	**185.22**	-	-	**191.42**	-	**191.42**

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

(Rs. in lakh)

	Net balance April 1, 2018	Recognised in profit or loss	Recognised directly in equity	March 31, 2019 Deferred tax asset	March 31, 2019 Deferred tax liability	March 31, 2019 Net Deferred tax
Deferred tax asset/(liabilities)						
Carried forward Loss	29.22	195.15	-	224.37	-	224.37
Property, plant and equipment.	(1.50)	(44.27)	-	(45.77)	-	(45.77)
Biological Assets	-	6.62	-	6.62	-	6.62
Tax assets (Liabilities)	**27.72**	**157.50**	-	**185.22**	-	**185.22**

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 relate 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.

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(Rs. in lakh)

	As at March 31, 2020	As at March 31, 2019
Note 9		
Other non-current assets		
1. Capital advances	3.95	7.59
2 Others	3.30	2.49
TOTAL	**7.25**	**10.08**
Note 10		
Inventories		
(Valued at lower of cost and net realizable value)		
1 Raw materials	132.96	106.12
2 Stores and Spares	38.96	-
TOTAL	**171.92**	**106.12**
Note 11		
Current Trade Receivables		
Unsecured and considered good	99.94	42.25
TOTAL	**99.94**	**42.25**
Note 12		
Cash and cash equivalents		
1 Cash on hand	0.36	0.56
2 Balances with banks:		
Current Accounts	4.49	6.73
3. Bank Fixed Deposit with less than 3 months maturity (refer note 12.1)	9.50	-
TOTAL	**14.35**	**7.29**

Note No. 12.1: Fixed Deposits of Rs. 9.50 lakh (Previous year Rs. Nil) are pledged with Banks for balance of letter of credit issued.

Note 13		
Current Loans		
Unsecured, Considered Good, Unless Otherwise Stated		
Loans and Advances - Others		
(a) Loans and advances to employees	1.18	0.81
(b) Security deposits	1.63	2.33
TOTAL	**2.81**	**3.14**
Note 14		
Other current financial assets		
Interest Accrued on Bank Fixed Deposit	0.02	-
TOTAL	**0.02**	**-**
Note 15		
Other current assets		
1 Advances to suppliers	12.59	4.77
2 Others	8.02	0.36
TOTAL	**20.61**	**5.13**

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 16

(Rs. in lakh)

Share Capital	**As at March 31, 2020**	**As at March 31, 2019**
1. Authorised :		
(a) 20,00,000 (Previous year 20,00,000) Equity shares of the par value of Rs. 10 each	200.00	200.00
TOTAL	**200.00**	**200.00**
2. Issued, Subscribed and Paid-up:		
11,37,846 (Previous year 7,98,883) Equity shares of Rs. 10 each fully paid up.	113.78	79.89
TOTAL	**113.78**	**79.89**

	As at March 31, 2020		**As at March 31, 2019**	
3. Reconciliation of number of shares outstanding at the beginning and end of the year :	**No. of shares**	**Rs. In Lakh**	**No. of shares**	**Rs. In Lakh**
Equity shares :				
Outstanding at the beginning of the year	7,98,883	79.89	6,17,065	61.71
Shares issued during the year	3,38,963	33.89	1,81,818	18.18
Outstanding at the end of the year	**11,37,846**	**113.78**	**7,98,883**	**79.89**

4. Rights, preferences and restrictions attached to Equity shares

Equity Shares: The Company has one class of Equity shares having a par value of Rs. 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, 2020		**As at March 31, 2019**	
(a) Equity shares	**No. of shares**	**%**	**No. of shares**	**No. of shares**
1 Godrej Agrovet Limited	8,42,006	74.00%	5,03,043	62.97%
2 Dr. Saar Yavin	1,47,920	13.00%	1,47,920	18.52%
3 Ms. Adaya Abigail Aroyo	1,47,920	13.00%	1,47,920	18.52%

6. There are no shares reserved for issue under options and no bonus shares were issued during the previous year

Note 17

Other Equity		
1. Retained Earnings	**(1,383.31)**	**(585.41)**
2. Securities Premium Account	**1,415.80**	**702.62**
TOTAL EQUITY	**32.49**	**117.21**

Securities Premium Account

Securities Premium Account is used to record the premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in lakh)

Note 18	**As at March 31, 2020**	**As at March 31, 2019**
Non current- Borrowings		
Unsecured		
Term loan from bank (refer note 18.1)	1,450.00	1,600.00
Lease liabilities	123.22	-
TOTAL	**1,573.22**	**1,600.00**

Note No. 18.1 : Term Loan of Rs. 1,700 lakh is from Federal Bank Limited for the year ended March 31, 2020 and carries Interest Rates of 3 months T Bill + 175 bps. The loan is repayable in 20 quarterly instalments commencing from July 2020. First installment is of Rs. 80.00 Lakh and thereafter from October 2020 Rs. 85.00 Lakh per quarter and last instalment of Rs. 5.00 Lakh. Accordingly, Rs.250.00 Lac being re-payable in one year has been disclosed in Note No. 21

Note 19		
Current borrowings		
Unsecured		
Inter corporate Deposits from related party	905.81	164.08
Total	**905.81**	**164.08**

Inter corporate deposits from related party is repayable on demand, carrying interest at the rate 7.25%.

Note 20		
Current -Trade Payables		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises; (refer note 20.1)	10.71	-
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	317.14	190.30
Total	**327.85**	**190.30**

Note No. 20.1: Under the Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), which came in to force from October 2, 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

A	Principal amount remaining unpaid	**10.71**	-
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	-	-
F	Further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise	-	-

Note 21		
Other financial liabilities		
1 Current maturities of long-term debt		
Unsecured Loan		
Lease liabilities	10.34	-
Current maturities of long-term debt - term loan	250.00	-
2 Non Trade Payables	234.09	807.77
3 Others	45.78	50.82
Total	**540.21**	**858.59**

Note 22		
Other current liabilities		
1 Advances from Customers	0.57	0.30
2 Statutory Liabilities	9.49	4.56
Total	**10.06**	**4.86**

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in lakh)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 23		
Revenue from operations		
1 **Sale of products**	742.19	289.20
2 **Other operating revenue**		
Sale of Scrap and Empties	0.76	1.17
Rebates/Incentives from Government (Refer Note. 23.3)	40.46	-
Total	**783.41**	**290.37**

Note No. 23.1 Major Product lines

(a) Milk	695.17	269.93
(b) Other miscellaneous items	47.02	19.27
Total	**742.19**	**289.20**

Note No. 23.2 There were no discount/rebate/sales returns adjusted with the above sale of products.

Note No. 23.3 An amount of Rs. 8.06 lakhs in respect of previous year is accounted during the year after receiving the sanction of the Government of Maharashtra in respect of said schemes.

Note 24

Other Income

1 Interest income		
(a) Instruments measured at amortised cost		
(i) Interest received on Deposits	0.51	-
2 Interest received from Income Tax	0.02	-
3 Claims received	19.33	2.69
4 Liabilities no longer required written back	6.24	-
5 Other Miscellaneous Income	0.00	1.38
TOTAL	**26.10**	**4.07**

Note 25

Cost of materials consumed

a Material at the Commencement of the year	106.12	6.54
b Add : Purchases	632.96	302.62
c Less : Material sold	4.90	-
	734.18	309.16
d Less: Material at the Close of the year	132.96	106.12
Total	**601.22**	**203.04**

Note 26

Changes In Inventories of Finished Goods.

1 **Stocks at the Commencement of the year**		
Finished Goods	-	16.92
Total Stock at the commencement of the year	-	16.92
2 **Less : Stocks at the Close of the year**		
Finished Goods	-	-
Total Stock at the close of the year	-	-
Change in the stock of Finished Goods	-	**16.92**

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

(Rs. in lakh)

	For the year ended March 31, 2020	For the year ended March 31, 2019
Note 27		
Employee benefits expense		
1 Salaries, Wages, Bonus and Allowances	148.20	145.61
2 Contribution to Provident, Gratuity and Other Funds	11.42	7.32
3 Staff Welfare Expense	3.33	6.07
TOTAL	**162.95**	**159.00**
Note 28		
Finance Costs		
Interest Expense		
i. Paid to Bank on Term Loan	131.27	11.84
ii. Interest on Inter Corporate Deposits	36.20	76.56
iii. Interest on lease liabilities	11.84	-
TOTAL	**179.31**	**88.40**
Note 29		
Depreciation and amortisation Expenses		
1 Depreciation	148.47	91.90
2 Amortization	0.43	-
3 Depreciation of Right of Use of Leased Assets	5.24	-
TOTAL	**154.14**	**91.90**
Note 30		
Other Expenses		
1 Stores and Spares consumed	43.20	39.54
2 Power and Fuel	59.39	39.85
3 Labour Charges and Processing Charges	39.55	34.41
4 Rent	9.58	19.25
5 Rates and Taxes	12.37	3.83
6 Repairs and Maintenance		
(a) Machinery	6.71	7.27
(b) Buildings	20.46	13.76
(c) Other assets	15.29	10.64
7 Insurance	22.26	10.87
8 Auditor's Remuneration (refer note 30.1)	4.81	3.63
9 Freight	3.80	13.93
10 Allowances for Doubtful Debts and Advances	14.99	-
11 Change in fair value of biological assets - unrealised	51.08	24.46
12 Change in fair value of biological assets - realised	31.30	13.79
13 Technical knowhow	46.58	46.95
14 Professional Fee	29.02	52.03
15 Net gain/loss on foreign currency transactions and translation	0.16	0.11
16 Loss on sale/discard of Fixed Assets	1.13	0.07
17 Miscellaneous Expenses	80.46	43.49
TOTAL	**492.14**	**377.88**
Note No. 30.1: Auditor's Remuneration.		
(a) Audit Fees	2.07	2.07
(b) Audit under Other Statutes	1.48	1.48
(c) Certification.	1.26	0.08
Total	**4.81**	**3.63**

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 31 Earnings per share

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

	Particulars	**March 31, 2020**	**March 31, 2019**
1	Calculation of weighted average number of equity shares - Basic		
	Number of shares at the beginning of the year	**7,98,883**	**6,17,065**
	Equity shares issued during the year	3,38,963	1,81,818
	Number of equity shares outstanding at the end of the year	**11,37,846**	**7,98,883**
	Weighted average number of equity shares for the year	**9,69,757**	**6,18,061**
2	**Loss attributable to ordinary shareholders (Basic/diluted)**		
	Loss for the year, attributable to the owners of the Company	(780.25)	(485.20)
	Loss for the year, attributable to ordinary shareholders	**(780.25)**	**(485.20)**
3	Basic Earnings per share (Rs.)	**(80.46)**	**(78.50)**
4	Diluted Earnings per share (Rs.)	**(80.46)**	**(78.50)**
5	Nominal Value of Shares (Rs.)	**10**	**10**

Note 32.1: Financial instruments – Fair values and risk management

Note 32.1.1: 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.

(Rs. in lakh)

	Carrying amount				Fair value			
March 31, 2020	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
I. Non Current Financial Assets								
Income receivable (Government Grant)	-	-	32.40	32.40	-	-	-	-
II. Current Financial Assets								
1. Trade and other receivables	-	-	99.94	99.94	-	-	-	-
2. Cash and cash equivalents	-	-	14.35	14.35	-	-	-	-
3. Short-term loans and advances	-	-	2.81	2.81	-	-	-	-
4. Other current financial assets	-	-	0.02	0.02	-	-	-	-
	-	-	149.51	149.51	-	-	-	-
Financial liabilities								
I. Non Current Financial liabilities								
Lease Liabilities recognised	-	-	123.22	123.22	-	-	-	-
Long term borrowings	-	-	1,450.00	1,450.00	-	-	-	-
II. Current Financial liabilities								
1. Short term borrowings	-	-	905.81	905.81	-	-	-	-
2. Trade and other payables	-	-	327.85	327.85	-	-	-	-
3. Other financial liabilities	-	-	540.21	540.21	-	-	-	-
	-	-	3,347.09	3,347.09	-	-	-	-

	Carrying amount				Fair value			
March 31, 2019	**FVTPL**	**FVOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
I. Current Financial Assets								
1. Trade and other receivables	-	-	42.25	42.25	-	-	-	-
2. Cash and cash equivalents	-	-	7.29	7.29	-	-	-	-
3. Short-term loans and advances	-	-	3.14	3.14	-	-	-	-
	-	-	**52.68**	**52.68**	-	-	-	-
Financial liabilities								
I. Non Current Financial liabilities								
Long term borrowings	-	-	1,600.00	1,600.00	-	-	-	-
II. Current Financial liabilities								
1. Short term borrowings	-	-	164.08	164.08	-	-	-	-
2. Trade and other payables	-	-	190.30	190.30	-	-	-	-
3. Other financial liabilities	-	-	858.59	858.59	-	-	-	-
	-	-	**2,812.97**	**2,812.97**	-	-	-	-

Financial risk management

The Company has exposure to the following risks arising from financial instruments:
- Credit risk ;
- Liquidity risk;
- Market risk;

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The 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 Board of Directors 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 Board of Directors 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 Board of Directors.

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Financial instruments – Fair values and risk management (continued)

Note 32.2: 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 Board of Directors 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.

For 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 maximum exposure to credit risk for trade and other receivables by type of counterparty was as follows.

	Carrying amount	
		(Rs. in lakh)
	March 31, 2020	**March 31, 2019**
Trade receivables	99.94	42.25
Domestic		
Distributors	-	-
Other	99.94	42.25
Total of Trade Receivables	99.94	42.25
Total of other Receivables	2.82	3.14

Impairment

The ageing of trade receivables that were not impaired was as follows.

	March 31, 2020	**March 31, 2019**
Neither past due nor impaired	20.77	28.23
Past due 1–30 days	46.94	14.02
Past due 31–90 days	-	-
Past due 91–180 days	0.06	-
> 180 days	32.17	-
	99.94	42.25

The movement in the allowance for impairment in respect of trade and other receivables during the period was as follows:

For Trade receivables	**March 31, 2020**	**March 31, 2019**
Balance as at April 1	-	-
Impairment loss recognised	14.99	-
Amounts written off	-	-
Balance as at March 31.	14.99	-

Cash and cash equivalents

The Company held cash and cash equivalents and other Bank balances of Rs. 14.35 lakh at March 31, 2020 (Previous Year Rs. 7.29 lakh) . The cash and cash equivalents are held with bank with good credit rating.

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Financial instruments – Fair values and risk management (continued)

Note 32.3: 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.

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.

			Contractual cash flows				(Rs. in lakh)
March 31, 2020	**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							
Lease Liabilities recognised	123.22	339.81	-	-	22.25	24.48	293.08
Term Loan from Bank	1,450.00	1,450.00	-	-	680.00	770.00	-
Current, non derivative financial liabilities							
Trade and other payables- others	327.85	327.85	327.85	-	-	-	-
Acceptances	-	-	-	-	-	-	-
Other current financial liabilities	1,446.02	1,446.02	1,270.66	175.36	-	-	-
Total	**3,347.09**	**3,563.68**	**1,598.51**	**175.36**	**702.25**	**794.48**	**293.08**

			Contractual cash flows				(Rs. in lakh)
March 31, 2019	**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	1,600.00	1,600.00	-	-	210.00	960.00	430.00
Other non-current financial liabilities-Others			-	-	-	-	
Current, non derivative financial liabilities							
Trade and other payables- others	190.30	190.30	190.30	-	-	-	-
Other current financial liabilities	1,022.67	1,022.67	1,022.67	-	-	-	-
Total	**2,812.97**	**2,812.97**	**1,212.97**	**-**	**210.00**	**960.00**	**430.00**

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Financial instruments – Fair values and risk management (continued)
Note 32.4 : 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.

The Company adopts a policy of ensuring that between 80% and 90% of its interest rate risk exposure is at a fixed rate. And hence, 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 purchases.

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.

(Rs. in lakh)

	March 31,2020 USD	March 31,2019 USD
Financial Liabilities		
Non trade payables	9.56	
Net exposure to foreign currency risk (Liabilities)	**9.56**	**-**
Net exposure	**9.56**	**-**
Un-hedged foreign currency exposures		
Purchase	9.56	-
Sale	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at March 31, 2020 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit or loss		Equity, net of tax	
Effect in INR lakhs	Strengthening	Weakening	Strengthening	Weakening
March 31, 2020				
USD (1% movement)	0.10	(0.10)	0.10	(0.10)
	0.10	(0.10)	0.10	(0.10)

Note: Sensitivity has been calculated using standard Deviation % of USD rate movement.

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Financial instruments – Fair values and risk management (continued)

Note 32.5: 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.

(Rs. in lakh)

Nominal amount	**March 31, 2020**	**March 31, 2019**
Fixed-rate instruments		
Financial liabilities		
Other financial liabilities		
Lease Liabilities recognised	133.57	-
Term Loan from bank	1,700.00	1,600.00
Inter corporate deposits	905.81	164.08
Total	2,739.38	1,764.08

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.

Note 33: Tax expense

(a) Amounts recognised in profit and loss

Particulars	**For the year ended March 31, 2020 (Rs. in lakh)**	**For the year ended March 31, 2019 (Rs. in lakh)**
Current income tax	-	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	-	(157.50)
Deferred tax expense	-	(157.50)
Tax expense for the period/year	-	**(157.50)**

(b) Reconciliation of effective tax rate

Particulars	**For the year ended March 31, 2020 (Rs. in lakh)**	**For the year ended March 31, 2019 (Rs. in lakh)**
Profit before tax	**(780.25)**	**(642.70)**
Company's domestic tax rate	0.00%	26.00%
Tax using the Company's domestic tax rate	-	(167.10)
Tax effect of:		
Expense not allowed for tax purposes	-	6.46
Others	-	3.14
	-	**(157.50)**

In our assessment, based on the principles of prudence and conservatism, we are of the opinion that in the present circumstances it is not appropriate to recognised deferred tax asset in respect of unused tax losses for FY 2019-20. Accordingly no deferred tax asset were created during the current financial year.

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Note 34: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and other stake holder 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 less cash and cash equivalents. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at March 31, 2020 was as follows:

(Rs. in lakh)

	As at March 31, 2020	**As at March 31, 2019**
Total Borrowings	2,605.81	1,764.08
Less : Cash and cash equivalent	14.35	7.29
Adjusted net debt	**2,591.46**	**1,756.79**
Equity	**146.27**	**197.10**
Adjusted net debt to equity ratio	**17.72**	**8.91**

Note 35: Commitments

(Rs. in lakh)

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for.	9.22	-

Note 36: Preferential Issue Utilisation

The Company had made a Preferential Issue of 3,38,963 (previous year 1,81,818) equity shares of face value Rs.10 each fully paid up for cash at a price of Rs. 220.40/- per equity share (including a share premium of Rs. 210.40/- per share) aggregating Rs. 747.07 Lakh. The aforementioned 3,38,963 (previous year 1,81,818) equity shares were allotted on September 30th, 2019. The net proceeds from the issue of the above mentioned equity shares were used for expansion of business operations.

Note 37: Balance confirmation

Current Assets, Loans and Advances, Deposits and Sundry Creditors are subject to confirmation / reconciliation and consequential adjustments, if any.

Note 38: Impact of Covid -19 pandemic

The management has considered internal and certain external sources of information including economic forecasts and industry reports up to the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables and intangible assets. 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.

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Note No. 39: Related Party Disclosures

In compliance with Ind AS 24 - "Related Party Disclosures", as notified under Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, as amended, the required disclosures are given below:

(a)	(i)	**Key Management Personnel**	Burjis Nadir Godrej - Director
			S. Varadaraj - Director
			Sandeep Kumar Singh - Director
			Saar Yavin - Director
			Adaya Aroyo - Director
(b)	(i)	**Holding companies**	Godrej Agrovet Limited (Parent company)
			Godrej Industries Limited (Holding company)
	(ii)	**Fellow Subsidiary Companies**	Astec LifeSciences Limited
			Creamline Dairy Products Limited
			Godrej Tyson Foods Limited
			Godvet Agrochem Limited.
	(iii)	**Other Related Parties**	Godrej & Boyce Manufacturing Company Limited
			ACI Godrej Agrovet Private Limited, Bangladesh
			Omnivore India Capital Trust
			Maxximilk Limited, Israel
			Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)

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Note 39: Related Party Disclosures

Rs. in Lakh

The following transactions were carried out with the related parties in the ordinary course of business :

Sr. No.	**Nature of Transactions**	**Holding Companies (i)**	**Other related Parties (ii)**
1	Issue of Share Capital	747.07	-
		300.00	-
2	Purchase	181.38	-
		-	142.89
3	Sales	17.63	-
		-	3.38
4	Interest Expense on Inter Corporate deposit	5.46	30.58
		-	76.56
5	Inter Corporate Deposit Taken	1,007.47	1,733.81
		-	1,054.38
6	Inter Corporate Deposit returned	1,171.55	828.00
		-	1,674.00
7	Expenses Charged/Reimbursed by Other Companies	334.95	46.58
		-	301.65
8	Expenses Charged/Reimbursed to Other Companies	0.47	-
		-	-
9	Acquisition of Property, plant and equipment		0.82
		-	4.57
10	Inter Corporate Deposit Outstanding	-	905.81
		164.08	-
11	Outstanding Receivable		0.09
		-	0.09
12	Outstanding Payables	454.34	-
		917.40	-
13	Details relating to persons referred to in items (a) (1)		
	Remuneration to key management personnel	As at March 31, 2020	As at March 31, 2019
	a) Salary and short term employee benefit	73.10	79.89
	b) Post employee gratuity & medical benefits	1.62	1.54

Significant Related Party Transactions :			Rs. in Lakh
Sr. No.	**Nature of Transaction**	**Current year**	**Previous Year**
1	Issue of Share Capital		
	Godrej Agrovet Limited	747.07	300.00
2	Purchases		
	Godrej Agrovet Limited	181.38	142.89
3	Sales		
	Godrej Agrovet Limited	17.63	3.38
4	Interest Expense on Inter Corporate deposit		
	Godrej Agrovet Limited	5.46	76.56
	Creamline dairy Products Ltd	29.68	-
	Astec LifeSciences Limited	0.90	-
5	Inter Corporate Deposit Taken		
	Godrej Agrovet Limited	1,007.47	1,054.38
	Creamline dairy Products Ltd	828.00	-
	Astec LifeSciences Limited	905.81	-
6	Inter Corporate Deposit Returned		
	Godrej Agrovet Limited	1,171.55	1,674.00
	Creamline dairy Products Ltd	828.00	-
7	Expenses Charged/Reimbursed by Other Companies		
	Godrej Agrovet Limited	334.95	254.70
	Maxximilk Limited, Israel	46.58	46.95
8	Expenses Charged/Reimbursed to Other Companies		
	Godrej Agrovet Limited	0.47	-
9	Acquisition of Property, plant and equipment		
	Godrej & Boyce Manufacturing Company Limited	0.82	4.57
10	Inter Corporate Deposit Outstanding		
	Godrej Agrovet Limited	-	164.08
	Astec LifeSciences Limited	905.81	-
11	Outstanding Receivable		
	Godrej & Boyce Manufacturing Company Limited	0.09	0.09
12	Outstanding Payables		
	Godrej Agrovet Limited	454.34	917.40

Note 40: Comparative Accounts for the Previous Year

Figures of the previous year have been regrouped & re-classified wherever necessary to conform to the current year's classification.

KALYANIWALLA & MISTRY LLP MUMBAI

GODREJ MAXXIMILK PRIVATE LIMITED