



**DIRECTORS'**  
**REPORT**  
AND ANNEXURES



## DIRECTORS' REPORT

Corporate Identity Number (CIN): L15410MH1991PLC135359

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

### TO THE MEMBERS:

Your Directors have pleasure in presenting the Directors' Report along with the Audited Financial Statements for the Financial Year 2020-21.

#### 1. FINANCIAL SUMMARY:

Your Company's Standalone and Consolidated performance during the Financial Year 2020-21 as compared with that of the previous Financial Year 2019-20 is summarized below:-

(₹ in Crore)

Particulars	Standalone		Consolidated	
	2020-21	2019-20	2020-21	2019-20
Total Income	4,513.81	5,159.69	6,306.27	7,010.86
Profit Before Taxation & Exceptional Items	352.56	359.22	453.10	358.55
Add: Exceptional Items	-	-	-	(9.92)
Profit Before Taxation (PBT)	352.56	359.22	453.10	348.63
Less: Provision for Taxation	73.56	65.91	105.53	48.05
Profit After Taxation (PAT)	279.00	293.31	347.57	300.58

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

##### Review of Operations / State of Affairs of the Company:

There has been no change in the nature of business of your Company during the Financial Year 2020-21.

##### Businesses of the Company:

##### Animal Feed:

During the Financial Year 2020-21, the Animal Feed segment posted a strong growth in segment results, which grew by 24.12% year-on-year, mainly supported by favorable raw material prices and realisation of Research & Development (R&D) benefits. However, COVID-led lockdown adversely impacted the volumes and revenues in this segment. Demand for cattle, broiler and layer feed is directly dependent on demand for end protein products, namely, milk, chicken and eggs. HoReCa (Hotels, Restaurants and Catering) segment forms nearly 30%-35% of the consumption of the end protein products and demand from this segment significantly declined in the Financial Year 2020-21. As a result, overall segment volumes for feed declined by 13.07% year-on-year, and this coupled with soft commodity prices led to a 16.80% decline in segment revenues. However, fish feed and shrimp feed provided some respite and volumes and revenues grew for fish feed and shrimp feed year-on-year, despite the industry declining.

##### Crop Protection:

During the Financial Year 2020-21, standalone segment revenues and segment results in respect of the Crop Protection business were ₹ 581.47 Crore and ₹ 153.42 Crore, respectively, (₹ 567.72 Crore and ₹ 153.84 Crore, respectively reported in the Financial

Year 2019-20). The focus of the Company was to accelerate the collection and improve the working capital cycle in this segment. The collections increased by 27.00% year-on-year and the working capital cycle has also improved. Your Company also partnered with other leading agrochemical companies to increase the sale of its in-house herbicides.

##### Vegetable Oil:

The Vegetable Oil segment recorded segment revenues of ₹ 710.04 Crore during the Financial Year 2020-21, as compared to revenues of ₹ 673.50 Crore reported in the Financial Year 2019-20. Segment revenue growth was driven by an increase in prices of crude palm oil and palm kernel oil during the year under review. However, the segment results were impacted and declined to ₹ 83.75 Crore from ₹ 89.34 Crore during the Financial Year 2020-21 due to lower arrival fresh fruit bunches and lower oil extract ratio.

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

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

According to the provisions of Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing the salient features of the financial statements of our Subsidiaries, Associates and Joint Ventures in the Form AOC-1 is annexed and form part of the Financial Statement. The statement provides the details of the performance and financial position of each of the Subsidiaries, Associates and Joint Ventures. In accordance with Section 136 of the Companies Act, 2013, the Audited Financial Statements, including the

Consolidated Financial Statements, Audited Accounts of all the Subsidiaries and other documents attached thereto are available on your Company's website: [www.godrejagrovet.com](http://www.godrejagrovet.com).

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

**A. Review of Operations / State of Affairs of the Subsidiaries and other Associates of the Company:**

**1. Godvet Agrochem Limited:**

Godvet Agrochem Limited ("Godvet") is a wholly owned subsidiary of your Company. During the Financial Year 2020-21, Godvet recorded Profit Before Tax of ₹ 3.76 Crore as compared to Profit Before Tax of ₹ 0.82 Crore in the Financial Year 2019-20.

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

Astec LifeSciences Limited ("Astec") manufactures agrochemical active ingredients (technical), bulk and formulations, intermediate products and sells its products in India as well as exports them to approximately 24 countries. During the Financial Year 2020-21, Astec recorded consolidated total income of ₹ 562.79 Crore, representing a growth of 5.30% over the previous Financial Year. Profit before exceptional items and tax also increased to ₹ 89.07 Crore, which is a growth of 45.18% year-on-year.

The Shareholding of the Company in Astec as on March 31, 2021 was 1,22,04,016, i.e., 62.30% of the total Paid-up Equity Share Capital of Astec.

**Subsidiaries of Astec LifeSciences Limited:**

Astec had the following 3 (three) subsidiaries during the Financial Year 2020-21:

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

During the Financial Year 2020-21, Behram Chemicals Private Limited reported a Profit Before Tax of ₹ 0.09 Crore as compared to Profit Before Tax of ₹ 0.08 Crore during the previous Financial Year 2019-20.

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

During the Financial Year 2020-21, Comercializadora Agricola Agroastrachem Cia Ltda, reported a Profit/Loss Before Tax of ₹ 0.00\* Crore as compared to Nil Profit Before Tax of during the previous Financial Year 2019-20.

\* The amount reflected as "0.00" in Financial results are value with less than ₹ 1 Lakh.

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

During the Financial Year under review, Astec has sold off its equity stake in Astec Europe Spri and consequently, Astec Europe Spri ceases to be a subsidiary of Astec with effect from September 1, 2020. During the period ended August 31, 2020,

Astec Europe Spri reported a Loss Before Tax of (₹ 0.0055 Crore), as compared to a Loss Before Tax of (₹ 0.0109 Crore) reported during the corresponding period last year.

**3. Creamline Dairy Products Limited:**

Creamline Dairy Products Limited ("CDPL") is one of the leading private dairy companies in Southern India and its products are sold under the brand name 'Godrej Jersey'. During the Financial Year 2020-21, CDPL recorded a total income of ₹ 1,038.65 Crore, representing a year-on-year decline of 13.42%. The demand for milk and milk products was impacted by lower demand from the HoReCa segment and lower out-of-home consumption. However, profitability benefited from lower procurement prices and lower fixed costs and CDPL recorded a Profit Before Tax of ₹ 7.29 Crore in the current Financial Year 2020-21 vis-a-vis ₹ 3.14 Crore in the previous year.

**4. Godrej Tyson Foods Limited:**

Godrej Tyson Foods Limited ("GTFL") is engaged in the manufacturing of processed poultry and vegetarian products through its brands 'Real Good Chicken' and 'Yummiez'. GTFL is also engaged in the sale of live birds in the market. Your Company currently holds a 51.00% equity stake in GTFL.

During the Financial Year 2020-21, GTFL recorded a total income of ₹ 604.22 Crore representing year-on-year growth of 17.10%. Further, GTFL posted a Profit Before Tax of ₹ 22.67 Crore compared to a Loss Before Tax of (₹ 77.18 Crore) reported in the previous year. Growth in revenues and profitability is driven by the strong performance of the Live Bird and the Yummiez segments.

**5. Godrej Maxximilk Private Limited:**

Godrej Maxximilk Private Limited ("GMPL") became a subsidiary of your Company in the Financial Year 2018-19. Your Company has increased its stake in GMPL to 74.90% in the Financial Year 2020-21 from 74.00% stake in the previous Financial Year.

GMPL is engaged in in-vitro production of high-quality cows that aid dairy farmers produce top-quality milk, thereby increasing their yield by a significant proportion. For the Financial Year 2020-21, GMPL has reported a Loss Before Tax of (₹ 8.14 Crore) as compared with a Loss Before Tax of (₹ 7.80 Crore) in the previous year.

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

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

ACI Godrej Agrovet Private Limited (ACIGAVPL) recorded revenues of ₹ 1,251.43 Crore during the Financial Year 2020-21 as compared with revenues of ₹ 1,027.17 Crore during Financial Year 2019-20.

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

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

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

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

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

Your Company currently has a 24.0% stake in Al Rahba International Trading Limited Liability Company ("Al Rahba"), an associate (with a 33.33% share in profits). The investment in Al Rahba appears as a part of current investment during the Financial Year 2020-21.

### 3. FINANCE & CREDIT RATING:

Your Company continues to manage its treasury operations efficiently and has been able to borrow funds for its operations at competitive rates. During the Financial Year 2020-21, your Company has obtained dual rating as follows:

#### Credit Rating by ICRA Limited

The credit rating granted by ICRA Limited to your Company has been re-affirmed at "[ICRA]AA Stable" with respect to Long Term Fund Based Bank facilities and "[ICRA]A1+ Stable" with respect to Short Term Fund Based facilities (including for Commercial Paper).

#### Credit Rating by CRISIL

The credit rating granted by CRISIL during the Financial Year 2020-21 to your Company is "CRISIL A1+ Stable" to the Commercial Papers of the Company.

### 4. INFORMATION SYSTEMS:

During the Financial Year 2020-21, in continuation of its digital journey, your Company has implemented the following technology solutions for itself and its Subsidiaries and Joint Ventures, in order to automate and improve upon business functions and processes:

- In view of the ongoing pandemic, to ensure seamless collaboration amongst employees and stakeholders, your Company has deployed collaboration tools like MS Teams, Zoom;
- Deployed all the necessary tools and technologies which are essential for accessing all business applications from anywhere in a secure manner;
- Deployed state-of-the-art network infrastructure at data center and end points to protect business critical systems from external cyber threats;
- Major focus on digital transformation and automation of business processes is underway to enhance productivity; and
- Analytical solutions based on latest tools and technologies are being implemented for improved business visibility and faster decision-making.

### 5. MANUFACTURING FACILITIES:

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

#### Animal Feed:

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

#### Aqua Feed:

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

#### Crop Protection Business:

Samba (Jammu & Kashmir) and Lote Parshuram (Ratnagiri - Maharashtra)

#### Vegetable Oils:

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

### 6. HUMAN RESOURCES:

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

During the pandemic year 2020-21, you Company undertook several measures to maintain high health and hygiene standards at the workplace. In the month of April 2020 itself, your Company announced the decision of not making any salary cuts as well as job cuts.

During the lockdown, your Company obtained necessary administrative approvals to operate the manufacturing facilities. All employees in the factories were provided complete support in terms of transport, stay, food as well as medical facilities. As a result, none of the factories witnessed mass COVID-19 infections. Your Company stayed connected with all employees regularly to provide them business updates, to enable work from home and address their concerns. All the leaders in the Company held periodic townhalls with their team members. In order to appreciate the work of employees during the pandemic, the Company launched a unique recognition programme - 'Corona Warriors'.

The employee pulse survey scores of your Company were healthy and employees expressed satisfaction over the measures adopted by the Company.

Your Company utilized the work from home period to upskill the employees. Employees were encouraged to undergo online courses from reputed firms in line with the individual development plans.

The retention levels of employees at all levels significantly improved during the year.

As on March 31, 2021, the total number of permanent employees were 2,637.

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

The management of your Company has considered internal and certain external sources of information including economic forecasts and industry reports upto the date of approval of the financial statements in determining the impact on various elements of its financial statements. The management has used the principles of prudence in applying judgments, estimates and assumptions including sensitivity analysis and based on the current estimates, the management expects to fully recover the carrying amount of inventories, trade receivables, goodwill, intangible assets and investments. The eventual outcome of impact of the global health pandemic may be different from those estimated as on the date of approval of these financial statements.

**8. DIVIDEND:**

**A. Proposed Dividend for the Financial Year 2020-21:**

The Board of Directors of your Company has recommended a Final Dividend for the Financial Year 2020-21 at the rate of 80% (Eighty per cent), i.e., ₹ 8/- (Rupees Eight Only) per Equity Share of Face Value of ₹ 10/- (Rupees Ten Only) each, subject to the approval of the Shareholders at the ensuing 30<sup>th</sup> (Thirtieth) Annual General Meeting (AGM).

The Final Dividend will be paid to the Shareholders whose names appear in the Register of Members of the Company as on **Thursday, August 5, 2021** and in respect of shares held in dematerialized form, it will be paid to Shareholders whose names are furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), as the beneficial owners as on that date.

**10. SHARE CAPITAL:**

Your Company's Equity Share Capital position as at the beginning of the Financial Year 2020-21 (i.e., as on April 1, 2020) and as at the end of the said Financial Year (i.e., as on March 31, 2021) was as follows:-

Category of Share Capital	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)	No. of Shares	Face Value Per Share (₹)	Total Amount (₹)
<b>As on April 1, 2020:</b>						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,41,898	10	192,04,18,980
Preference	6,000	10	60,000	-	-	-
<b>TOTAL</b>	<b>22,50,00,000</b>		<b>2,25,00,00,000</b>	<b>19,20,41,898</b>		<b>192,04,18,980</b>
<b>As on March 31, 2021:</b>						
Equity	22,49,94,000	10	2,24,99,40,000	19,20,71,900	10	192,07,19,000
Preference	6,000	10	60,000	-	-	-
<b>TOTAL</b>	<b>22,50,00,000</b>		<b>2,25,00,00,000</b>	<b>19,20,71,900</b>		<b>192,07,19,000</b>

During the Financial Year under review, your Company has allotted 30,002 (Thirty Thousand and Two) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, pursuant to the exercise of stock options by the eligible employees of the Company under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 (GAVL ESGS 2018).

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

The Dividend payout for the Financial Year 2020-21 is in accordance with the Company's Dividend Distribution Policy.

**B. Status of Dividend Declared for the Financial Year 2019-20:**

At the 29<sup>th</sup> AGM of the Company held on July 31, 2020, the Company had declared a Final Dividend at the rate of 55% i.e. ₹ 5.50 (Rupees Five and Paise Fifty Only) per Equity Share, on the Equity Share Capital of the Company for the Financial Year 2019-20, aggregating to ₹ 95,88,10,401/- (Rupees Ninety Five Crore Eighty Eight Lakh Ten Thousand Four Hundred and One Only).

As on March 31, 2021, ₹ 95,85,20,021/- (Rupees Ninety Five Crore Eighty Five Lakh Twenty Thousand and Twenty One Only) was paid and ₹ 2,90,380/- (Rupees Two Lakh Ninety Thousand Three Hundred and Eighty Only) is lying in Godrej Agrovet Limited – Unpaid & Unclaimed Account for the Financial Year 2019-20.

The dividend declared and paid for the Financial Year 2019-20 by the Company was in compliance with the provisions of the Companies Act, 2013 and the Rules framed thereunder and in accordance with the Company's Dividend Distribution Policy.

**9. TRANSFER TO RESERVES:**

Your Directors do not propose to transfer any amount to any reserve during the Financial Year ended March 31, 2021.

The aforementioned allotted 30,002 (Thirty Thousand and Two) Equity Shares have been listed for trading on the National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) and rank *pari passu* with the existing Equity Shares of the Company.

#### 11. EMPLOYEES STOCK GRANT SCHEME:

The details of the stock grants allotted under the Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018 ("GAVL ESGS 2018"), as disclosed in compliance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, have been uploaded on the website of the Company at [www.godrejagrovet.com](http://www.godrejagrovet.com).

The Nomination and Remuneration Committee of the Board of Directors administers and monitors the ESGS 2018. The Board of Directors confirm that the GAVL ESGS 2018 has been implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the resolution passed by the Shareholders. The Board further confirms that there have been no changes in the GAVL ESGS 2018 during the Financial Year 2020-21.

The Certificate received from B S R & Co. LLP, Chartered Accountants, the Statutory Auditors of the Company, pursuant to Regulation 14 of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 will be available for inspection. Request for the same may please be sent by the Shareholders at [gavl.secretarial@godrejagrovet.com](mailto:gavl.secretarial@godrejagrovet.com).

#### 12. DEPOSITS:

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013, [(i.e., deposits within the meaning of Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014)], during the Financial Year 2020-21.

#### 13. HOLDING COMPANIES:

Your Company continues to be a subsidiary of Godrej Industries Limited ("GIL") as defined under Section 2(46) of the Companies Act, 2013. As on March 31, 2021, the shareholding of GIL in your Company was 11,50,59,634 (Eleven Crore Fifty Lakh Fifty-Nine Thousand Six Hundred and Thirty Four) Equity Shares of Face Value of ₹ 10/- (Rupees Ten Only) each, which is 59.90% of the Paid-up Equity Share Capital of the Company.

#### 14. SUBSIDIARY COMPANIES:

Your Company had the following subsidiaries [as defined under Section 2(87) of the Companies Act, 2013] during the Financial Year 2020-21:-

##### i. Godvet Agrochem Limited:

A wholly-owned subsidiary of your Company throughout the Financial Year 2020-21.

##### ii. Astec LifeSciences Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 62.30% of the Equity Share Capital as on March 31, 2021.

##### iii. Behram Chemicals Private Limited:

A subsidiary of Astec LifeSciences Limited throughout the Financial Year 2020-21, in which Astec LifeSciences Limited holds 65.63% as on March 31, 2021.

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

A wholly-owned subsidiary of Astec LifeSciences Limited throughout the Financial Year 2020-21.

##### v. Astec Europe Spri (Belgium, Europe):

A subsidiary of Astec LifeSciences Limited upto August 31, 2020, in which Astec LifeSciences Limited was holding 50.10%.

##### vi. Creamline Dairy Products Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 51.91% as on March 31, 2021.

Creamline Dairy Products Limited is an Unlisted Material Subsidiary of your Company as on March 31, 2021, as per Regulation 16(1)(c) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

##### vii. Godrej Tyson Foods Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 51.00% as on March 31, 2021.

##### viii. Godrej Maxximilk Private Limited:

A subsidiary of your Company throughout the Financial Year 2020-21, in which your Company holds 74.90% as on March 31, 2021.

During the year under review, on July 1, 2020, your Company acquired additional 0.90% of the Paid-up Equity Share Capital of Godrej Maxximilk Private Limited, increasing its equity shareholding from 74.00 % to 74.90%.

#### 15. JOINT VENTURE COMPANY:

##### ACI Godrej Agrovet Private Limited, Bangladesh

Your Company holds 50% of the Paid-up Equity Share Capital in ACI Godrej Agrovet Private Limited ("ACIGAVPL") (a body corporate incorporated in and under the laws of Bangladesh), while the remaining 50% of the Paid-up Equity Share Capital in ACIGAVPL is held by Advanced Chemical Industries (ACI) Limited, Bangladesh, pursuant to a Joint Venture arrangement.

#### 16. ASSOCIATE COMPANIES:

##### AI Rahba International Trading LLC, Abu Dhabi, United Arab Emirates (UAE)

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

**17. SCHEME OF AMALGAMATION / ARRANGEMENT:**

During the Financial Year 2020-21, your Company has not proposed or considered or approved any Scheme of Merger / Amalgamation / Takeover / Demerger or Arrangement with its Members and/or Creditors.

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

Sr. No.	Particulars	Remarks
1.	Change in Nature of Business, if any	None
2.	Details of Directors / Key Managerial Personnel (KMP) who were appointed or have resigned during the Financial Year 2020-21	
	<b>Sr. No.</b>	<b>Name of Director</b>
		<b>Date of Appointment/ Resignation</b>
a)	Mr. Vijay M. Crishna	Mr. Vijay M. Crishna ceased to be a Director (Non-Executive & Non-Independent) of the Company with effect from March 8, 2020, due to attainment of age of 75 years, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.  Mr. Vijay M. Crishna was appointed as an "Additional Director" (Non-Executive & Non-Independent Director) by the Board of Directors of the Company at its Meeting held on May 11, 2020.  The Shareholders of the Company at their 29 <sup>th</sup> Annual General Meeting held on July 31, 2020, appointed Mr. Vijay M. Crishna as a "Non-Executive & Non-Independent Director" of the Company by passing a Special Resolution under Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
b)	Mr. Kavas N. Petigara	Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.
3.	Names of Companies which have become or have ceased to be Subsidiaries, Joint Ventures or Associate Companies during the Financial Year 2020-21.	During the Financial Year 2020-21, Astec Europe Sprl (Belgium, Europe) ceased to be a step-down subsidiary of your Company with effect from September 1, 2020 due to sale of equity stake by Astec LifeSciences Limited in Astec Europe Sprl on August 31, 2020.
4.	Details of Deposits covered under Chapter V of the Companies Act, 2013	Accepted during the year: Nil  Remained unpaid or unclaimed during the year: Nil  Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and total amount involved:  a. At the beginning of the year: Nil  b. Maximum during the year: Nil  c. At the end of the year: Nil  Details of Deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013: None
5.	Details of Significant and Material Orders passed by the Regulators or Courts or Tribunals, impacting the going concern status and the Company's operations in future.	During the Financial Year 2020-21, no significant and material orders have been passed by the Regulators or Courts or Tribunals which impact the going concern status and the Company's operations in future.
6.	Details in respect of Adequacy of Internal Financial Controls with reference to the Financial Statement.	In the opinion of the Board of Directors, adequate internal control checks are available with reference to the Financial Statements.

Sr. No.	Particulars	Remarks
7.	The details of application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016, during the year along with their status as at the end of the Financial Year.	During the Financial Year 2020-21, there was no application made and proceeding initiated / pending by any Financial and/or Operational Creditors against your Company under the Insolvency and Bankruptcy Code, 2016.  As on the date of this Report, there is no application or proceeding pending against your Company under the Insolvency and Bankruptcy Code, 2016.
8.	The details of difference between the amount of valuation at the time of One-time settlement and the valuation done at the time of taking a loan from the Banks or Financial Institutions along with the reasons thereof.	During the Financial Year 2020-21, the Company has not made any settlement with its Bankers for any loan/facility availed and/or still in existence.

## 19. ANNUAL RETURN:

Pursuant to the Companies (Management and Administration) Amendment Rules, 2020, a Company is not required to attach the Extract of the Annual Return with the Directors' Report in Form No. MGT-9, in case the web link of such Annual Return has been disclosed in the Board's Report in accordance with Section 92(3) of the Companies Act, 2013.

A copy of the Annual Return is placed on the website of your Company at <https://www.godrejagrovet.com/investors/annual-reports>.

## 20. DIRECTORS:

The Board of Directors of your Company comprised of the following Directors, as on March 31, 2021:

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

(\*) The Board of Directors, at its Meeting held on May 11, 2020, approved the appointment of Mr. Vijay M. Crishna as an "Additional Director" of the Company, and the Shareholders, at their 29<sup>th</sup> Annual General Meeting of the Company held on July 31, 2020, approved the appointment of Mr. Vijay M. Crishna as a "Non-Executive, Non-Independent Director" by passing a Special Resolution, pursuant to Regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(^) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.

(#) Mr. Jamshyd N. Godrej (DIN: 00076250) and Mr. Pirojsha Godrej (DIN: 00432983), Non-Executive & Non-Independent Directors of the Company will retire by rotation at the ensuing 30<sup>th</sup> (Thirtieth) Annual General Meeting ("AGM") of the Company, in accordance with the provisions of the Section 152 of Companies Act, 2013 and being eligible, offer themselves for re-appointment.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an "Additional Director" (Non-Executive & Independent Director) of the Company, subject to the approval of the Shareholders at the ensuing 30<sup>th</sup> AGM.



**21. KEY MANAGERIAL PERSONNEL:**

The following are the Key Managerial Personnel (KMP) of your Company pursuant to the provisions of Section 203 of the Companies Act, 2013, throughout the Financial Year 2020-21:-

1.	Mr. Balram S. Yadav	(Managing Director)
2.	Mr. S. Varadaraj	(Chief Financial Officer & Head - Legal & IT)
3.	Mr. Vivek Raizada	(Head – Legal & Company Secretary & Compliance Officer)

**22. POLICY ON APPOINTMENT & REMUNERATION OF DIRECTORS:**

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

The Nomination and Remuneration Policy of your Company has been made available on website of the Company at the weblink <https://www.godrejagrovvet.com/sustainability/codes-and-policies>.

The criteria for determining qualifications, positive attributes and independence of Directors is given in “ANNEXURE - ‘B’” to this Board’s Report.

**23. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:**

As on March 31, 2021, the following Directors on your Company’s Board were Independent Directors:

1. Mr. Kavas N. Petigara\*
2. Dr. Raghunath A. Mashelkar
3. Dr. Ritu Anand
4. Ms. Aditi Kothari Desai
5. Ms. Roopa Purushothaman
6. Mr. Natarajan Srinivasan
7. Mr. Kannan Sitaram

\* Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021 on account of his resignation due to personal reasons.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an “Additional Director” (Non-Executive & Independent) of the Company, subject to the approval of the Shareholders at the ensuing 30<sup>th</sup> Annual General Meeting.

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, disclosure is hereby given that the Company has received declaration / confirmation of independence from all the Independent Directors of your Company (except Mr. Kavas

N. Petigara who ceased to be an Independent Director of the Company with effect from April 1, 2021), pursuant to Section 149(6) of the Companies Act, 2013, as amended from time to time and after undertaking due assessment of the veracity of the same, the Board is of the opinion that the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Companies Act, 2013. The Certificates of Independence received from all the Independent Directors have been duly noted by the Board at its Meeting held on May 7, 2021.

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

The details of familiarization programme attended by the Independent Directors during the Financial Year 2020-21 are available on the website of the Company at the weblink <https://www.godrejagrovvet.com/investors/compliance>.

**24. STATEMENT OF THE BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2020-21:**

During the Financial Year 2020-21, no new Independent Director was appointed and/or re-appointed in your Company.

Upon the recommendation of the Nomination and Remuneration Committee, the Board of Directors, at its Meeting held on May 7, 2021, has appointed Dr. Ashok Gulati as an “Additional Director” (Non-Executive & Independent Director) of the Company, subject to the approval of the Shareholders at the ensuing 30<sup>th</sup> Annual General Meeting.

In the opinion of the Board of Directors of your Company, all the Independent Directors (including Dr. Ashok Gulati) possess the requisite integrity, expertise and experience.

**25. MEETINGS OF THE BOARD OF DIRECTORS:**

The Meetings of the Board of Directors are pre-scheduled and intimated to all the Directors in advance in order to help them plan their schedule. However, in case of special and urgent business needs, approval is taken either by convening Meetings at a shorter notice with consent of all the Directors or by passing a Resolution by Circulation.

There were 5 (Five) Meetings of the Board of Directors held during the Financial Year 2020-21 (i.e., May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021).

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

**26. AUDIT COMMITTEE:**

Pursuant to the provisions of Section 177(1) of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 18 read with Part C of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted an Audit Committee of the Board of Directors.

The Audit Committee comprised of the following Members as on March 31, 2021:-

1.	Mr. Kavas N. Petigara (*)	(Chairman, Non-Executive & Independent Director)
2.	Dr. Ritu Anand	(Member, Non-Executive & Independent Director)
3.	Ms. Aditi Kothari Desai	(Member, Non-Executive & Independent Director)
4.	Mr. Balram S. Yadav	(Member, Managing Director)

(\*) Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021.

Mr. Natarajan Srinivasan, Non-Executive & Independent Director has been inducted as the Chairman of the Audit Committee with effect from April 23, 2021.

There were 5 (Five) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2020-21, (i.e., on May 11, 2020, July 31, 2020, September 28, 2020, November 4, 2020 and February 4, 2021).

The Statutory Auditors, Internal Auditors and Chief Financial Officer attend the Audit Committee Meetings as Invitees. The Company Secretary and Compliance Officer acts as Secretary to the Audit Committee.

During the Financial Year 2020-21, the Audit Committee has made observations and recommendations to the Board of Directors, which have been noted and accepted by the Board. There were no instances where the recommendations were not accepted.

## 27. NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013, Rule 6 of the Companies (Meetings of Board & Its Powers) Rules, 2014 and Regulation 19 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors.

The Nomination and Remuneration Committee comprises of the following Members as on March 31, 2021:-

1.	Dr. Ritu Anand	(Chairperson, Non-Executive & Independent Director)
2.	Ms. Roopa Purushothaman	(Member, Non-Executive & Independent Director)
3.	Ms. Nisaba Godrej	(Member, Non-Executive & Non-Independent Director)

There was 1 (One) Meeting of the Nomination and Remuneration Committee held during the Financial Year 2020-21 (i.e., on May 11, 2020).

## 28. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 read with Part D of Schedule II to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Stakeholders' Relationship Committee of the Board of Directors, comprising of the following Members as on March 31, 2021:-

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	(Member, Managing Director)
3.	Mr. Natarajan Srinivasan	(Member, Non-Executive & Independent Director)

There was 1 (One) Meeting of the Stakeholders' Relationship Committee held during the Financial Year 2020-21 (i.e., on November 4, 2020).

## 29. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE & CSR POLICY:

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

The CSR Committee comprises of the following Members as on March 31, 2021:-

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

There were 2 (Two) Meetings of the CSR Committee held during the Financial Year 2020-21 (i.e., on May 11, 2020 and November 4, 2020).

### Areas of CSR Expenditure:

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

The CSR Policy of your Company is available on the website of the Company at the weblink <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

**Amount of CSR Spending:**

During the Financial Year 2020-21, your Company was required to spend ₹ 6.22 Crore towards CSR activities in terms of the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 and accordingly, the Company's CSR spending for the Financial Year 2020-21 was ₹ 6.28 Crore.

**Annual Report on CSR Activities:**

The Annual Report on CSR Activities of your Company for the Financial Year 2020-21, is annexed herewith as "**Annexure –C**".

Your Company has amended the CSR Policy with effect from April 1, 2021, at the respective Meetings of the CSR Committee and the Board of Directors held on May 7, 2021, in accordance with the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021, notified by the Ministry of Corporate Affairs (MCA) on January 22, 2021.

**30. RISK MANAGEMENT COMMITTEE:**

Pursuant to Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has constituted a Risk Management Committee of the Board of Directors, comprising of the following Members, as on March 31, 2021:-

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Balram S. Yadav	(Member, Managing Director)
3.	Mr. Natarajan Srinivasan	(Member, Non-Executive & Independent Director)

There was 1 (One) Meeting of the Risk Management Committee held during the Financial Year 2020-21 (i.e., on February 4, 2021).

The Company has developed and implemented a Risk Management Policy and in the opinion of the Board of Directors, no risks have been identified which may threaten the existence of your Company.

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

Your Company endeavors to become aware of different kinds of business risks and bring together elements of best practices for risk management in relation to existing and emerging risks. Rather than avoiding these risks, the decision-making process at your Company considers it appropriate to take fair and reasonable risk which also enables your Company to effectively leverage market opportunities.

The Board determines the fair and reasonable extent of principal risks that your Company is willing to take to achieve its strategic objectives. With the support of the Audit Committee, it carries out a review of the effectiveness of your Company's risk management process covering all material risks.

Your Company has substantial operations spread almost all over the country and its competitive position is influenced by the economic, regulatory and political situations and actions of the competitors.

**31. MANAGING COMMITTEE:**

Your Company has constituted the Managing Committee of the Board of Directors, pursuant to Article 144 of the Articles of Association of the Company:

The Managing Committee comprises of the following Members as on March 31, 2021:

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Ms. Nisaba Godrej	(Member, Non-Executive & Non-Independent Director)
3.	Mr. Pirojsha Godrej	(Member, Non-Executive & Non-Independent Director)
4.	Mr. Balram S. Yadav	(Member, Managing Director)

The Managing Committee met 7 (Seven) times during the Financial Year 2020-21, (i.e., on May 11, 2020, May 22, 2020, September 10, 2020, November 4, 2020, December 10, 2020, January 27, 2021 and February 4, 2021).

**32. STRATEGY COMMITTEE:**

Your Company had constituted a Strategy Committee of the Board of Directors, comprising of the following Members, as on March 31, 2021:

1.	Mr. Nadir B. Godrej	(Chairman, Non-Executive & Non-Independent Director)
2.	Mr. Kavas N. Petigara*	(Member, Non-Executive & Independent Director)
3.	Mr. Balram S. Yadav	(Member, Managing Director)

\* Mr. Kavas N. Petigara ceased to be a Director (Non-Executive & Independent Director) of the Company with effect from April 1, 2021.

The Strategy Committee did not meet during the Financial Year 2020-21, as there was no substantial matter for their consideration.

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

**33. MEETING OF INDEPENDENT DIRECTORS:**

The Independent Directors met once during the Financial Year 2020-21, i.e., on May 11, 2020, pursuant to Regulation 25 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Schedule IV to the Companies Act, 2013.

The discussion at the Meeting of the Independent Directors was conducted without the presence of the Chairman, Managing Director, Non-Executive Directors, Chief Financial Officer and the Company Secretary & Compliance Officer of the Company.

**34. VIGIL MECHANISM:**

Your Company has adopted a Whistle Blower Policy (“the Policy”) as a part of its vigil mechanism. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organization without the knowledge of the Management. All employees shall be protected from any adverse action for reporting any unacceptable or improper practice and/or any unethical practice, fraud, or violation of any law, rule, or regulation.

This Policy is also applicable to your Company’s Directors and employees and it is available on the internal employee portal and the website of your Company [www.godrejagrovet.com](http://www.godrejagrovet.com). Mr. V. Swaminathan, Head - Corporate Audit & Assurance, has been appointed as the ‘Whistle Blowing Officer’ and his contact details have been mentioned in the Policy. Furthermore, employees are also free to communicate their complaints directly to the Chairman of the Audit Committee, as stated in the Policy.

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

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

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

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

**35. PERFORMANCE EVALUATION:**

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

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

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

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

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

The Board of Directors of your Company has constituted Internal Complaints Committees (ICCs) at Head Office as well as regional levels, in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder.

The ICC at the Head Office level comprised of the following Members as on March 31, 2021:

1.	Ms. Chhavi Agarwal	(Chairperson)
2.	Mr. S. Varadaraj	(Member)
3.	Mr. Salil Chinchore	(Member)
4.	Ms. Apurva Rao	(Member)
5.	Ms. Sharmila Kher	(External Member)

The Company has formulated and circulated to all the employees, a Policy on Prevention of Sexual Harassment at Workplace (“POSH Policy”), which provides for a proper mechanism for redressal of complaints of sexual harassment.

The Company has received and disposed 2 (Two) cases under the POSH Policy during the Financial Year 2020-21.

**37. SIGNIFICANT REGULATORY OR COURT ORDERS:**

During the Financial Year 2020-21, there were 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.

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

As required to be reported pursuant to the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013, the particulars of loans, guarantees and investments by your Company under the aforesaid provisions during the Financial Year 2020-21, have been provided in the Notes to the Standalone Financial Statement.

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

Except as disclosed below, all Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on arm’s length basis and in the ordinary course of business. There were no material significant Related Party Transactions entered into by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company. Requisite prior approvals of the Audit Committee of the Board of Directors were obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties set out in Note No. 54 of the Standalone Financial Statements, forming part of the Annual Report. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

During the Financial Year 2020-21, the Company has entered into a transaction with Godrej Properties Limited (“GPL”), a

Related Party, for sale of a land/s admeasuring 17 Acres and 16 Guntas (approx.) situated at Tiruvaranga Village, Bagur Village, Anugondanahalli, Hobli, Hoskote Taluka, Bangalore Rural District, Karnataka, for an aggregate consideration of ₹ 15.32 Crore (Rupees Fifteen Crore and Thirty Two Lakh Only).

The aforementioned transaction was not in ordinary course of business of the Company, however, was entered at an arm's length price.

**40. FRAUD REPORTING:**

During the Financial Year 2020-21, there have been no instances of frauds reported by the Auditors under Section 143(12) of the Companies Act, 2013 and the Rules framed thereunder, either to the Company or to the Central Government.

**41. INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:**

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

Further, the internal financial controls with reference to the Financial Statements are adequate in the opinion of the Board of Directors and were operating effectively during the Financial Year 2020-21.

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

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

The internal control is supplemented by an extensive programme of internal audits, external audits and periodic review by the Management. This system is designed to adequately ensure that financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

There were 5 (Five) Meetings of the Audit Committee of the Board of Directors held during the Financial Year 2020-21, with at least 1 (One) meeting in each quarter. The Statutory Auditors and the Internal Auditors were, *inter alia*, invited to attend the Audit Committee Meetings and present their observations on adequacy of Internal Financial Controls and the steps required to bridge gaps, if any. The Board of Directors noted the observations and accepted the recommendations of the Audit Committee.

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

Transactions with persons or entities belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company as required under Schedule V Part A (2A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, have been disclosed in the accompanying Financial Statements.

**43. DIRECTORS' RESPONSIBILITY STATEMENT:**

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

- a) in the preparation of the Annual Financial Statements for the Financial Year ended March 31, 2021, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2021) and of the profit and loss of the Company for that period (i.e., the Financial Year 2020-21);
- c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the Annual Financial Statements on a going concern basis;
- e) they had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**44. CORPORATE GOVERNANCE:**

As required by Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a detailed report on Corporate Governance forms part of this Annual Report.

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

**45. STATUTORY AUDITORS:**

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

Pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act, 2017, effective from May 7, 2018, the requirement of seeking ratification of the Members for the appointment of the Statutory Auditors was withdrawn from Companies Act, 2013. However, the Members of the Company at the 27<sup>th</sup> (Twenty-Seventh) AGM held on August 9, 2018, had approved ratification of appointment of B S R & Co. LLP as the Statutory Auditors of the Company for the remaining period, i.e., from the conclusion of the 27<sup>th</sup> (Twenty Seventh) AGM, till the conclusion of the 31<sup>st</sup> (Thirty-First) AGM. Therefore, the approval of the Members for continuance of their appointment at this AGM is not being sought.

The Statutory Auditors’ Report on the Financial Statements for the Financial Year ended March 31, 2021, does not contain any qualification, reservation, adverse remark or disclaimer.

**46. COST RECORDS AND COST AUDITORS:**

M/s. P. M. Nanabhoy & Co., Cost Accountants, Mumbai (Firm Registration No.: 00012) have been appointed by the Board of Directors at its Meeting held on May 7, 2021, as the Cost Auditors of the Company for all the applicable products, pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2021-22. The Shareholders are requested to ratify the remuneration payable to the Cost Auditors at their ensuing 30<sup>th</sup> Annual General Meeting, in terms of Rule 14 of the Companies (Audit & Auditors) Rules, 2014.

The Company has made and maintained cost accounts and records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, for the Financial Year 2020-21.

**47. SECRETARIAL AUDITORS & SECRETARIAL AUDIT REPORT:**

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

The Secretarial Audit Report submitted by the Secretarial Auditors for the Financial Year 2020-21 is annexed as “**ANNEXURE – D**” to this Board’s Report.

Further, pursuant to the provisions of Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”), Creamline Dairy Products Limited (“CDPL”) is an Unlisted Material Subsidiary of your Company and the Secretarial Audit Report submitted by the Secretarial Auditors of CDPL is also annexed as “**ANNEXURE - E**” to this Board’s Report.

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

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their Statutory Audit Report on the Financial Statements for the Financial Year 2020-21.

There are no qualifications, reservations, adverse remarks and disclaimers of the Secretarial Auditors in their Secretarial Audit Report for the Financial Year 2020-21.

**49. LISTING FEES:**

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

**50. DEPOSITORY SYSTEM:**

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

**51. RESEARCH AND DEVELOPMENT (R&D):**

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

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

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

**53. POLICIES OF THE COMPANY:**

The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) have mandated the formulation of certain policies for all listed companies. All the Policies and Codes adopted by your Company, from time to time, are available on the Company’s website at the weblink: <https://www.godrejagrovet.com/sustainability/codes-and-policies>.

The key policies that have been adopted by your Company pursuant to the provisions of the Companies Act, 2013 and the Rules framed thereunder, the SEBI Listing Regulations and other applicable laws, are as follows:

<b>Sr. No.</b>	<b>Name of the Policy</b>	<b>Brief Particulars of the Policy</b>
1.	Risk Management Policy	<p>The Company has in place, a Risk Management Policy which is framed by the Board of Directors of the Company. This Policy deals with identifying and assessing risks such as operational, strategic, financial, security, property, regulatory, reputational, cyber security and other risks and the Company has in place an adequate risk management infrastructure capable of addressing these risks.</p> <p>The Board of Directors of your Company is of the opinion that, at present, there are no elements of risks which may threaten the existence of the Company.</p>
2.	Corporate Social Responsibility Policy	<p>The Corporate Social Responsibility Committee has formulated and recommended to the Board of Directors, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company in fulfilment of its Corporate Social Responsibility, which has been approved by the Board.</p> <p>This Policy outlines the Company's strategy to bring about a positive impact on society through activities and programmes relating to education, sanitation, environment, etc.</p>
3.	Policy for determining Material Subsidiaries	<p>This Policy is used to determine the material subsidiaries and material unlisted Indian subsidiaries of the Company in order to comply with the requirements of Regulation 16(1)(c), Regulation 24 and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, from time to time.</p> <p>As on March 31, 2021, Creamline Dairy Products Limited is a material unlisted subsidiary of your Company.</p>
4.	Nomination and Remuneration Policy	<p>This Policy formulates the criteria for determining qualifications, competencies, positive attributes and independence of a Director (Executive / Non-Executive / Independent) and also the criteria for determining the remuneration of the Directors, Key Managerial Personnel and other Senior Management Employees.</p>
5.	Policy to promote Board Diversity	<p>This Policy endeavours to promote diversity at Board level, with a view to enhance its effectiveness.</p>
6.	Whistle Blower Policy / Vigil Mechanism	<p>Your Company has a Vigil Mechanism/ Whistle Blower Policy. The purpose of the Policy is to enable employees to raise concerns regarding unacceptable improper practices and/or any unethical practices in the organization. The Policy provides adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.</p>
7.	Human Rights Policy	<p>Your Company has in place, a Human Rights Policy which demonstrates the Company's commitment to respect human rights and treat people with dignity and respect in the course of conduct of its business.</p>
8.	Policy on Prevention of Sexual Harassment at Workplace	<p>Your Company has in place, a Policy on Prevention of Sexual Harassment at Workplace, which provides for a proper mechanism for redressal of complaints of sexual harassment and thereby encourages employees to work together without fear of sexual harassment, exploitation or intimidation.</p>
9.	Policy on Related Party Transactions	<p>This Policy regulates all transactions between the Company and its Related Parties.</p>
10.	Code of Conduct for the Board of Directors and Senior Management Personnel	<p>Your Company has in place, a Code of Conduct for the Board of Directors and Senior Management Personnel which reflects the legal and ethical values to which your Company is strongly committed. The Directors and Senior Management Personnel of your Company have complied with the Code as mentioned hereinabove during the Financial Year 2020-21.</p>
11.	Code of Conduct for Prevention of Insider Trading	<p>This Policy sets up an appropriate mechanism to curb Insider Trading in accordance with Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time.</p>
12.	Policy on Criteria for determining Materiality of Events	<p>This Policy applies to disclosures of material events affecting the Company. This Policy warrants disclosure to investors and has been framed in compliance with the requirements of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.</p>

Sr. No.	Name of the Policy	Brief Particulars of the Policy
13.	Policy for Maintenance and Preservation of Documents	The purpose of this Policy is to specify the type of documents and time period for preservation thereof based on the classification mentioned under Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy covers all business records of the Company, including written, printed and recorded matter and electronic forms of records.
14.	Archival Policy	This Policy is framed pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation"). As per this Policy, your Company is required to disclose on its website, all such events or information which have been disclosed to the Stock Exchanges under Regulation 30 of the SEBI Listing Regulations, where the securities of the Company are listed. Further, such disclosures shall be hosted on the website of the Company for a minimum period of 5 (Five) years and thereafter as per Archival Policy of the Company.
15.	Dividend Distribution Policy	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The focus of the Company is to have a Policy on distribution of dividend so that the investor may know as to when and how much dividend they may expect.
16.	Policy for Inquiry in case of Leak of Unpublished Price Sensitive Information ("UPSI")	This Policy is framed by the Board of Directors in terms of the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018.  The focus of the Company is to have a Policy in place to strengthen the Internal Control System and prevent leak of UPSI. This Policy also aims to have a uniform Code to curb unethical practices of sharing UPSI by insiders, employees and designated persons with any other person without a legitimate purpose.
17.	Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information ("UPSI")	The Code intends to formulate a stated framework and policy for fair disclosure of events and occurrences that could impact price discovery in the market for the Company's securities and to maintain the uniformity, transparency and fairness in dealings with all stakeholders and ensure adherence to applicable laws and regulations.

**54. SECRETARIAL STANDARDS:**

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

**55. BUSINESS RESPONSIBILITY REPORT:**

The Company has prepared its Business Responsibility Report for the Financial Year 2020-21, in accordance with of Regulation 34 (2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015 issued by the Securities and Exchange Board of India (SEBI), to describe the initiatives taken by the Company from an environmental, social and governance perspective. The said Report is prepared in accordance with the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' (NVGs) notified by the Ministry of Corporate Affairs (MCA), Government of India, in July 2011 and forms part of this Annual Report.

**56. MANAGERIAL REMUNERATION:**

The remuneration paid to the Directors and Key Managerial Personnel of the Company during the Financial Year 2020-21 was in accordance with the Nomination and Remuneration Policy of the Company.

The disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 have been given as "**ANNEXURE-G**" to this Board's Report.

**57. PARTICULARS OF EMPLOYEES:**

The disclosure as per Section 197 of the Companies Act, 2013 read with Rule 5 (2) and Rule 5 (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of your Company, is available for inspection by the Shareholders upto the date of the ensuing 30<sup>th</sup> (Thirtieth) Annual General Meeting. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary & Compliance Officer at [gavl.secretarial@godrejagrovet.com](mailto:gavl.secretarial@godrejagrovet.com).

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

**58. ADDITIONAL INFORMATION:**

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

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

The Audited Annual Financial Statements and related information of the Company's subsidiaries will be made available upon request. These documents will also be



available for inspection. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary & Compliance Officer at [gavl.secretarial@godrejagrovet.com](mailto:gavl.secretarial@godrejagrovet.com).

The Subsidiary Companies' Audited Financial Statements are also available on the Company's website [www.godrejagrovet.com](http://www.godrejagrovet.com), pursuant to Section 136 of the Companies Act, 2013.

**59. INVESTOR EDUCATION AND PROTECTION FUND ("IEPF"):**

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

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

**60. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

The Management Discussion and Analysis Report for the Financial Year 2020-21, as stipulated under Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, forms part of the Annual Report.

**61. CAUTIONARY STATEMENT:**

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

**62. APPRECIATION:**

Your Directors wish to place on record sincere appreciation for the support and co-operation received from various Central and State Government Departments, organizations and agencies.

Your Directors also gratefully acknowledge all stakeholders of your Company, viz., Shareholders, customers, dealers, vendors, bankers and other business partners for excellent support received from them during the Financial Year under review.

Your Directors also express their warm appreciation to all the employees of the Company for their unstinted commitment and continued contribution to the growth of your Company.

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

Sd/-

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

**Date:** May 7, 2021

**Place:** Mumbai

## ANNEXURE 'A' TO THE DIRECTORS' REPORT

### DIVIDEND DISTRIBUTION POLICY

[(In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

#### 1. OBJECTIVE:

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

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

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

- a) Appropriate reward to Shareholders through dividends; and
- b) Ploughing back earnings to support sustained growth.

#### 2. BACKGROUND:

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

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

#### 3. DIVIDEND DISTRIBUTION PHILOSOPHY:

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

#### 4. LEGAL PROVISIONS REGARDING PAYMENT OF DIVIDEND:

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

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

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

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

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

- a) Whenever it undertakes or proposes to undertake a significant expansion project requiring higher allocation of capital;
- b) Significantly higher working capital requirements adversely impacting free cash flow;
- c) Whenever it undertakes any acquisitions or joint ventures requiring significant allocation of capital;
- d) In the event of inadequacy of profit or whenever the Company has incurred losses;
- e) Whenever it proposes to utilize surplus cash for buy-back of securities; or
- f) In the event of inadequacy of profits or whenever the Company has incurred losses.

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

##### ➤ FINANCIAL PARAMETERS / INTERNAL FACTORS:

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

- Macro-economic and business conditions in general;
- Any other relevant factors that the Board of Directors may deem fit to consider before declaring Dividend.

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

➤ **EXTERNAL FACTORS:**

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

**7. UTILISATION OF RETAINED EARNINGS:**

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

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

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

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

**9. MANNER OF DIVIDEND PAYOUT:**

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

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

- i. The Board shall recommend dividend to the Shareholders, which shall be paid subject to approval of the Shareholders at Annual General Meetings of the Company.
- ii. Dividends shall be paid only out of Current Profits or past profits after providing for depreciation and setting off losses, if any.
- iii. The amount of the dividend shall be deposited in a scheduled bank in separate account within 5 (Five) days from the declaration of dividend.
- iv. The payment of dividend shall be made within 30 (Thirty) days from the date of declaration at the Annual General Meeting, to the Shareholders entitled to receive the dividend on the record date as per the applicable law.

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

- i. Interim dividend, if any, shall be declared by the Board.
- ii. Before declaring Interim dividend, the Board shall consider the financial position of the Company that allows the payment of such dividend.
- iii. In case no Final dividend is declared at the Annual General Meeting, Interim dividend will be considered as the Final dividend of the Company.

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

**C. Payment mode:**

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

**10. CONCLUSION:**

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

**11. REVIEW AND AMENDMENT OF POLICY:**

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

**12. DISCLAIMER:**

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

**13. ADOPTION OF POLICY BY THE BOARD OF DIRECTORS:**

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

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

**Sd/-  
Nadir B. Godrej  
Chairman  
(DIN: 00066195)**

**Date:** May 7, 2021  
**Place:** Mumbai

## ANNEXURE 'B' TO THE DIRECTORS' REPORT

### CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES AND INDEPENDENCE OF DIRECTORS OF GODREJ AGROVET LIMITED as at the Financial Year ended March 31, 2021

#### 1. Qualifications of Independent Director:

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

#### 2. Positive Attributes of Independent Directors:

An Independent Director shall be a person who shall:

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

- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist the Company in implementing the best corporate governance practices.

#### 3. Independence of Independent Directors:

An Independent Director should meet the criteria for independence prescribed under Section 149(6) of the Companies Act, 2013 (as may be amended from time to time) and Regulation 16 (1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**Sd/-  
Nadir B. Godrej  
Chairman  
(DIN: 00066195)**

**Date:** May 7, 2021  
**Place:** Mumbai

## ANNEXURE - C TO THE DIRECTORS' REPORT

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES FOR THE FINANCIAL YEAR 2020-21

#### 1. Brief Outline of CSR Policy of the Company:

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

The key purpose of our CSR Policy is to:

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

Through our Good & Green CSR Policy, we align our CSR strategy with the Godrej Group's Good & Green vision and goals. The Policy focuses on addressing critical social, environmental and economic needs of the marginalised / underprivileged sections of the society. We adopt a shared value approach that helps solve these critical problems while strengthening our competitive advantage. The approach aligns our growth with social and environmental impact.

#### 2. Composition of CSR Committee:

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

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

The information regarding composition of the CSR Committee, CSR Policy and CSR projects approved by the Board are disclosed on the website of the Company, viz: [www.godrejagrovet.com](http://www.godrejagrovet.com) at the following web-links:-

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

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

[https://www.godrejagrovet.com/public/pdfs/codes\\_policies/sustainability/Godrej\\_Agrovet\\_CSR\\_Policy.pdf](https://www.godrejagrovet.com/public/pdfs/codes_policies/sustainability/Godrej_Agrovet_CSR_Policy.pdf)

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

Not Applicable

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

Not Applicable

#### 6. Average Net Profit of the Company as per Section 135(5): ₹ 310.80 Crore

#### 7. (a) Two percent of Average Net Profit of the Company as per Section 135(5): ₹ 6.22 Crore

(b) Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years: Not Applicable

(c) Amount required to be set off for the Financial Year, if any: Not Applicable

(d) Total CSR Obligation for the Financial Year (7a+7b-7c): ₹ 6.22 Crore

## 8. (a) CSR amount Spent or Unspent for the Financial Year:

Total Amount Spent for the Financial Year (₹ in Crore)	Amount Unspent (₹ in Crore)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
6.28	Not Applicable				

## (b) Details of CSR amount spent against ongoing projects for the Financial Year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	State	District	Project duration	Amount allocated for the project (₹ in Crore)	Amount spent in the current Financial Year (₹ in Crore)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in Crore).	Mode of Implementation - Direct (Yes / No)	Mode of Implementation – Through Implementing Agency Name CSR Registration Number	
1.	Integrated Rural Livelihoods Programme (IRLP)	Clauses (ii), (iii), (iv), (x)	Yes	Maharashtra, Arunachal Pradesh, Chhattisgarh, Bihar	Nashik, Ratnagiri, East Godavari, Raipur, Vaishali	3 Years	1.32	1.32	NA	Both	Direct Evangelical Social Action Forum Sampada Trust Parivartan Aga Khan Rural Support Programme (I) Ambuja Cement Foundation	CSR00002189 CSR00002888
2.	Digital Education through Education Cafes	Clauses (ii), (iii)	Yes	Maharashtra, Uttar Pradesh	Sangli, Chandauli	1 Year	0.32	0.32	NA	Yes	Direct	NA
3.	Sport for Change – Promoting physical and mental health development	Clauses (i), (iii), (vii)	Yes	Arunachal Pradesh, Punjab	Hanuman Junction, Kondapalli, Ludhiana, Khanna	1.5 Years	0.49	0.49	NA	Both	Direct KooH Sports Foundation	CSR00003292
4.	Integrated Fishery & Poultry Enterprise Development	Clauses (i), (iii)	Yes	Uttar Pradesh	Badohi, Barabanki, Chandauli, Mirzapur	1.25 Years	0.52	0.52	NA	Both	Direct Society for Development Alternatives	CSR00000829
5.	Women-run Fishery Enterprise Development	Clauses (i), (iii)	Yes	Bihar	Patna	1 Year	0.09	0.09	NA	No	Satmile Satish Club O Pathagar	CSR00000303
6.	Integrated Watershed Management	Clauses (ii), (iv), (x)	No	Karnataka, Madhya Pradesh	Magadi, Barwani	4 Years	0.64	0.64	NA	Both	Direct AKRSP WoTR CEED WoTR	CSR00000518
7.	Program for socio-economic welfare	Clauses (i), (iii)	Yes	Maharashtra	Raigad, Pune	2 Years	0.27	0.27	NA	Yes	Direct Janvikas	CSR00002913
8.	Promotion of Innovation in Agriculture: Rural Development and Livelihood Enhancement	Clauses (iii), (iv)	Yes	Maharashtra, Gujarat	Nashik, Ratnagiri, Gadchiroli, Ahmednagar, Narmada, Panchmahal	2 years	0.11	0.11	NA	No	Gujarat Grassroots Innovation Augmentation Network	-
<b>TOTAL</b>							<b>3.76</b>	<b>3.76</b>				

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year:

(1) Sr. No.	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local Area (Yes/ No)	(5) Location of the Project		(6) Amount spent for the Project (₹ in Crore)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR Registration Number
1.	COVID Relief Food Kits	Clauses (i), (xii)	Yes	Pan India	NA	0.69	Yes	NA	NA
2.	Afforestation Project	Clauses (ii), (iv), (x)	Yes	Maharashtra	Mumbai, Navi Mumbai	0.02	Yes	NA	NA
3.	PM CARES Fund	Clause (viii)	NA	Pan India	NA	0.38	Yes	NA	NA
4.	Promotion of Future Agriculture Leaders of India	Clauses (ii), (iv)	Yes	Maharashtra	Pune, Satara, Kolhapur, Ahmednagar, Raigad	0.50	Both	Direct Gandhi Research Foundation	CSR00004570
5.	Promotion of Education	Clause (ii)	Yes	Maharashtra	Mumbai, Baramati, Lote Parshuram, Miraj	0.30	Both	Direct Punyabhushan Foundation Yuva Unstoppable CII	CSR00004022
6.	Promotion of Arts and Culture	Clauses (iii), (v)	Yes	Maharashtra	Mumbai	0.10	No	National Centre for the Performing Arts	-
7.	Study on Mask Aerosol Sampling for Detection of COVID-19	Clause (ix)	Yes	Maharashtra	Mumbai	0.10	Yes	NA	NA
8.	Community Development Initiatives	Clauses (ii), (x)	Yes	Tamil Nadu, Maharashtra	Erode, Nashik	0.18	Yes	NA	NA
9.	Monitoring of CSR Projects	NA	NA	NA	NA	0.07	Yes	NA	NA
<b>TOTAL</b>						<b>2.34</b>			

(d) Amount Spent in Administrative Overheads: Not Applicable

(e) Amount Spent on Impact Assessment, if applicable: ₹ 0.18 Crore\*

\* The Company has done a voluntary Impact Assessment study.

(f) Total Amount spent for the Financial Year (8b + 8c+ 8d + 8e): ₹ 6.28 Crore

(g) Excess Amount for set off, if any:

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of Average Net Profit of the Company as per Section 135(5)	₹ 6.22 Crore
(ii)	Total Amount Spent for the Financial Year	₹ 6.28 Crore
(iii)	Excess Amount Spent for the Financial Year [(ii)-(i)]	₹ 0.06 Crore*
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	Nil
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	Nil

\* The Company does not wish to set off the amount available, i.e. ₹ 0.06 Crore in the succeeding Financial Years.

## 9. (a) Details of Unspent CSR amount for the preceding three Financial Years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135 (6) (₹ in Crore)	Amount spent in the reporting Financial Year (₹ in Crore)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ in Crore)
				Name of the Fund	Amount (₹ in Crore)	Date of Transfer	
NA							

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

(1) Sr. No.	(2) Project ID	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project Duration	(6) Total amount allocated for the project (₹ in Crore) F.Y. 2020-21	(7) Amount spent on the project in the reporting Financial Year (₹ in Crore)	(8) Cumulative amount spent at the end of reporting Financial Year (₹ in Crore)	(9) Status of the project - Completed / Ongoing
1	GAVL001	Integrated Rural Livelihoods Programme	2018-19	3 years	1.32	1.32	2.71	Ongoing
2	GAVL002	Integrated Watershed Management	2017-18	4 Years	0.64	0.64	0.94	Ongoing
3	GAVL004	Promotion of Innovation in Agriculture: Rural Development and Livelihood Enhancement	2019-20	2 years	0.12	0.12	0.56	Ongoing
<b>TOTAL</b>					<b>2.08</b>	<b>2.08</b>	<b>4.21</b>	

## 10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year:

- Date of creation or acquisition of the capital asset(s): Not Applicable
- Amount of CSR spent for creation or acquisition of capital asset: Not Applicable
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

## 11. Specify the reason(s), if the Company has failed to spend two per cent of the average Net Profit as per Section 135(5):

This is not applicable since the Company has spent the prescribed amount of CSR expenditure during the Financial Year 2020-21.

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

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

Sd/-  
Dr. Raghunath A. Mashelkar  
Chairman – CSR Committee &  
Independent Director  
DIN: 00074119

Sd/-  
Balram S. Yadav  
Member & Managing Director  
DIN: 00294803

Place: Mumbai  
Date: May 7, 2021



## ANNEXURE - D TO THE DIRECTORS' REPORT

### Form No. MR-3 SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2021  
[Pursuant to Section 204 (1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Godrej Agrovet Limited,**  
Godrej One, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai - 400 079

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Godrej Agrovet Limited – CIN: L15410MH1991PLC135359 (hereinafter called the 'Company') during the Financial Year from April 1, 2020 to March 31, 2021 ('the year' / 'audit period' / 'period under review').

We conducted the Secretarial Audit in a manner that provided us a reasonable basis for evaluating the Company's corporate conducts / statutory compliances and expressing our opinion thereon.

We are issuing this report based on:

- (i) our **verification** of the books, papers, minute books, soft copy as provided by the Company and other records maintained by the Company and furnished to us, forms / returns filed and compliance related action taken by the Company during the Financial Year ended March 31, 2021 as well as before the issue of this Report;
- (ii) **Compliance Certificates** confirming compliance with all laws applicable to the Company given by Key Managerial Personnel / Senior Managerial Personnel of the Company and taken on record by Audit Committee / Board of Directors; and
- (iii) **Representations** made, documents shown, and information provided by the Company, its Officers, Agents, and Authorized Representatives during our conduct of Secretarial Audit.

We hereby report that in our opinion, during the audit period covering the Financial Year ended on March 31, 2021 the Company has:

- (i) complied with the statutory provisions listed hereunder, and
- (ii) Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

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

#### 1. Compliance with specific statutory provisions

##### We further report that:

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

- (i) The Companies Act, 2013 and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment;
- (v) The following Regulations Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Regulations'):
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993; and
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.
- (vi) Secretarial Standards issued by the Institute of Company Secretaries of India (Secretarial Standards).

- 1.2 During the period under review, and also considering the compliance related action taken by the Company after March 31, 2021 but before the issue of this Report, the Company has, to the best of our knowledge and belief and based on the records, information, explanations and representations furnished to us:

- (i) Complied with the applicable provisions/clauses of the Act, Rules, SEBI Regulations and Agreements mentioned under sub-paragraphs (ii), (iii) and (iv) of paragraph 1.1 above.
- (ii) Complied with the applicable provisions/ clauses of :
  - (a) The Act and rules mentioned under paragraph 1.1 (i); and
  - (b) The Secretarial Standards on meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) mentioned under paragraph 1.1 (v) above to the extent applicable

to Board Meetings and Committee Meetings held during the review period, the 29<sup>th</sup> Annual General Meeting held on 31<sup>st</sup> July 2020 (29<sup>th</sup> AGM) and resolutions passed by circulation. The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(vi)] with regard to the Board meeting and Committee meetings held through video conferencing during the review period were verified based on the minutes of the meeting provided by the Company.

1.3 We are informed that, during the Financial Year 2020-21, the Company was not required to initiate any compliance related action in respect of the following laws/rules/regulations/standards, and was consequently not required to maintain any books, papers, minute books or other records or file any form/ returns thereunder:

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

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

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

## 2. Board processes:

We further report that:

2.1 The Board of Directors of Company as on March 31, 2021 comprised of:

- (i) 1 (One) Executive Director, i.e., Mr. Balam S. Yadav (DIN: 00294803) who is also the Managing Director of the Company;
- (ii) 6 (Six) Non-Executive & Non-Independent Directors, and
- (iii) 7 (Seven) Non-Executive & Independent Directors, including three woman Independent Directors, namely, Dr. Ritu Anand (DIN: 00363699), Ms. Aditi Kothari Desai (DIN: 00426799), and Ms. Roopa Purushothaman (DIN: 02846868).

2.2 The processes relating to the following changes in the composition of the Board of Directors during the Financial Year 2020-21 were carried out in compliance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- (i) Appointment of Mr. Vijay M. Crishna (DIN: 00066267) as Non-Executive & Non-Independent Director of the Company was approved by the Members at the 29<sup>th</sup> Annual General Meeting held on July 31, 2020;

- (ii) Re-appointment of Mr. Nadir B. Godrej (DIN: 00066195), & Ms. Tanya A. Dubash (DIN: 00026028), Directors liable to retire by rotation, at the 29<sup>th</sup> Annual General Meeting held on July 31, 2020;

- (iii) Resignation of Mr. Kavas N. Petigara (DIN: 00066162) as the Independent Director of the Company with effect from April 1, 2021.

2.3 Adequate notice was given to all the Directors to enable them to plan their schedule for the Board Meetings and Committee Meetings held during the Financial Year.

2.4 Notice of Board and Committee Meetings held during review period was sent to all the Directors at least seven days in advance.

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

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

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

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

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

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

## 3. Compliance mechanism

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

## 4. Specific events / actions

4.1 During the year, the following specific events / actions having a major bearing on the Company's affairs took place, in pursuance of the above referred laws, rules, Regulations and standards:

- (i) The Company through its Nomination and Remuneration Committee meeting held on 11<sup>th</sup> May, 2020 has approved and allotted 15,382 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.

- (ii) The Company through Circular Resolution passed by its Nomination and Remuneration Committee on 9<sup>th</sup> June 2020, has approved and allotted 11,544 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.
- (iii) The Company through Circular Resolution passed by its Nomination and Remuneration Committee on 10<sup>th</sup> November 2020 has approved and allotted 3,076 Equity Shares of face value of ₹ 10/- (Rupees Ten Only) each under Godrej Agrovet Limited - Employees Stock Grant Scheme, 2018.
- (iv) During the Financial Year 2020-21, the Company has issued Commercial Paper worth ₹ 1,325 Crore which were listed on National Stock Exchange of India Limited (NSE) out of which Commercial Papers worth ₹ 900 Crore were redeemed during the year.

**For BNP & Associates**  
**Company Secretaries**  
**Firm Registration. No. P2014MH037400**  
**PR. No: 637/2019**

**Sd/-**  
**B. Narasimhan**  
**Partner**

**Place:** Mumbai  
**Date:** May 7, 2021

**FCS No: 1303 / C P No: 10440**  
**UDIN: F001303C000256910**

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

**Annexure A to the Secretarial Audit Report**

To,  
The Members,  
**Godrej Agrovet Limited,**  
Godrej One, 3<sup>rd</sup> Floor,  
Pirojshanagar, Eastern Express Highway,  
Vikhroli (East), Mumbai – 400 079

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

1. The Company's management is responsible for maintenance of secretarial records and compliance with the provisions of corporate and other applicable laws, rules, regulations and standards. Our responsibility is to express an opinion on the secretarial records produced for our audit.
2. We have followed such audit practices and processes as we considered appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records.
3. While forming an opinion on compliance and issuing this Report, we have also considered compliance related action taken by the Company after March 31, 2021 but before the issue of this Report.
4. We have considered compliance related actions taken by the Company based on independent legal / professional opinion obtained as being in compliance with law.

5. We have verified the secretarial records furnished to us on a test basis to see whether the correct facts are reflected therein. We also examined the compliance procedures followed by the Company on a test basis. We believe that the processes and practices we followed, provides a reasonable basis for our opinion.
6. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
7. We have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, wherever required.
8. Our Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For BNP & Associates**  
**Company Secretaries**  
**Firm Registration. No. P2014MH037400**  
**PR. No: 637/2019**

**Sd/-**  
**B. Narasimhan**  
**Partner**

**Place:** Mumbai  
**Date:** May 7, 2021

**FCS No: 1303 / C P No: 10440**  
**UDIN: F001303C000256910**

## ANNEXURE - E TO THE DIRECTORS' REPORT

### FORM MR-3 SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2021

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

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

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **CREAMLINE DAIRY PRODUCTS LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **CREAMLINE DAIRY PRODUCTS LIMITED** ("the Company") for the financial year ended on 31<sup>st</sup> March, 2021, as made available to us, according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the Rules made thereunder;
- ii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder – **Not Applicable**
- iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings – **Not applicable to the Company during the audit Period**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - **Not applicable to the Company during the audit period;**
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 - **Not applicable to the Company during the audit period;**

- (c) The Securities and Exchange Board of India (Issue of Capital and disclosure requirements), Regulations, 2018 - **Not applicable to the Company during the audit period;**
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **Not applicable to the Company during the audit period;**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), Regulations, 2008 - **Not applicable to the Company during the audit period;**
- (f) The Securities and Exchange Board of India (Delisting of Equity Shares ) Regulations , 2009 - **Not applicable to the Company during the audit period;**
- (g) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 - **Not applicable to the Company during the audit period;**
- (h) The Securities and Exchange Board of India (Buyback of Securities), Regulations 2018 - **Not applicable to the Company during the audit period.**

vi. Other specifically applicable laws to the Company:

- Food Safety and Standards Act, 2006 and Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011 and Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Legal Metrology Act, 2009 and The Legal Metrology (Packaged Commodities) Rules, 2011;
- Boilers Act, 1923 and Indian Boiler Regulations, 1950;
- The Water (Prevention and Control of Pollution) Act, 1974;
- The Air (Prevention and Control of Pollution) Act, 1981;

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

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

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

- The Company has made certain belated filings of e-forms with MCA availing the Companies Fresh Start Scheme, 2020 (CFSS-2020), which shall be subject to other compliances provided under General Circular No.12/2020 issued by MCA on 30.03.2020.

- The AGM for the FY 2019-20 was conducted through VC/OAVMs, pursuant to MCA circulars, dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 under the Companies Act, 2013 (Act). Few procedural deviations as to requirements stipulated in the said circulars, Act and also the Secretarial Standards have been observed in the Notice thereof and the said AGM.
- The Statutory Compliance Certificate obtained internally by the Company has observed certain deviations with reference to the Food Safety and Standards Act, 2006 read with Rules thereunder.
- Consequent upon the merger of Nagavalli Milkline Private Limited (a wholly-owned subsidiary of the Company) with the Company, it has initiated the process of registration of immovable property, held in the name of the said transferor Company, in its own name, which is still in progress as on date.

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

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all the directors to schedule the Board Meetings. We have been informed that agenda and detailed notes on agenda were sent sufficiently in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions at the Board Meetings and Committee Meetings have been carried out with requisite majority as recorded in the Minutes of the Meetings of the Board or Committees of the Board, as the case may be.

We further report that:

As per the information provided by the management, and based on the review of compliance reports by the respective departments / functional heads, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the Audit period, there were no specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having a major bearing on the Company's affairs except that:

The Scheme of Amalgamation contemplating the merger of Nagavalli Milkline Private Limited, the wholly owned subsidiary of the Company, with itself, effective 01.04.2019, subsequent upon receipt of various other requisite approvals, was approved by the Hon'ble National Company Law Tribunal, Hyderabad Bench during the FY under audit. Requisite post merger compliances have been completed / are underway.

However, attention is drawn to Notes to Financial Statements, which describes the management's assessment of the impact of Covid-19 pandemic on the operations and financial results of the Company and its group.

For **P S Rao & Associates**  
Company Secretaries

**Vikas Sirohiya**  
M. No.15116  
CP No.5246

**UDIN: A015116C000227284**

**Place: Hyderabad**  
**Date: May 3, 2021**

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

**Annexure A to Secretarial Audit Report**

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

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

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on random basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practises we followed provide a reasonable basis for our opinion.
3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
5. We believe that audit evidence and information provided by the Company's management is adequate and appropriate for us to provide a basis for our opinion.

6. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
7. We have not verified the correctness and appropriateness of financial records and Books and Accounts of the Company.

**Disclaimer**

8. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
9. As regards the Secretarial Audit for the FY 2020-21, the entire period under report was bogged down under the impact of Covid 19. Further, during the later part of the Quarter ended 31<sup>st</sup> March, 2021, the said pandemic resurfaced more furiously and continue to wreak havoc till date, thus forcing us to re-strategize our audit programme and approach. In view of the said, we could not conduct any plant verification physically. Further, for verification of documents and cross checks, we have relied on the management representations and assurances, wherever required, for forming our opinion and eventual reporting.

**For P S Rao & Associates**  
**Company Secretaries**

**Vikas Sirohiya**  
**M. No.15116**  
**CP No.5246**

**Place: Hyderabad**  
**Date: May 3, 2021**

**UDIN: A015116C000227284**

## ANNEXURE 'F' TO THE DIRECTORS' REPORT

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

As at the Financial Year ended March 31, 2021

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

#### A. Conservation of Energy:

Your Company continuously focuses on measures to foster productivity, energy conservation and environmental sustainability at all its manufacturing plants. Some of the measures adopted by your Company for conservation of energy are as follows:

1. Replacement of conventional fuel furnace oil in boilers and diesel in thermic fluid heater with Piped Natural Gas (PNG)
2. Replacement of conventional Fibre-reinforced Plastic (HRP) tanks with High-density Polyethylene (HDPE) spiral tanks of Hydrochloric Acid (HCL) (day tank & service tank) which helped in controlling losses due to leakage and spillage during storage at Pyrrithiobac Sodium Technical (PY Acid) unit
3. Capacity expansion of Multi Effect Evaporator (MEE)
4. Installation of additional Centrifuge set to accommodate idle time and speed up Pyrrithiobac Sodium Technical (PY Acid) recovery from final stage of batch
5. Replacement of conventional lighting with energy efficient LED
6. Continuous improvements in manufacturing process to minimize energy consumption
7. Installation of solar roof top plants in factories

The adoption of above energy conservation measures has resulted in the following benefits to the Company:-

- a) Energy efficiency, i.e., decrease in the level of energy consumption and also increase in the use of renewable energy wherever possible
- b) Reduction in maintenance, stack emission, spillages of liquid fuels
- c) Decrease in the level of water consumption
- d) Reduction in process losses and storage losses

The capital investment on energy conservation equipment made during the Financial Year 2020-21 is approximately ₹ 0.50 Crore.

#### B. Technology Absorption, Adaptation and Innovation:

Your Company constantly endeavors to introduce and implement various technological upgradations in order to obtain improved quality of output at a reduced cost, through manufacturing processes which are environmentally sustainable.

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

#### Methods/ Measures adopted / Efforts made:

- Use of Drone technology to monitor and maintain the healthiness of chimney condition
- Use of plug and play type compact maintenance free substations and intelligent pumping systems instead of conventional substation
- Use of vegetable oil in a technology instead of synthetic oil, which is eco-friendly (biodegradable) as well as safe in use (flash point of 360 instead of 180 degree centigrade)
- Use of equipment having 100% tripping protection system
- Use of VAM (Vapor Absorption Machine) eco-friendly chilling solution, wherein, instead of using Ozone Depleting Substances (ODS) such as Chloro Floro Carbon (CFC) / Hydro Chloro Floro Carbon (HCFC), bromite is used as a cooling media
- Use of solar panels, thereby enhancing use of renewable energy instead of non-renewable energy.

Benefits derived as a result of such measures / methods / efforts:

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

#### C. Research & Development (R&D) activities:

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

Your Company has also set up a R&D Centre for Animal Feed at Nashik (Maharashtra) which conducts research related to cattle feed and poultry feed, to enhance the productivity of livestock, reduce cost of production and increase the profitability of farmers.

In case of imported technology (imported during the last three years, i.e., during Financial Year 2018-19, 2019-20 & 2020-21), the required details are as follows: Not Applicable

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



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

	Current Year (2020-21) ₹ in Crore	Previous Year (2019-20) ₹ in Crore
Capital	0.94	4.56
Recurring	14.02	11.58
Total	14.96	16.14
Total R&D Expenditure as a Percentage of Total Turnover	0.34	0.32

**D. Foreign Exchange Earnings and Outgo:**

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

Particulars	Current Year (2020-21) ₹ in Crore	Previous Year (2019-20) ₹ in Crore
Foreign Exchange Earned	10.53	10.09
Foreign Exchange Used	82.80	102.04

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

Date: May 7, 2021  
Place: Mumbai

Sd/-  
Nadir B. Godrej  
Chairman  
(DIN: 00066195)

## ANNEXURE 'G' TO THE DIRECTORS' REPORT

### PARTICULARS IN RESPECT OF REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP) OF GODREJ AGROVET LIMITED

As at the Financial Year ended March 31, 2021

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

- (i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the Financial Year 2020-21 and the ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2020-21 is as under:

Sr. No.	Name of Director / Key Managerial Personnel (KMP)	Designation of Director / KMP	Remuneration of Director / KMP for the Financial Year 2020-21 (in ₹)	% Increase in Remuneration in the Financial Year 2020-21	Ratio of Remuneration of each Director to Median Remuneration of Employees
1	Mr. Nadir B. Godrej	Chairman – Promoter, Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
2	Mr. Jamshyd N. Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
3	Mr. Vijay M. Crishna (Re-appointed w.e.f. May 11, 2020)	Non-Executive, Non-Independent Director	6,67,808.00	Not Applicable	1.72
4	Ms. Tanya A. Dubash	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
5	Ms. Nisaba Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
6	Mr. Pirojsha Godrej	Non-Executive, Non-Independent Director	7,50,000.00	Not Applicable	1.93
7.	Mr. Balram S. Yadav	Managing Director - Non-Promoter, Executive, Non-Independent Director	3,90,51,539.00	1.79%	100.73
8	Mr. Kavasa N. Petigara (Ceased to be a Director w.e.f. April 1, 2021)	Non-Executive, Independent Director	15,50,000.00	Not Applicable	4.00
9	Dr. Raghunath A. Mashelkar	Non-Executive, Independent Director	13,50,000.00	Not Applicable	3.48
10	Dr. Ritu Anand	Non-Executive, Independent Director	15,50,000.00	Not Applicable	4.00
11	Ms. Aditi Kothari Desai	Non-Executive, Independent Director	15,00,000.00	Not Applicable	3.87
12	Ms. Roopa Purushothaman	Non-Executive, Independent Director	14,00,000.00	Not Applicable	3.61
13	Mr. Natarajan Srinivasan	Non-Executive, Independent Director	13,00,000.00	Not Applicable	3.35
14	Mr. Kannan Sitaram	Non-Executive, Independent Director	12,50,000.00	Not Applicable	3.22
15	Mr. S. Varadaraj	Chief Financial Officer	1,29,71,512.00	2.76%	Not Applicable
16	Mr. Vivek Raizada	Company Secretary & Compliance Officer	90,96,042.00	6.64%	Not Applicable

All the Non-Executive Directors will be paid commission for the Financial Year 2020-21, upon approval of the Financial Statements for the said Financial Year by the Shareholders at the 30<sup>th</sup> Annual General Meeting.

Sitting fees have been paid to all the Independent Directors for attending the meetings of the Board of Directors and Committees thereof held during the Financial Year 2020-21.

- |       |   |  |
|-------|---|--|
| (ii)  | The percentage increase in the median remuneration of employees during the Financial Year 2020-21   | 0.25%  |
| (iii) | The number of permanent employees on the rolls of Company   | 2,637 as on March 31, 2021   |
| (iv)  | Average percentile increases already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration | Average percentile increase in remuneration of employees during the Financial Year 2020-21 was 5.15% as compared to average percentile increase in remuneration of managerial personnel which was 2.69%. |

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

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

**Date:** May 7, 2021  
**Place:** Mumbai

**Sd/-  
Nadir B. Godrej  
Chairman  
(DIN: 00066195)**