

**DIRECTORS' REPORT
OF
GODREJ TYSON FOODS LIMITED
[Corporate Identification Number (CIN): U15122MH2008PLC177741]
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021**

TO THE MEMBERS:

Your Directors have pleasure in presenting the Board's Report along with the Audited Financial Statements for the Financial Year ended March 31, 2021.

FINANCIAL SUMMARY / HIGHLIGHTS:

Your Company's performance during the Financial Year 2020-21 is summarized below:-

(₹ in Lakh)

	For the Financial Year ended March 31, 2021	For the Financial Year ended March 31, 2020
Total Income	60,422.13	51,591.34
Profit /Loss Before Tax (PBT)	2,267.55	(7,717.86)
Less : Provision for Tax	745.69	(2,625.04)
Profit/Loss After Tax (PAT)	1,521.86	(5,092.82)
Other Comprehensive Income for the year	(11.52)	(37.54)
Total Comprehensive Income for the Year	1510.34	(5,130.36)
Balance Brought Forward from previous year	44.19	5,174.55
Appropriations:		
Balance Carried Forward to Balance Sheet	1,554.53	44.19
TOTAL	1,554.53	44.19

REVIEW OF OPERATIONS / STATE OF AFFAIRS:

The Revenue from Operations of your Company for the year under review was at ₹. 6,0422.13 Lakh with a Profit Before Tax (PBT) of ₹. 2,267.55 Lakh.

The Operations of your Company were impacted under the outbreak of COVID-19 since start of this Financial Year, particularly during lockdown situations. Your Company carefully managed its operations during the challenging situations, and ensured timely delivery of its products to the intended customers. During the Financial Year 2020-21, the live poultry segment witnessed significantly better price realization as compared to previous Financial Year. The Ready to Cook/ Frozen products segment grew and stepped ahead in consumption level. The COVID-19 lockdowns, gradual opening and again emerging second wave by the end of fiscal had major impact on processed chicken segment volumes in food service/ restaurants channels.

The Company continues to monitor the situation under the pandemic, for material impact to its supply chains, and take appropriate strategic directions in its operational execution of business.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF YOUR COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THIS REPORT:

Except as mentioned in this Report, there were no material changes and commitments occurred which affect the financial position of your Company since the end of the Financial Year 2020-21 till the date of this Directors' Report.

DIVIDEND:

The Directors of your Company do not recommend any Final Dividend for the Financial Year 2020-21.

TRANSFER TO RESERVES:

The Directors of your Company do not propose to transfer any amount to General Reserve.

SHARE CAPITAL:

The Company's Equity Share Capital position as on March 31, 2021 is as follows:-

	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Equity Shares	Face Value per Share (₹.)	Total Amount (₹.)	No. of Equity Shares	Face Value per Equity Share (₹.)	Total Amount (₹.)
As on April 1, 2020	3,00,000	10	30,00,00/-	1,98,900	10	19,89,000/-
Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
As on March 31, 2021	3,00,000	10	30,00,000/-	1,98,900	10	19,89,000/-

There were no changes in the capital structure of your Company during the Financial Year 2020-21.

Pursuant to the amendment in Rule 9 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, your Company offers facility to hold its Equity Shares in electronic form, i.e., facilitates dematerialization of all its existing securities in accordance with provisions of the Depositories Act, 1996 and Regulations made thereunder.

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

DEPOSITS:

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

HOLDING COMPANIES:

Godrej Agrovet Limited is the Holding Company which holds aggregate 51.00% of the total paid-up Equity Share Capital of the your Company and there was no change in this position during the Financial Year 2020-21.

SUBSIDIARY COMPANIES:

Your Company does not have any Subsidiary Company(s) and there was no change in this position during the Financial Year 2020-21.

ASSOCIATE COMPANIES:

Your Company does not have any Associate Company(s) and there was no change in this position during the Financial Year 2020-21.

DIRECTORS, KEY MANAGERIAL PERSONNEL AND CHANGES THEREIN:

The Board of Directors of your Company comprised of the following Directors during the Financial Year ended March 31, 2021:

- | | | |
|----|------------------------------|--|
| 1. | Mr. Nadir B. Godrej* | Chairman, Non-Executive & Non-Independent Director |
| 2. | Mr. Balram S. Yadav | Managing Director |
| 3. | Mr. Malik Sadiq [#] | Non-Executive & Non-Independent Director |
| 4. | Mr. Brian Baker [#] | Non-Executive & Non-Independent Director |
| 5. | Mr. S. Varadaraj | Non-Executive & Non-Independent Director |
| 6. | Mr. Sanjay V. Gogate | Independent Director |

*Mr. Nadir B. Godrej, retires by rotation at the ensuing 13th Annual General Meeting (AGM) of your Company in accordance with Section 152 of Companies Act, 2013 and being eligible offers himself for re-appointment.

(#) Mr. Malik Sadiq and Mr. Brain Baker ceased to be the Non-Executive Directors of your Company with effect from March 31, 2021, due to their resignation.

Mr. Michael Wheeler and Mr. Brock White appointed as "Additional Directors" of your Company w.e.f. April 12, 2021, and April 15, 2021, by the Board of Directors. The Nomination Remuneration Committee and the Board of the Directors of the Company recommended to the Shareholders, to approve the appointment of Mr. Michael Wheeler and Mr. Brock White as a Directors of the Company at the ensuing 13th Annual General Meeting.

Mr. Upendra R. Pathak, Company Secretary has been acting in such capacity throughout the Financial Year 2020-21 and is a Key Managerial Personnel (KMP) of your Company.

Mr. Suhas Advant, Chief Financial Officer (CFO) of your Company and has been acting in such capacity throughout the Financial Year 2020-21 and is a Key Managerial Personnel (KMP) of your Company.

Mr. Prashant Vatkar, Chief Executive Officer (CEO) of your Company and has been acting in such capacity throughout the Financial Year 2020-21 and is a Key Managerial Personnel (KMP) of your Company.

DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 134(3)(d) of the Companies Act, 2013, your Company has received a declaration / confirmation of independence pursuant to Section 149(6) of the Companies Act, 2013, as amended from time to time, from Mr. Sanjay V. Gogate, Independent Director of your Company.

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

With respect to proficiency of Independent Director, the Ministry of Corporate Affairs (MCA) vide its Notification dated October 22, 2019 has amended Rule 6 of the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and accordingly now every individual appointed / to be appointed as an Independent Director, is required to enroll his/her name for inclusion in the 'Independent Directors Data Bank' to be maintained by the Indian Institute of Corporate Affairs, Manesar ["Institute"] for a tenure ranging from 1 year or 5 years or for life-time.

Mr. Sanjay V. Gogate has successfully registered his name for inclusion in the 'Independent Directors Data Bank' maintained by the Institute. The registration of Mr. Sanjay V. Gogate has been renewed and the same is valid till date.

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 facilitate them to plan their schedule.

There were 4 (four) Meetings of the Board of Directors held during the Financial Year 2020-21 (i.e., on May 8, 2020, July 23, 2020, October 23, 2020 and January 27, 2021), in compliance with the requirements of the Companies Act, 2013.

The names of the Members of the Board and their attendance at the Board Meeting, are as under;

Sr. No.	Name of the Director	Number of the Board Meetings attended out of Total Board Meetings held during the Financial Year 2020-21.
1.	Mr. Nadir B. Godrej	4 out of 4
2.	Mr. Balram S. Yadav	4 out of 4
3.	Mr. Malik Sadiq	3 out of 4
4.	Mr. S. Varadaraj	4 out of 4
6.	Mr. Sanjay V. Gogate	4 out of 4
7.	Mr. Brian Baker	2 out of 4

AUDIT COMMITTEE:

Pursuant to the provisions of Section 177 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014, your Company has constituted an Audit Committee of the Board of Directors comprising of the following Members:-

1. Mr. Sanjay V. Gogate - (Chairman – Independent Director)
2. Mr. Balram S. Yadav - (Member – Managing Director)

There were 4 (four) Meetings of the Audit Committee held during the Financial Year 2020-21 (i.e., on May 8, 2020, July 23, 2020, October 23, 2020 and January 27, 2021).

NOMINATION AND REMUNERATION COMMITTEE:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board & its Powers) Rules, 2014, your Company has constituted a Nomination and Remuneration Committee of the Board of Directors comprising of the following Members:-

1. Mr. Sanjay V. Gogate - (Member – Independent Director)
2. Mr. Nadir B. 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 8, 2020).

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

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

1. Mr. Balram S. Yadav - (Chairman – Managing Director)
2. Mr. S. Varadaraj - (Member – Non-Executive, Non-Independent Director)
3. Mr. Sanjay V. Gogate - (Member – Non-Executive, Independent Director)

There were 2 (two) CSR Committee Meetings held during the Financial Year 2020-21 (i.e. on May 8, 2020 and October 23, 2020).

MANAGING COMMITTEE:

Your Company has constituted the Managing Committee of the Board of Directors, presently consisting of the following Directors, pursuant to Article 144 of the Articles of Association of your Company:-

1. Mr. Balram S. Yadav - (Chairman – Managing Director)
2. Mr. S. Varadaraj - (Member – Non-Executive, Non-Independent Director)
3. Mr. Malik Sadiq* - (Member – Non-Executive, Non-Independent Director)

There were 4 (four) Meetings of the Managing Committee of the Board of Directors held during the Financial Year 2020-21 (i.e. on May 8, 2020, July 23, 2020, October 23, 2020 and January 27, 2021).

*Mr. Malik Sadiq, ceased to be the Member of the Managing Committee of the Board of Directors with effect from March 31, 2021, due to his resignation as a Director of the Company.

INTERNAL COMPLAINTS COMMITTEE:

The Board of Directors of your Company has formed an Internal Complaints Committee (ICC) for its head office situated at Mumbai, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules framed thereunder, re-constituted from time to time, which is as on March 31, 2021 consist of the following Members:

1. Ms. Chhavi Agarwal, Chairperson (Presiding Officer)
2. Mr. S. Varadaraj, Member
3. Mr. Salil Chinchore, Member
4. Ms. Neeyati Shah, Member
5. Ms. Sharmila Khair, Member (External)

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

There was 1 complaint of sexual harassment received by the ICC during the Financial Year 2020-21. The extract of Annual Return filed under Section 21 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 has been reproduce below:

Sr. No.	Particulars	Comment

1.	No. of complaints received	1
2.	No. of complaints disposed off	1
3.	No. of cases pending more than 90 days	0
	Nature of action taken by the employer	<p><u>With Respect to the Respondent</u></p> <ul style="list-style-type: none"> ➤ A strict warning of misdemeanor under POSH and further warning of termination if there is a repeat offence and ➤ Temporary Suspension for a period of one month ➤ Performance rating will be "Moderate" <p><u>With Respect to the Regional Office</u></p> <ul style="list-style-type: none"> ➤ Regular sharing by supervisors about inappropriate behavior in order to maintain Hygiene on POSH ➤ Leadership to address the Zero Tolerance Policy on people manager misconduct ➤ Inspection and installation of CCTV at the secluded places in the Factory premises.
5.	Service Rule/Policy for Prevention of Sexual Harassment at Workplace.	Policy exists and is accessible to all employees.
6.	No. of workshops / awareness programme carried out.	<ul style="list-style-type: none"> • Mandatory POSH training module for new joiners. • 100% employees covered in POSH workshops to sensitize the employees. • Posters with IC members displayed at all locations

MAINTENANCE OF COST RECORDS:

Your Company has not maintained any cost records as the provisions of Section 148 (1) of the Companies Act, 2013 read with Companies (Cost Records & Audit) Rules, 2014, are not applicable to the Company.

EXTRACT OF ANNUAL RETURN:

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

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

SECRETARIAL AUDIT REPORT:

The Board of Directors of your Company at its meeting held on May 8, 2020, had appointed M/s. BNP & Associates, Practicing Company Secretaries, as the Secretarial Auditors of your Company for conducting Secretarial Audit for the Financial Year 2020-21, 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 Report submitted by the Secretarial Auditor is annexed as "**ANNEXURE-'B'**" to this Directors' Report.

FRAUD REPORTING BY STATUTORY AUDITORS:

In terms of Section 143(3) of the Companies Act, 2013, the Statutory Auditors, in the course of the performance of their duties as auditors, have not reported or have reason to believe that an offence of fraud is or has been committed in the Company by its officers or employees.

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

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

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

All Related Party Transactions entered into by your Company during the Financial Year 2020-21 were on arm's length basis and in the ordinary course of business. There are no material significant Related Party

Transactions entered into by your 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 approval of the Audit Committee of the Board of Directors was obtained for Related Party Transactions. Therefore, disclosure of Related Party Transactions in Form AOC-2 as per the provisions of Sections 134(3)(h) and 188 of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable. Attention of Shareholders is also drawn to the disclosure of transactions with related parties set out in Note No. 52 of Financial Statements, forming part of the Annual Report for Financial Year 2020-21, none of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

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

The information in respect of Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo matters, as required under Section 134(3)(m) of the Companies Act, 2013 and Rule 8(3) of the Companies (Accounts) Rules, 2014 forming part of this Directors' Report is given in the **"ANNEXURE - 'C'"**.

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY:

The Corporate Social Responsibility (CSR) Committee has formulated the CSR Policy of the Company and the Board of Directors has approved the same, pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014.

The contents / details of the CSR Policy and the CSR initiatives taken by your Company during the Financial Year 2020-21 are given in the 'Annual Report on CSR Activities' which is annexed as **"ANNEXURE - 'D'"** to this Directors' Report.

The unutilized amount for the Financial Year 2019-20 aggregating to Rs.2,19,053/- (Rupees Two Lakh Nineteen Thousand Fifty Three Only) has been spent in the Financial Year 2020-2021. Your Company has partnered with implementing agencies of repute and has committed to incur expenditure for CSR initiatives in the coming years through structured programs and projects.

Your Company intends to ensure that the CSR projects selected above are implemented in a strategic and systematic manner and the commitments made towards the projects are achieved during the next Financial Year 2021-22.

Your Company is committed towards enhancing the scalability of CSR activities through novel initiatives in the years to come. It looks forward to increase the quantum of its CSR expenditure, as per the Companies Act 2013, towards implementing impact-driven projects in the future.

RISK MANAGEMENT:

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

In the opinion of the Board of Directors, no risks have been identified which may threaten the existence

of the Company. 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.

The Board determines the fair and reasonable extent of principal risks that your Company is willing to take to achieve its strategic objectives. It carries out a review of the effectiveness of your Company's risk management process covering all material risks. The support of the Audit Committee has an important role to play in this review.

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.

POLICY ON REMUNERATION:

Your Company's framework of total rewards aims at holistic utilization of elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

The rewards framework offers the flexibility to employees to customize different elements on the basis of need. It is also integrated with your Company's performance and talent management processes and designed to ensure sharply differentiated rewards for the best performers.

The total compensation for a given position is influenced by three factors: Position, Performance and Potential.

The policy relating to the remuneration for Directors, Key Managerial Personnel (KMP) and other employees has been formulated by the Nomination and Remuneration Committee and approved by the Board of Directors, which is disclosed as "ANNEXURE - 'E'" to this Directors' Report.

The criteria for determining qualification, positive attributes and independence of Directors is given in "ANNEXURE - 'F'" to this Directors' Report.

SIGNIFICANT AND MATERIAL REGULATORY OR COURT ORDERS IMPACTING THE GOING CONCERN STATUS AND OPERATION OF THE COMPANY IN FUTURE:

During the year under review, 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.

INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS:

Your Company remains committed to improve effectiveness of internal financial controls and processes which would help in efficient conduct of its business operations, ensure security to its assets and timely preparation of reliable financial information.

The internal financial controls with reference to the Financial Statements are adequate in the opinion of

the Board of Directors.

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

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

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

The Audit Committee of the Board of Directors also has an important role to play in evaluating and strengthening internal controls.

STATUTORY AUDITORS:

The Members of the Company at their 9th (Ninth) Annual General Meeting ("AGM") held on August 3, 2017, have appointed B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) as the Statutory Auditors of the Company to hold office from the conclusion of the 9th (Ninth) AGM until the conclusion of the 14th (Fourteenth) AGM, subject to ratification by the Members at each AGM, pursuant to the provisions of Sections 139 and 141 of the Companies Act, 2013 read with Rule 3(7) of the Companies (Audit and Auditors) Rules, 2014.

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

However, the Members of your Company at their 10th (Tenth) AGM held on August 3, 2018 has ratified the appointment of B S R & Co. LLP, Chartered Accountants (Firm Registration Number: 101248W/W-100022) as the Statutory Auditors of the Company for the remaining tenure of 4 (Four) Financial Years i.e., 2018-19, 2019-20, 2020-21 and 2021- 22.

VIGIL MECHANISM:

Your Company has in place its vigil mechanism. The purpose of the mechanism is to enable employees to raise concerns regarding unacceptable improper practices and/ or any unethical practices in the organization. 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 mechanism is also available for the Directors and Employees of the Company.

Mr. V. Swaminathan, Head (Corporate Audit & Assurance), has been appointed as the 'Whistle Blowing Officer'.

Furthermore, employees are also free to communicate their complaints directly to the Chairman

/Members of the Audit Committee, as stated in the Policy.

The no. of complaints/grievance received, pending and resolved during the Financial Year 2020-21, are as follows:-

No. of Complaints pending as on April 1, 2020	0
Add: No. of Complaints received during the Financial Year 2020-21	1
Less: No. of Complaints resolved during the Financial Year 2020-21	1
No. of Complaints pending as on March 31, 2021	0

SECRETARIAL STANDARDS:

Your Company is in compliance with the Secretarial Standards on Meeting of the Board of Directors (SS-1) and Secretarial Standards on General Meeting (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") as amended from time to time.

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 under the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company.

As on the date of this report, there is no application or proceeding pending against your company under the Insolvency and Bankruptcy Code, 2016.

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 from which it has accepted any term loan.

PARTICULARS OF EMPLOYEES:

The disclosure as per Section 197 of the Companies Act, 2013 read with Rules 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 upto the date of ensuing 13th (Thirteenth) Annual General Meeting. If any Shareholder is interested in inspecting the records thereof, such Shareholder may write to the Company Secretary at upendra.pathak@godrejagrovvet.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.

HUMAN RESOURCES:

Your Company continues to have amicable employee relations at all locations.

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

Your Directors would also like to express their sincere appreciation for the assistance and co-operation received from the banks, government authorities, customers, vendors and members during Financial Year 2020-21.

ADDITIONAL INFORMATION:

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

For and on behalf of the **Board of Directors** of
Godrej Tyson Foods Limited

Nadir B. Godrej
Chairman
(DIN: 00066195)

Balram S. Yadav
Managing Director
(DIN: 00294803)

Date: April 28, 2021

Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT
EXTRACT OF ANNUAL RETURN IN FORM NO. MGT-9 OF
GODREJ TYSON FOODS LIMITED

As at the Financial Year ended on March 31, 2021

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

I. REGISTRATION AND OTHER DETAILS:

- i. **Corporate Identity Number (CIN):** U15122MH2008PLC177741
- ii. **Registration Date:** 11/01/2008
- iii. **Name of the Company:** GODREJ TYSON FOODS LIMITED
- iv. **Category / Sub-Category of the Company:** Company limited by Shares
– Indian Non-government Company
- v. **Address of the Registered Office and Contact details:**
"Godrej One", 3rd Floor,
Pirojshanagar, Eastern Express Highway,
Vikhroli (East), Mumbai – 400 079,
Maharashtra, India
Tel.: +91-22-2518 8010 / 8020 / 8030
- vi. **Whether listed company:** No
- vii. **Name, Address and Contact details of Registrar and Transfer Agent, if any:**
NSDL Database Management Limited.
4th Floor, "A" Wing, Trade World,
Kamala Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai – 400 013, Maharashtra, India.
Tel. No.: 91-22-4914 2700 / 2594

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service (as per NIC 2008)	% to Total Turnover of the Company
1.	Meat & Meat Products (Raw Fresh & Frozen)	101:1010:10104	24%

(i) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
-									
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A + B +C)	97,461	1,01,439	1,98,900	100.00	1,01,439	97,461	1,98,900	100.00	-

(ii) Shareholding of Promoters:

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change in Shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares pledged / encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares pledged / encumbered to Total Shares	
1.	Tyson India Holdings Limited	97,461	49.00	Nil	97,461	49.00	Nil	Nil
2.	Godrej Agrovet Limited (along with shares jointly held with nominees)	1,01,439	51.00	Nil	1,01,439	51.00	Nil	Nil

(iii) Change in Promoters' Shareholding:

Sr. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the Financial Year	-	-	-	-
	Date-wise Increase / decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	-	-	-	-
	At the End of the Financial Year	-	-	-	-

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

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

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the end of the year	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	At the beginning of the year	-	-	-	-
	Date-wise Increase / decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity, etc.)	-	-	-	-
	At the End of the Year	-	-	-	-

V. INDEBTEDNESS:

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

(₹ in Lakh)

	Secured Loans excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	2,138.09	6800.00	0.00	8,938.09
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	17.47	0.00	17.47
TOTAL (i + ii + iii)	2,138.09	6,817.47	0.00	8,955.56
Changes in Indebtedness during the financial year				
(i) Principal Amount	(2138.09)	100.00	0.00	(2,038.09)
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	3.39	0.00	3.39

Net Change	(2,138.09)	103.39	0.00	(2034.70)
Indebtedness at the end of the financial year				
(i) Principal Amount	0.00	6,900.00	0.00	6,900.00
(ii) Interest due but not paid	0.00	0.00	0.00	0.00
(iii) Interest accrued but not due	0.00	20.86	0.00	20.86
TOTAL (i +ii + iii)	0.00	6920.86	0.00	6,920.86

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

A. Remuneration to Managing Director:

(₹. in Lakhs)

Sr. No.	Particulars of Remuneration	Mr. B. S. Yadav (Managing Director)	Total Amount
1	Gross Salary	-	-
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-
2	Stock Option	-	-
	Sweat Equity	-	-
	Commission	-	-
	As a % of profit	-	-
	Others (specify)	-	-
	Total (A)	-	-
	Ceiling as per the Companies Act	Not Applicable	

B. Remuneration to other Directors:

(Amount in ₹.)

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
		Mr. Sanjay V. Gogate			
1.	<u>Independent Directors:</u>				
	Fee for attending Board & Committee Meetings	4,13,000			4,13,000
	Commission	-			-
	Others (please specify)	-			-
	TOTAL (1)	4,13,000			4,13,000
2.	<u>Other Non-executive Directors:</u>	Mr. N. B. Godrej	Mr. S. Varadaraj	Mr. Malik Sadiq	Mr. Brian Baker
	Fee for attending Board & Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others (please specify)	-	-	-	-
	TOTAL (2)	-	-	-	-
	TOTAL (B) = (1) + (2)	-	-	-	-
	Overall Ceiling as per the Act	The sitting fees paid to Independent Directors & other Non-Executive Directors was within the limits prescribed under the Companies Act and the Rules thereunder.			

C. Remuneration to Key Managerial Personnel (KMP) other than Managing Director / Manager / Whole-Time Director:

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount (₹.)
		CEO	Company Secretary	CFO	
		Mr. Prashant Varkar	Mr. Upendra R. Pathak	Mr. Suhas Advant	
1	Gross Salary	1,70,32,212	-	53,27,108	2,23,59,320
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	-	-	-	-

Godrej Tyson Foods Limited**Annexure to Directors' Report: 2019-20**

	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
	Sweat Equity	-	-	-	-
	Commission	-	-	-	-
	As a % of profit	-	-	-	-
	Others (specify)	-	-	-	-
	Total	1,70,32,212	-	53,27,108	2,23,59,320

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors of
Godrej Tyson Foods Limited

Nadir B. Godrej
Chairman
(DIN: 00066195)

Balram S. Yadav
Managing Director
(DIN: 00294803)

Mumbai, April 28, 2021

Annexure - B
Form MR-3

SECRETARIAL AUDIT REPORT

For the year ended March 31, 2021

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

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

We have conducted a Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Godrej Tyson Foods Limited-CIN U15122MH2008PLC177741** (hereinafter called the '**Company**') for 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 conduct /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 authorised 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 are 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 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 2020-21 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) Other laws as specifically applicable to the Company (as informed to us by the Company):
 - a) Food Safety and Standards Act, 2006;
 - b) Food Safety and Standards (Packaging & Labelling) Regulations, 2011;
 - c) Food Safety and Standards (Prohibition and Restriction on Sale), Regulation, 2011;
 - d) Food Safety and Standards (Contaminants, Toxins and Residues) Regulation, 2011;
 - e) Food Safety and Standards (Laboratory and Sample Analysis) Regulations, 2012;
 - f) Food Safety and Standards (Licensing and Registration of Food Business) Regulations, 2011; and
 - g) Food Safety and Standards (Food Products Standards and Food Additives) Regulation, 2011.
- (v) 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), (iv) and (v) 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 Financial Year 2020-21, 12th Annual General Meeting held on July 23, 2020 (12th AGM). The Compliance of the provisions of the Rules made under the Act [paragraph 1.1(i)] and SS-1 [paragraph 1.1(v) with regard to the Board Meeting and Committee Meetings held through video conferencing were verified based on the minutes of the meeting provided by the Company.

1.3 We are informed that, during/ in respect of 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, Paper, Minute Books or other records or file any Form/ Returns thereunder:

(i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as securities of the Company are not listed on any recognized stock exchange(s) in India;

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and/ or The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as securities of the Company were not offered to public;

(iii) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as securities of the Company are not listed on any recognized stock exchange(s) in India;

(iv) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as the Company has not made issue or listing of debt securities on any recognized stock exchange(s) in India;

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

(vi) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as securities of the Company are not listed on any recognized stock exchange(s) in India;

(vii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as there was no buy back of securities and as securities of the Company are not listed on any recognized stock exchange(s) in India; and

(viii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

2. Board processes:

We further report that:

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

- (i) One Non-Executive Director, namely Mr. Balram S. Yadav (Managing Director)
- (ii) Four Non-Executive & Non-Independent Directors, and
- (iii) One Non- Executive & Independent Director, namely Mr. Sanjay Gogate

**Ms Els Reynaers (Women Independent Director) tendered her resignation w.e.f. February 1, 2020 and since then the Company is in search of suitable candidate, for appointment of Women Director on its Board of Directors, in terms of section 149(1) of Companies Act 2013.*

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 Act:

- (i) Mr. S Varadaraj (DIN: 00323436) was liable to retire by rotation at 12th AGM of the Company pursuant to Section 152 of the Companies Act, 2013 and re-appointed at the said AGM;

2.3 Adequate notice was given to all the Directors to enable them to plan their schedule for the

Board Meeting and Committee Meetings.

2.4 Notice, Agenda and detailed notes on agenda of Board Meetings and Committee Meetings were sent to all the directors at least seven days in advance.

2.5 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.

2.6 We note from the minutes verified that, at the Board Meetings held during the Financial Year 2020-21:

(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.

During the period under review there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

Kavita Shah
ACS:50804 COP:20796
Associate Partner
For BNP & Associates
Company Secretaries
Firm Reg No: P2014MH037400
UDIN:

Place: Mumbai

Date: April 28, 2021

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 Members,
Godrej Tyson Foods Limited**

Secretarial Audit Report for the Financial Year 2020-21 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 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 have 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 applicable 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 Business/Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Kavita Shah
ACS:50804 COP:20796
Associate Partner
For BNP & Associates
Company Secretaries
Firm Reg No: P2014MH037400
UDIN

Place: Mumbai
Date: April 28, 2021

ANNEXURE 'C' TO THE DIRECTORS' REPORT

PARTICULARS IN RESPECT OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN

EXCHANGE EARNINGS & OUTGO

OF

GODREJ TYSON FOODS LIMITED

As at the Financial Year ended on 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, Alternate Sources of Energy & Capital Investment thereon:

Your Company has a relentless focus on productivity and environmental sustainability at its manufacturing plants and continues to adopt various energy conservation measures.

Some of the measures adopted by your Company for conservation of energy are as follows:

1. Renewable Energy Trading –Solar Energy purchase (25.2L Units cost saving approx.46 lac)
2. Renewable energy Usage – Wind Energy trading WIP at West Taloja
3. Operational Efficiency Tracking, monitoring & control
4. 3R – Reduce (optimize), recycle & reuse water for processing
5. Capacity Optimization
6. Rain Water Harvesting at New Facility Ludhiana North

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

- a) Direct decrease in the levels of energy consumption -(KWH :302590KW ,FO:40000Ltr HSD :10904Ltr Saved)
- b) Reduction in process losses and storage losses
- c) Reduction in idle time running of machines
- d) Increase in the useful life of plant and machinery

The capital investment on energy conservation equipment's made during the Financial Year 2020-21 is approximately Rs.17.9 Lakh.

B. Technology Absorption, Adaptation and Innovation:

Your Company continues with its endeavors for technological upgradation in order to obtain improved quality at a low cost.

During the Financial Year 2020-21, your Company has taken the following initiatives to demonstrate its commitment towards sustainable growth through Technology Absorption, Adaptation and Innovation:-

1) Methods/ Measures adopted / Efforts made:**2) Benefits derived as a result of such measures / methods / efforts (e.g., product improvement / development, cost reduction, import substitution, etc.):****3) Details of Imported Technology –**

In case of imported technology (imported during the last three years, i.e. during the Financial Years 2018-19, 2019-20 & 2020-21), the required details are as under:-

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

There was no technology imported during the Financial Year 2020-21.

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

		Current Year (2020-21) (₹. in Lakh)	Previous Year (2019-20) (₹. in Lakh)
(a)	Capital	11.22	0.00
(b)	Recurring	0.00	0.00
(c)	Total	0.00	0.00
(d)	Total R&D expenditure as a percentage of total Turnover	11.22	0.00

C. Foreign Exchange Earnings and Outgo:

The details of Foreign Exchange earnings and outgo of your Company during the Financial Year 2020-21 are as follows:-

		Current Year (2020-21) (₹. in Lakh)	Previous Year (2019-20) (₹. in Lakh)
A.	Foreign Exchange Earned	298.21	NIL
B.	Foreign Exchange Used	NIL	272.13

**For and on behalf of the Board of Directors of
Godrej Tyson Foods Limited**

N. B. Godrej
Chairman
(DIN: 00066195)

B. S. Yadav
Managing Director
(DIN: 00294803)

Mumbai, April 28, 2021

**ANNUAL REPORT ON CSR ACTIVITIES BE THE PART OF THE BOARD'S REPORT
AS AT THE FINANCIAL YEAR ENDED ON MARCH 31, 2021**

1. Brief outline on CSR Policy of the Company, including overview of projects or programs to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:-

The Corporate Social Responsibility (CSR) Policy of Godrej Tyson Foods Limited (hereafter referred to as "GTFL") aligns itself with the Godrej Group's (Group) 'Good & Green' vision of creating a more inclusive and greener India.

Godrej Tyson Foods Limited envisions becoming the most respected manufacturer of packaged poultry as well as vegetarian products in the country. The Company's approach to realize this vision involves on the one hand adopting global best practices, encouraging continuous innovation and ensuring high service standards in its core business and to undertake efforts to contribute to sustainable social transformation on the other. Through its CSR (Corporate Social Responsibility) Projects, GTFL strives to create positive impact on the lives of the communities in which it operates, and thereby help carve out for itself a reputation for being one of the most socially responsible and committed companies in the industry.

GTFL's CSR focus areas are aligned to the key areas listed in Schedule VII to the Companies Act, 2013. GTFL seeks to undertake projects that benefit marginalized, dis-advantaged, poor and deprived sections of the community and those that have positive impacts on the environment.

2. Composition of CSR Committee:

The Company has constituted a CSR Committee of the Board. The members of the Committee are:-

Sr. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee attended during the year
1.	Mr. Balram S. Yadav	Chairman – Managing Director	2of 2
2.	Mr. S. Varadraj	Member – Non – Executive & Non Independent	2of 2
3.	Mr. Sanjay V. Gogate	Member – Non – Executive & Independent	2of 2

There were 2 (Two) CSR Committee Meetings held during the Financial Year 2020-21 (i.e. on May 8, 2020 and October 23, 2020).

3. Provide the web-link where Composition of CSRcommittee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

<https://www.godrejagrovet.com/good-and-green.aspx#:~:text=Our%20integrated%20CSR%20programme%20focuses,arid%20and%20semi%2Darid%20regions.>

https://www.godrejagrovet.com/Resources/uploads/subsidiaris_accounts/GodrejTysonFoodsLimited_FY201920.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibilityPolicy) Rules, 2014, if applicable (attach the report).

Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 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).

Financial Year (as per Section 198)	2017-18	2018-19	2019-20
Net Profit (Rs. In Lakh)	Rs. 415 Lacs	Rs. 396 Lacs	Rs. (5,092.82) Lacs

7. (a) Two percent of Average Net Profit of the Company as per Section 135(5):- Not Applicable

(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: Not Applicable

(d) Total CSR obligation for the financial year (7a+7b- 7c). Not Applicable

8. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	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
Rs. 2,19,053	Not Applicable				

(b) Details of CSR amount spent against ongoing projects for the Financial Year: Not Applicable

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes / No).	Location of the project.		Amount spent for the project (in Rs.).	Mode of implementation Direct (Yes/No)	Mode of implementation Through implementing agency	
				State.	District.			Name	CSR Registration Number
1.	Covid Relief support to contract workers and communities	Clause (i), (xii)	Yes	Karnataka, Punjab, Maharashtra	Hoskote, Ludhiana, Taloja	1,92,632	Yes	NA	NA
2.	Community development initiative	Clause (ii), (x)	Yes	Karnataka	Hoskote	26,421	Yes	NA	NA
	TOTAL					2,19,053			

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year(8b+8c+8d+8e):- Rs 2,19,053

(g) Excess amount for set off, if any: Not Applicable

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6)(in Rs.)	Amount spent in the reporting Financial Year(in Rs.).	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 Rs.)
				Name of the Fund	Amount (in Rs).	Date of transfer.	
1.	FY 2019-20	NA	2,19,053	NA	NA	NA	NA
	TOTAL		2,19,053				

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding Financial Year(s):

Not Applicable

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 (asset-wise details): Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Sd/- (Chief Executive Officer or Managing Director or Director).	Sd/- (Chairman CSR Committee).	Sd/- [Person specified under clause (d) of sub-section (1) of section 380 of the Act] (Wherever applicable).
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ANNEXURE 'E' TO THE DIRECTORS' REPORT

POLICY RELATING TO THE REMUNERATION FOR DIRECTORS, KEY MANAGERIAL PERSONNEL (KMP) AND OTHER EMPLOYEES OF GODREJ TYSON FOODS LIMITED

As at the Financial Year ended on March 31, 2021

The Total Rewards Framework of Godrej Tyson Foods Limited ("the Company") aims at holistically utilizing elements such as fixed and variable compensation, long-term incentives, benefits and perquisites and non-compensation elements (career development, work life balance and recognition).

Highlights

The rewards' framework offers the employees, the flexibility to customize different elements, basic need. It is also integrated with the Company's performance and talent management processes and designed to ensure sharply differentiated rewards for best performers.

The total compensation for a given position is influenced by three factors: position, performance and potential. As a broad principle, for high performers and potential employees, the Company strives to deliver total compensation at the 90th percentile of the market.

Total Cash Compensation

The total cash compensation has three components:

1. 'Fixed Compensation' comprises basic salary and retirement benefits, like provident fund and gratuity.
2. 'Flexible Compensation' is a fixed pre-determined component of compensation, which can be allocated to different components, as per the grade eligibility defined at the start of each financial year.
3. 'Variable Compensation (Performance Linked Variable Remuneration)' rewards an employee for delivering superior business results and individual performance. It is designed to provide a significant upside earning potential without cap for over achieving business results. It has a 'Collective' component, which is linked to the achievement of specified business results, measured by Earnings Before Interest and Tax (EBIT) or other related metrics, relative to the target set for a given financial year and an 'Individual' component, based on the employee's performance, as measured by the performance management process.

**For and on behalf of the Board of Directors
of Godrej Tyson Foods Limited**

Nadir B. Godrej
Chairman
(DIN: 00066195)

Balram S. Yadav
Managing Director
(DIN: 00294803)

Place: Mumbai
Date: April 28, 2021

ANNEXURE 'F' TO THE DIRECTORS' REPORT

**CRITERIA FOR DETERMINING QUALIFICATION, POSITIVE ATTRIBUTES AND
INDEPENDENCE OF DIRECTORS OF GODREJ TYSON FOODS LIMITED**

As at the Financial Year ended on 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 for any associated person;
- vii. refrain from any action that would lead to loss of his independence;
- viii. where circumstances arise which make an Independent Director lose his independence, the Independent Director must immediately inform the Board accordingly;
- ix. assist 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).

**For and on behalf of the Board of
Directors of Godrej Tyson Foods Limited**

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

**Balram S. Yadav
Managing Director
(DIN: 00294803)**

Place: Mumbai

Date: April 28, 2021

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai - 400 063

Telephone: +91 22 6257 1000
Fax: +91 22 6257 1010

Independent Auditors' Report

To the Members of Godrej Tyson Foods Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Godrej Tyson Foods Limited ("the Company"), which comprise the balance sheet as at 31 March 2021, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditors' report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Independent Auditor's Report (Continued)

Godrej Tyson Foods Limited

Management's and Board of Director's Responsibility for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the financial statements made by the Management and Board of Directors.



Independent Auditor's Report (Continued)

Godrej Tyson Foods Limited

Auditor's Responsibilities for the Audit of the Financial Statements (Continued)

- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on 31 March 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".



Independent Auditor's Report (Continued)

Godrej Tyson Foods Limited

Report on Other Legal and Regulatory Requirements (Continued)

- (B) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at 31 March 2021 on its financial position in its financial statements - Refer Note 40 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these financial statements since they do not pertain to the financial year ended 31 March 2021.

- (C) With respect to the matter to be included in the Auditors' Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For **BSR & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022



Burjis Pardiwala
Partner

Membership No. 103595
UDIN: 21103595AAAAAX2318

Mumbai
28 April 2021

Godrej Tyson Foods Limited

Annexure A to the Independent Auditors' Report – 31 March 2021

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2021, we report the following:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
 - (b) The Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified by the management according to a programme designed to cover all the items once a year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. In accordance with the policy, the Company has physically verified all its property, plant and equipment during the year. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of the immovable properties are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. In our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (iii) According to information and explanation given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, the provision of para 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us and based on the audit procedures performed by us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to loan granted to a company. The Company has not made any investments, or provided any guaranty or security to the parties covered under Section 185 and 186 of the Act. Accordingly, compliance under Sections 185 and 186 of the Act in respect of making investment or providing guarantees and securities is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act for any of the services rendered by the Company. Accordingly, paragraph 3 (vi) of the Order is not applicable to the Company.

CPD

Godrej Tyson Foods Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (Continued)

- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of Provident fund, Employees' state insurance, Profession tax Cess and other material statutory dues have been regularly deposited with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of Income-tax and Goods and services tax has generally been regularly deposited with the appropriate authorities, though there have been slight delays in a few cases.

According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax and Goods and services tax and other material statutory dues were in arrears as at 31 March 2021, for a period of more than six months from the date they became payable to the appropriate authorities.

- (b) According to the information and explanations given to us, there are no dues of Income-tax and Goods and services tax as at 31 March 2021, which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanation given to us, the following dues of Sales-tax and Value added tax have not been deposited as at 31 March 2021 by the Company on account of disputes:

(INR in lakhs)

Name of Statute	Nature of the Dues	Amount demanded	Period which amount relates	to the	Forum where dispute is pending
Central Sales Tax Act and Local Sales Tax Act	Sales Tax, VAT and CST	86.32	2010-11, 2012-13 and 2014-15	and	Joint Commissioner
		687.33	2013-14 to 2017-18	to	Deputy Commissioner of commercial Tax
		133.42	2011-12 to 2013-14 and 2016-17	and	Commercial Tax Officer & Additional Commissioner
Income Tax	Income tax	5.06	2016-17		Assistant Commissioner of Income Tax

- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted during the year in repayment of loans or borrowing to the banks. The Company does not have any loans or borrowings from government or outstanding dues to any financial institutions or dues to debenture holders during the year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, the term loans taken by the Company have been applied for the purpose for which they are raised.

Godrej Tyson Foods Limited

Annexure A to the Independent Auditors' Report – 31 March 2021 (Continued)

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **BSR & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022



Burjis Pardiwala

Partner

Membership No: 103595

UDIN: 21103595AAAAAX2318

Mumbai
28 April 2021

Godrej Tyson Foods Limited

Annexure B to the Independent Auditors' Report– 31 March 2021

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

(Referred to in paragraph 2(A)(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Godrej Tyson Foods Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

Management’s Responsibility for Internal Financial Controls

The Company’s Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



Godrej Tyson Foods Limited

Annexure B to the Independent Auditors' Report – 31 March 2021 (Continued)

Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **BSR & Co. LLP**
Chartered Accountants

Firm's Registration No: 101248W/W-100022



Burjis Pardiwala
Partner

Membership No: 103595

UDIN: 21103595AAAAAX2318

Mumbai
28 April 2021

Godrej Tyson Foods Limited

Balance sheet

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	<i>Note</i>	31 March 2021	31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	2	12,607.64	13,431.79
Capital work-in-progress	2	261.33	201.44
Right-of-use assets	41	1,224.70	1,310.65
Intangible assets	3	359.22	429.77
Biological assets other than bearer plants	4	553.05	1,043.22
Financial assets			
(i) Trade receivables	5	-	-
(ii) Loans	6	379.66	384.97
(iii) Others	7	-	1.29
Deferred tax assets, (net)	8	1,240.34	1,910.47
Non-current tax assets, (net)		350.61	343.86
Other non-current assets	9	693.37	350.94
Total non-current assets		17,669.92	19,408.40
Current assets			
Biological assets other than bearer plants	4	6,154.92	5,774.48
Inventories	10	3,317.48	3,096.64
Financial assets			
(i) Trade receivables	11	2,743.90	2,794.15
(ii) Cash and cash equivalents	12	415.85	202.20
(iii) Bank balance other than (ii) above	13	7.66	6.46
(iv) Loans	14	358.48	50.28
(v) Others	15	38.59	5.53
Other current assets	16	749.96	832.38
Total current assets		13,786.84	12,762.12
Total assets		31,456.76	32,170.52
Equity and liabilities			
Equity			
Equity share capital	17	19.89	19.89
Other equity	18	15,008.69	13,498.35
Total equity		15,028.58	13,518.24
Liabilities			
Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	19A	1,500.00	1,900.00
(ii) Other financial liabilities	20	48.85	111.32
Provisions	21	37.77	-
Other non current liabilities	22	412.87	444.34
Total non-current liabilities		1,999.49	2,455.66
Current liabilities			
Financial liabilities			
(i) Borrowings	19B	5,000.00	6,638.09
(ii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises;		93.87	36.82
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,681.36	6,605.10
(iii) Other financial liabilities	24	3,134.59	2,603.53
Other current liabilities	25	311.84	288.76
Provisions	26	29.27	24.32
Current tax liabilities (net)		177.76	-
Total current liabilities		14,428.69	16,196.62
Total liabilities		16,428.18	18,652.28
Total equity and liabilities		31,456.76	32,170.52

Godrej Tyson Foods Limited

Balance sheet (Continued)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

The accompanying notes 1 to 54 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Tyson Foods Limited

CIN: U15122MH2008PLC177741

Burjis Pardiwala

Partner

Membership No: 103595

N. B. Godrej

Chairman

DIN: 00066195

B.S.Yadav

Managing Director

DIN: 00294803

U.R. Pathak

Company Secretary

Membership No F7266

Suhas Advant

Chief Financial Officer

Membership No.: 048962

Mumbai

28 April 2021

Mumbai

28 April 2021

Godrej Tyson Foods Limited

Statement of profit and loss

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	<i>Note</i>	31 March 2021	31 March 2020
Revenue			
Revenue from operations	27	60,245.15	51,537.15
Other income	28	176.98	54.19
Total revenue		60,422.13	51,591.34
Cost of materials consumed	29	39,416.78	42,122.87
Purchases of stock-in-trade	30	1,036.45	649.82
Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological	31	551.63	(1,491.11)
Employee benefits expense	32	3,709.18	3,522.48
Finance costs	33	295.52	368.91
Depreciation and amortisation expenses	34	1,631.39	1,596.35
Other expenses	35	11,513.63	11,547.88
Total expenses		58,154.58	58,317.20
Profit / (Loss) before exceptional item and tax		2,267.55	(6,725.86)
Less : Exceptional item	44	-	992.00
Profit / (Loss) before tax		2,267.55	(7,717.86)
Tax expense:			
Current tax		177.76	-
Deferred tax (credit) / charge		676.31	(2,625.04)
Adjustment of tax for earlier years		(108.38)	-
Total tax expense		745.69	(2,625.04)
Profit/(Loss) for the year after tax		1,521.86	(5,092.82)
Other comprehensive income			
(a) Items that will not be reclassified to profit or loss			
Re-measurements of defined benefit liability		(17.70)	(57.70)
Income tax related to items that will not be reclassified to profit or loss		6.18	20.16
Other comprehensive income		(11.52)	(37.54)
Total comprehensive income		1,510.34	(5,130.36)
Earnings per equity share			
Basic and diluted (face value per share INR 10 each)	36	765.14	(2,560.49)

The accompanying notes 1 to 54 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Tyson Foods Limited

CIN: U15122MH2008PLC177741

Burjis Pardiwala

Partner

Membership No: 103595

N. B. Godrej

Chairman

DIN: 00066195

B.S. Yadav

Managing Director

DIN: 00294803

U.R. Pathak

Company Secretary

Membership No F7266

Mumbai

28 April 2021

Suhav Advant

Chief Financial Officer

Membership No.: 048962

Mumbai

28 April 2021

Godrej Tyson Foods Limited

Statement of changes in equity

as at 31 March 2021

(Currency: Indian rupees in lakhs)

(a) Equity share capital

	31 March 2021	31 March 2020
Balance at the beginning of the reporting year	19.89	19.89
Changes in equity share capital during the year	-	-
Balance at the end of the reporting year	<u>19.89</u>	<u>19.89</u>

(b) Other equity

	Attributable to the owners of the Company			Total
	Retained Earnings	Securities Premium	Other Comprehensive Income	
Balance at 1 April 2020	107.83	13,454.16	(63.64)	13,498.35
Profit for the year	1,521.86	-	-	1,521.86
Other comprehensive income for the year	-	-	(11.52)	(11.52)
Total comprehensive income for the year	<u>1,521.86</u>	<u>-</u>	<u>(11.52)</u>	<u>1,510.34</u>
Balance as at 31 March 2021	<u>1,629.69</u>	<u>13,454.16</u>	<u>(75.16)</u>	<u>15,008.69</u>
Balance at 1 April 2019	5,200.65	13,454.16	(26.10)	18,628.71
(Loss) for the year	(5,092.82)	-	-	(5,092.82)
Other comprehensive income for the year	-	-	(37.54)	(37.54)
Total comprehensive income for the year	<u>(5,092.82)</u>	<u>-</u>	<u>(37.54)</u>	<u>(5,130.36)</u>
				-
Balance as at 31 March 2020	107.83	13,454.16	(63.64)	13,498.35

The accompanying notes 1 to 54 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Tyson Foods Limited

CIN: U15122MH2008PLC177741

Burjis Pardiwala

Partner

Membership No: 103595

N. B. Godrej

Chairman

DIN: 00066195

B. S. Yadav

Managing Director

DIN: 00294803

U.R. Pathak

Company Secretary

Membership No F7266

Suhas Advant

Chief Financial Officer

Membership No.: 048962

Mumbai

28 April 2021

Mumbai

28 April 2021

Godrej Tyson Foods Limited

Statement of cash flows

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
A. Cash flow from operating activities :		
Net profit / (loss) before tax	2,267.55	(7,717.86)
<i>Adjustment for:</i>		
Depreciation and amortisation expenses	1,631.39	1,596.35
Loss on sale of property, plant and equipment	7.90	24.33
Finance costs	295.52	368.91
Bad debts written off	78.29	52.45
Interest income	(16.61)	(7.67)
Liabilities no longer required written back	(75.78)	(6.89)
Recovery of bad debts written off	(4.52)	(1.12)
Change in fair value of biological assets	(171.44)	691.22
Provision for doubtful debts and advances	314.12	37.59
	<u>2,058.87</u>	<u>2,755.17</u>
Operating profit / (loss) before working capital changes	<u>4,326.42</u>	<u>(4,962.69)</u>
<i>Adjustments for:</i>		
(Increase) in inventories	(220.84)	(761.79)
(Increase) in trade receivables	(337.64)	(528.11)
Decrease / (Increase) in other non-current assets	144.78	(321.25)
(Increase) in other current assets	(168.72)	(1,098.61)
(Decrease) / Increase in trade payables	(790.91)	4,841.36
Increase in non-current liabilities	6.30	209.26
Increase / (Decrease) in current liabilities	566.58	(283.93)
	<u>(800.45)</u>	<u>2,056.93</u>
Cash generated / (used in) from operations	3,525.97	(2,905.76)
Direct taxes refunded / (paid)	101.64	(144.99)
Net cash generated / (used in) from operating activities	<u>3,627.60</u>	<u>(3,050.75)</u>
B. Cash flow used in investing activities :		
Acquisition of property, plant and equipment	(779.73)	(1,566.70)
Inter-corporate deposit placed	(300.00)	-
Interest received	16.29	7.67
Proceeds from sale of property, plant and equipment	17.62	19.41
Net cash (used in) investing activities	<u>(1,045.82)</u>	<u>(1,539.62)</u>
C. Cash flow used in financing activities :		
Proceeds from short-term borrowings	8,200.00	-
Proceeds from inter-corporate deposits	5,775.00	2,500.00
Repayment of inter-corporate deposits	(7,275.00)	(1,000.00)
Repayment of short-term borrowings	(8,338.09)	3,709.57
Repayment of long-term borrowings	(400.00)	(400.00)
Interest paid	(282.39)	(354.07)
Lease rent paid	(37.92)	(40.34)
Interest paid on lease rentals	(9.73)	(14.84)
Net cash (used in) / generated from financing activities	<u>(2,368.13)</u>	<u>4,400.32</u>
Net increase / (decrease) in cash and cash equivalents	<u>213.65</u>	<u>(190.05)</u>
Cash and cash equivalents at the beginning of the year	<u>202.20</u>	<u>392.25</u>
Cash and cash equivalents at the end of the year	<u>415.85</u>	<u>202.20</u>

Godrej Tyson Foods Limited

Statement of cash flows (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

Notes:

- 1 The Statement of cash flows has been prepared under the "Indirect Method" as set out in (Ind AS) 7 on "Statement of cash flows", and presents cash flows by operating, investing and financing activities.
- 2 Figures in brackets are outflows/deductions.
- 3 **Change in financial liabilities arising from financing activity including both changes arising from cash flows and non-cash changes:**

Particulars	1 April 2020	Cash flow	Non-cash change	31 March 2021
Long-term borrowings	2,300.00	(400.00)	-	1,900.00
Short-term borrowings	6,638.09	(1,638.09)	-	5,000.00
Total borrowings	8,938.09	(2,038.09)	-	6,900.00

Particulars	1 April 2019	Cash flow	Non-cash change	31 March 2020
Long-term borrowings	2,700.00	(400.00)	-	2,300.00
Short-term borrowings	1,428.51	5,209.58	-	6,638.09
Total borrowings	4,128.51	4,809.58	-	8,938.09

The accompanying notes 1 to 54 form an integral part of these financial statements.

As per our report of even date attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of

Godrej Tyson Foods Limited

CIN: U15122MH2008PLC177741

Burjis Pardiwala

Partner

Membership No: 103595

N. B. Godrej

Chairman

DIN: 00066195

B. S. Yadav

Managing Director

DIN: 00294803

U.R. Pathak

Company Secretary

Membership No F7266

Suhas Advant

Chief Financial Officer

Membership No: 048962

Mumbai

28 April 2021

Mumbai

28 April 2021

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

2 Property, plant and equipment and capital work-in-progress

Description of assets	Freehold land	Leasehold land*	Leasehold improvement	Buildings	Plant and machinery	Furniture and fixtures	Vehicles	Office and others equipment	Computer	Total
As at 31 March 2021										
As at 1 April 2020	891.82	-	14.53	4,220.70	12,153.35	103.06	111.09	214.09	341.61	18,050.25
Additions	-	-	-	17.26	559.32	8.44	-	81.26	27.31	693.59
Disposals	-	-	-	(16.24)	(33.46)	(2.16)	(22.68)	(1.44)	(2.41)	(78.39)
As at 31 March 2021	891.82	-	14.53	4,221.72	12,679.21	109.34	88.41	293.91	366.51	18,665.45
Accumulated depreciation and amortisation										
up to 1 April 2020	-	-	5.66	363.07	3,918.14	34.49	41.13	113.00	142.97	4,618.46
Depreciation and amortisation for the year	-	-	1.39	161.28	1,189.68	9.60	13.11	32.95	84.21	1,492.22
Disposals	-	-	-	(11.91)	(26.59)	(0.17)	(12.70)	(0.49)	(1.01)	(52.87)
up to 31 March 2021	-	-	7.05	512.44	5,081.23	43.92	41.54	145.46	226.17	6,057.81
As at 31 March 2021	891.82	-	7.48	3,709.28	7,597.98	65.42	46.87	148.45	140.34	12,607.64
As at 1 April 2019	891.82	-	14.53	4,077.36	11,179.86	94.84	134.83	192.84	328.35	16,914.43
Additions	-	-	-	143.34	1,035.83	8.61	16.84	23.95	20.55	1,249.11
Disposals	-	-	-	-	(62.34)	(0.39)	(40.58)	(2.70)	(7.29)	(113.30)
As at 31 March 2020	891.82	-	14.53	4,220.70	12,153.35	103.06	111.09	214.09	341.61	18,050.24
Accumulated depreciation and amortisation										
up to 1 April 2019	-	-	4.26	204.51	2,809.40	25.43	41.80	78.67	64.13	3,228.20
Depreciation and amortisation for the year	-	-	1.40	158.56	1,151.03	9.38	16.61	36.71	86.13	1,459.82
Disposals	-	-	-	-	(42.29)	(0.32)	(17.28)	(2.38)	(7.29)	(69.56)
up to 31 March 2020	-	-	5.66	363.07	3,918.14	34.49	41.13	113.00	142.97	4,618.46
As at 31 March 2020	891.82	-	8.87	3,857.63	8,235.21	68.57	69.96	101.09	198.64	13,431.79
Capital work in progress										
As at 1 April 2020										201.44
Additions										67.75
Capitalised during the year										(7.86)
As at 31 March 2021										261.33
As at 1 April 2019										21.24
Additions										341.07
Capitalised during the year										(160.87)
As at 31 March 2020										201.44

* On account of applicability of Ind AS 116, the Leasehold land has been classified as Rights-of Use with effect from 01 April 2019. Refer note 42.

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

as at 31 March 2021

(Currency: Indian rupees in lakhs)

3 Intangible assets

Description of assets	Computer software	Marketing network	Trademarks and brands	Total
As at 31 March 2021				
As at 1 April 2020	613.95	702.37	807.04	2,123.36
Additions	19.71	-	-	19.71
Disposals	-	-	-	-
As at 31 March 2021	633.66	702.37	807.04	2,143.07
Accumulated amortisation				
As at 1 April 2020	184.18	702.37	807.04	1,693.59
Amortisation charge for the year	90.26	-	-	90.26
Disposals	-	-	-	-
up to 31 March 2021	274.44	702.37	807.04	1,783.85
As at 31 March 2021	359.22	0.00	-	359.22
As at 31 March 2020				
As at 1 April 2019	476.55	702.37	807.04	1,985.96
Additions	137.40	-	-	137.40
Disposals	-	-	-	-
As at 31 March 2020	613.95	702.37	807.04	2,123.36
Accumulated amortisation				
up to 1 April 2019	109.76	702.37	807.04	1,619.17
Amortisation charge for the year	74.42	-	-	74.42
Taken over	-	-	-	-
Disposals	-	-	-	-
up to 31 March 2020	184.18	702.37	807.04	1,693.59
As at 31 March 2020	429.77	-	-	429.77

Godrej Tyson Foods Limited

Notes to the financial statements (*Continued*)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
4 Biological assets other than bearer plants		
PS Bird	2,568.92	4,492.92
Hatching eggs	794.21	549.80
Contract farm - Broiler	3,344.84	1,774.98
Total	6,707.97	6,817.71
Non-current	553.05	1,043.22
Current	6,154.92	5,774.48
5 Non current trade receivables		
Trade receivables considered goods - Secured	-	-
Trade receivables considered goods - Unsecured	-	-
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	452.26	138.14
Less : Allowances for doubtful receivables	(452.26)	(138.14)
Total	-	-
6 Long term loans and advances (Unsecured, considered good)		
<i>To parties other than related parties</i>		
Security deposits	377.73	380.45
Loan to employees	1.93	4.52
Total	379.66	384.97
Break up of loan to employees		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	1.93	4.52
Loans receivable which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
Doubtful	-	-
Total	1.93	4.52
7 Other non-current financial assets (refer note below*)		
Interest accrued but not due on fixed deposits	-	0.09
Bank deposit with remaining maturity of more than 12 months	-	1.20
Total	-	1.29
*Fixed deposits of INR Nil (31 March 2020: INR 1.20 lakhs) are kept as earnest money deposit.		
8 Deferred tax assets, (net)		
Deferred tax assets (refer note 48)	1,240.34	1,910.47
Total	1,240.34	1,910.47

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
9 Other non-current assets		
Capital advances	59.06	68.62
Balance with Government Authorities	622.01	270.43
Advances other than capital advances		
i) Considered good	12.30	11.89
ii) Considered doubtful	22.99	22.99
Less : Allowance for doubtful advances	(22.99)	(22.99)
Total advances other than capital advance	12.30	11.89
Total	693.37	350.94
10 Inventories (refer note no 10.1)		
<i>(Valued at lower of cost and net realisable value)</i>		
Raw materials	1,507.54	934.07
Work-in-progress	0.92	3.75
Finished goods	1,357.35	1,787.18
Stock-in-trade	50.46	59.70
Stores and spares	263.64	208.96
Packing material	137.57	102.98
Total	3,317.48	3,096.64
Note 10.1: refer note 19 for information on inventories hypothecated as securities by the Company.		
The write down / (reversal of write-down) of inventories to net realisable value during the year	41.22	110.21
11 Trade receivables (refer note no 11.1)		
Trade receivables considered good - Secured**	389.94	370.73
Trade receivables considered good - Unsecured	2,353.96	2,423.42
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
Total	2,743.90	2,794.15
**Secured by security deposits of INR 327.33 lakhs (31 March 2020: INR 290.29 lakhs) collected from customers and bank guarantees of INR 143.80 lakhs (31 March 2020: INR 149.80 lakhs) held against them.		
Note 11.1: refer note 19 for information on trade receivables hypothecated as securities by the Company.		
12 Cash and cash equivalents		
Cash on hand	18.15	14.80
Balances with banks:		
- Current accounts	397.70	187.40
Total	415.85	202.20

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
13 Bank balances other than cash and cash equivalents		
Fixed deposits (maturity more than 3 months but less than 12 months)*	7.66	6.46
Total	7.66	6.46
*Fixed deposits of INR 7.66 lakhs (31 March 2020: INR 6.46 lakhs) are kept as earnest money deposit.		
14 Current loans		
<i>Unsecured, considered good</i>		
Loans and advances to employees	33.48	25.28
Loans granted	25.00	25.00
Intercompany Deposit Placed (refer note 37)	300.00	-
Total	358.48	50.28
Break up of current loans		
Loans receivables considered good - secured	-	-
Loans receivables considered good - unsecured	358.48	50.28
Loans receivable which have significant increase in credit risk	-	-
Loans receivables - credit impaired	-	-
Doubtful	-	-
	358.48	50.28
15 Other current financial assets		
Interest accrued but not due on fixed deposits	1.29	1.04
Interest Accrued on other Deposits	0.07	-
Vat refund receivable	24.92	-
Deposits	12.31	4.49
Total	38.59	5.53
16 Other current assets		
Advances to suppliers	96.61	102.93
Prepayments	92.51	75.58
Duties and taxes	560.84	653.87
Total	749.96	832.38

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
17 Share capital		
Authorised :		
300,000 (31 March 2020: 300,000) equity shares of INR 10/- each	30.00	30.00
Total	<u>30.00</u>	<u>30.00</u>
Issued, subscribed and paid-up:		
198,900 (31 March 2020: 198,900) equity shares of INR 10/- each, fully paid	19.89	19.89
Total	<u>19.89</u>	<u>19.89</u>

Reconciliation of number of shares outstanding at the beginning and end of the year :

	31 March 2021		31 March 2020	
	Number	INR (in lakhs)	Number	INR (in lakhs)
Equity shares :				
Outstanding at the beginning of the year	198,900	19.89	198,900	19.89
Issued during the year	-	-	-	-
Outstanding at the end of the year	<u>198,900</u>	<u>19.89</u>	<u>198,900</u>	<u>19.89</u>

Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares having a par value of INR 10 per share. Each shareholder is eligible for one vote per share held. All equity shareholders are eligible to receive dividend in proportion to their shareholding. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all the preferential amounts, in proportion to their shareholding.

Shareholders holding more than 5% shares in the company is set out below:

Equity shares of INR 10 each, fully paid-up are held by:	31 March 2021		31 March 2020	
	Number of shares	Percentage	Number of shares	Percentage
Godrej Agrovet Limited	101,439	51.00%	101,439	51.00%
Tyson India Holdings Limited	97,461	49.00%	97,461	49.00%
	<u>198,900</u>	<u>100%</u>	<u>198,900</u>	<u>100%</u>

18 Other equity

Retained earnings

At the commencement of the year	44.19	5,174.55
Add : Profit / (loss) for the year	1,521.86	(5,092.82)
Add : Other comprehensive income	(11.52)	(37.54)
Total retained earnings	<u>1,554.53</u>	<u>44.19</u>

Securities premium	<u>13,454.16</u>	<u>13,454.16</u>
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Total other equity	<u>15,008.69</u>	<u>13,498.35</u>
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Securities premium

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

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
19 Borrowings		
A Long-term borrowings		
Unsecured		
Term loans from Banks (refer note below 19.1)	1,900.00	2,300.00
Total	<u>1,900.00</u>	<u>2,300.00</u>
Non-current	1,500.00	1,900.00
Current	400.00	400.00
B Short-term borrowings		
Secured		
Cash credit from banks (refer note below 19.2)	-	2,138.09
Unsecured		
Working capital loans from banks (refer note below 19.3)	5,000.00	3,000.00
Inter-corporate deposit (refer note below 19.4)	-	1,500.00
Total	<u>5,000.00</u>	<u>6,638.09</u>
<p>Note 19.1: Term loans from banks for the year ended 31 March 2021 are at an Interest Rate of 6.45% (31 March 2020: 6.45%). These loans are repayable in 28 equal quarterly installment of INR 100 lakhs each from 15 February 2019.</p> <p>Note 19.2: Cash credit from banks are repayable on demand and carries interest rate ranging from 7.20% per annum to 8.20% per annum (31 March 2020: 8.20%). This cash credit from bank is secured by hypothecation of inventories and receivables.</p> <p>Note 19.3: Working capital loans from banks for the year ended 31 March 2021 are at an interest rate ranging from 4.0% to 5% (31 March 2020 : 5.66%). These loans are repayable before 22 August 2021.</p> <p>Note 19.4: Interest rate on inter-corporate deposit taken for the year ended 31 March 2021 7.25% (31 March 2020 : 7.25%). These inter-corporate deposit are repayable on demand.</p>		
	31 March 2021	31 March 2020
20 Other non-current financial liabilities		
Lease liabilities	48.85	111.32
Total	<u>48.85</u>	<u>111.32</u>
21 Long term provisions		
Provision for employee benefits :		
- Provision for compensated absences (refer note 49)	37.77	-
Total	<u>37.77</u>	<u>-</u>
22 Other non current liabilities		
Government grant	412.87	444.34
Total	<u>412.87</u>	<u>444.34</u>

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

as at 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
23 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note below)	93.87	36.82
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,681.36	6,605.10
Total	5,775.23	6,641.92

Note 23.1: During the year, Micro small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditor have relied on the same. Accordingly INR 2.65 lakhs is overdue as on 31 March 2021 (31 March 2020 : INR 0.36 lakhs) to Micro, Small and Medium Enterprises on account of principal or interest. The disclosures pursuant to MSMED Act based on the books of account are as under :

Particulars	31 March 2021	31 March 2020
Principal amount due and remaining unpaid	2.65	0.36
Interest due thereon	0.06	0.01
Amount of interest paid by the Company in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED, 2006	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year; and	0.06	0.01
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under the MSMED Act, 2006	-	-

	31 March 2021	31 March 2020
24 Other financial liabilities		
Current maturity of long-term debts	400.00	400.00
Security deposit	811.24	769.24
Amount due for payment to gratuity fund (refer note 49)	47.30	92.04
Non-trade payables	679.62	385.88
Interest accrued but not due	20.86	17.47
Employee payables	6.20	0.10
Payable for capital goods	85.02	101.12
Lease liabilities	25.78	38.27
Liability for revenue expenses	496.09	482.04
Provision for bonus	421.37	160.43
Others (includes payable towards expense and retention money)	141.11	156.94
Total	3,134.59	2,603.53

25 Other current liabilities		
Advances from customers	46.13	51.46
Employee deductions	0.02	0.02
Statutory liabilities	234.22	205.81
Government grant	31.47	31.47
Total	311.84	288.76

26 Current provisions		
Provision for compensated absences (refer note 49)	4.95	-
Provision for sales tax liability	24.32	24.32
Total	29.27	24.32

Godrej Tyson Foods Limited

Notes to the financial statements (Continued) for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
27 Revenue from operations		
Sale of products (net)	60,221.75	51,517.68
	<u>60,221.75</u>	<u>51,517.68</u>
Other operating revenue		
Sale of scrap and empties	23.40	19.47
	<u>23.40</u>	<u>19.47</u>
Total	<u><u>60,245.15</u></u>	<u><u>51,537.15</u></u>
28 Other income		
Interest income on		
- Fixed deposits with banks	0.16	0.16
- Inter-corporate deposits	0.07	-
- Others	11.10	7.51
- Income Tax	5.28	-
Insurance claims received	12.89	-
Liabilities no longer required written back	75.78	6.89
Recovery of bad debts written off	4.52	1.12
Amortisation of government grant	31.47	23.04
VAT refund received	24.92	-
Other miscellaneous income	10.79	15.47
Total	<u><u>176.98</u></u>	<u><u>54.19</u></u>
29 Cost of materials consumed		
Material at the commencement of the year	934.07	1,131.03
Add: Purchases	40,004.21	41,925.91
Less: Material sold	13.96	-
	<u>40,924.32</u>	<u>43,056.94</u>
Less: Material at the close of the year	1,507.54	934.07
Total cost of material consumed	<u><u>39,416.78</u></u>	<u><u>42,122.87</u></u>
30 Purchase of stock-in-trade		
Value added products	1,036.45	649.82
Total	<u><u>1,036.45</u></u>	<u><u>649.82</u></u>

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
31 Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological assets		
Stocks at the commencement of the year		
Finished goods	1,787.18	772.65
Work in progress	3.75	2.19
Biological assets	6,817.70	6,316.71
Stock-in-trade	59.70	85.67
Total stock at the commencement of the year	<u>8,668.33</u>	<u>7,177.22</u>
Less : Stocks at the close of the year		
Finished goods	1,357.35	1,787.18
Work in progress	0.92	3.75
Biological assets	6,707.97	6,817.70
Stock-in-trade	50.46	59.70
Total stock at the end of the year	<u>8,116.70</u>	<u>8,668.33</u>
Changes in inventories of finished goods, work-in-progress, stock-in-trade and biological assets	<u>551.63</u>	<u>(1,491.11)</u>
32 Employee benefits expense		
Salaries, wages, bonus and allowances	3,298.60	3,025.55
Contribution to provident, gratuity and other funds (refer note 49)	209.24	222.73
Staff welfare expense	201.34	274.20
Total	<u>3,709.18</u>	<u>3,522.48</u>
33 Finance costs		
Interest on :-		
Cash credit	19.20	26.52
Term loan	135.41	164.36
Working capital loan	79.69	134.39
Inter-corporate deposit	51.49	28.80
Lease Liabilities	9.73	14.84
Total	<u>295.52</u>	<u>368.91</u>
34 Depreciation and amortisation expense		
Depreciation and amortisation of Property, plant and equipment	1,492.22	1,459.82
Amortisation of intangible assets	90.26	74.42
Amortisation of Right of use assets	48.91	62.11
	<u>1,631.39</u>	<u>1,596.35</u>

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)* for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
35 Other expenses		
Stores and spares consumed	443.88	419.86
Water charges	103.33	130.75
Power and fuel	940.61	1,093.47
Processing charges	5,978.50	6,023.38
Storing and freezing	143.08	132.22
Rent (refer note 42)	392.48	384.38
Rates and taxes	22.83	25.34
Repairs and maintenance		
(a) Machinery	261.64	294.84
(b) Building	9.09	14.08
(c) Other assets	77.97	106.19
Insurance	66.05	50.40
Auditor's remuneration (refer note 35.1 below)	18.29	18.36
Legal and professional fees	208.28	191.42
Freight	842.95	1,005.07
Advertisement and publicity	766.18	660.61
Selling and distribution expenses	137.19	124.53
Travelling expenses	329.68	463.10
Bad debts written off	78.29	52.45
Provision for doubtful debts and advances	314.12	37.59
Loss on sale of property, plant and equipment	7.90	24.33
Net foreign exchange loss	0.51	2.01
Corporate social responsibility (refer note no 39)	2.19	16.11
Miscellaneous expenses	368.59	277.39
Total	11,513.63	11,547.88

Note 35.1: Auditor's remuneration (inclusive of taxes)

	31 March 2021	31 March 2020
(a) Audit fees	18.15	16.52
(b) Certification	-	0.83
(c) Reimbursement of expenses	0.14	1.01
Total	18.29	18.36

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

36 Earnings per share

Particulars	31 March 2021	31 March 2020
Profit/ (Loss) after tax attributable to equity shareholders	1,521.86	(5,092.82)
Number of equity shares outstanding at the beginning of the year	198,900	198,900
Number of equity shares outstanding at the end of the year	198,900	198,900
Weighted average number of equity shares outstanding during the year	198,900	198,900
Basic earnings per share (INR)	765.14	(2,560.49)
Diluted earnings per share (INR)	765.14	(2,560.49)
Face value per share (INR)	10	10

37 Disclosure pursuant to section 186 of the Companies Act, 2013

- A. The details of loans, guarantees and investments under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Details of loans given (net) by the Company are as follows:

Name of the entity	As at 1 April 2020	Loan given during the year	Repaid during the year	As at 31 March 2021
Prima foodtech Private Limited (refer note 37.1 below)	-	300.00	-	300.00

Note 37.1: Prima Foodtech Private Limited

Purpose of utilisation of loan given to the entities	Working Capital
Loan repayment terms	Repayable in One Year
Rate of Interest	9.25% per annum

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

	31 March 2021	31 March 2020
38 Capital commitments		
Estimated value of contracts remaining to be executed on capital account (net of advances), to the extent not provided for	282.72	379.31
	<u>282.72</u>	<u>379.31</u>

39 Corporate social responsibility

As per section 135 of the Companies Act, 2013 a CSR Committee has been formed by the Company. The funds are utilised during the year on activities which are specified in schedule VII of the Act. The utilisation is done by the way of direct contribution towards various activities. Gross amount required to be spent by the Company during the year INR Nil (31 March 2020: INR 16.06 lakhs).

Total expenditure incurred on Corporate Social Responsibility activities during the current year is INR 2.19 lakhs (31 March 2020: INR 16.11 lakhs)

	31 March 2021	31 March 2020
Amount spent during the year on		
(i) Construction /acquisition of any assets	0.26	1.73
(ii) On purposes other than (i) above	1.93	14.38
Total amount spent	<u>2.19</u>	<u>16.11</u>

40 Contingent liabilities

(i) Claims against the Company not acknowledge as debt	-	-
(ii) Value added tax demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels	899.71	964.73
(iii) Sales tax demands relating to Non- submission of declaration forms which the Company has contested and is in appeal with Joint Commissioner of sales tax, Mumbai	7.36	7.36
(iv) Provident fund*	-	-
(v) Guarantees issued by the Banks and counter guaranteed by the company which have been secured by deposits with bank	531.66	38.30
	<u>1,438.74</u>	<u>1,010.39</u>

* The Hon'ble Supreme Court of India ("SC") by their order dated February 28, 2019, in the case of Surya Roshani Limited & others v/s EPFO, set out the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The Company has started complying with this prospectively from the month of March 2019. In respect of the past period there are significant implementation and interpretative challenges that the management is facing and is awaiting for clarity to emerge in this regard, pending which, this matter has been disclosed under the Contingent liabilities section in the financial statements. The impact of the same is not ascertainable.

41 Segment reporting

The Company is mainly in Chicken processing business (fresh and frozen) and also into manufacturing and selling of Value Added Chicken products. In addition to this, the Company is into selling and marketing Vegetarian Value Added products. Accordingly, in the opinion of the management, it has only one primary segment and no further disclosure is deemed necessary pursuant to Ind AS 108 on Segment Reporting, issued by the Institute of Chartered Accountants of India.

There are no transactions with single external customers which amounts to 10% or more of the Company's revenue.

As the Company mainly caters to the need of domestic market and the total export turnover is not significant, separate geographical segment information has not been given in the financial statements.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

42 Disclosure as per IND AS 116 on leases

The Company has applied Ind AS 116, which replaces Ind AS 17 Leases and the related interpretations from 1 April 2019 using the modified retrospective approach, under which right-of use asset measure at amount equal to lease liability as at 1 April 2019.

Right-of-use assets:

Particulars	Leasehold land	Buildings	Total
Cost			
As at 1 April 2020	1,199.74	186.10	1,385.84
Additions	-	18.35	18.35
Disposals	-	(93.18)	(93.18)
Balance at 31 March 2021	1,199.74	111.27	1,311.01
Accumulated depreciation			
As at 1 April 2020	29.48	45.70	75.18
Amortisation	12.53	36.38	48.91
Eliminated on disposals of assets	-	(37.78)	(37.78)
Balance at 31 March 2021	42.01	44.30	86.31
Cost			
As at 1 April 2019	1,199.74	180.16	1,379.90
Additions	-	15.89	15.89
Disposals	-	(9.96)	(9.96)
Balance at 31 March 2020	1,199.74	186.10	1,385.84
Accumulated depreciation			
As at 1 April 2019	16.90	-	16.90
Amortisation	12.59	49.52	62.11
Eliminated on disposals of assets	-	(3.82)	(3.82)
Balance at 31 March 2020	29.49	45.70	75.18
Carrying amounts			
As at 1 April 2020	1,170.26	140.40	1,310.66
Balance at 31 March 2021	1,157.73	66.97	1,224.70

Lease expenses (rent) recognised in the statement of profit and loss

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

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Short-term lease expense	174.62	188.71
Variable lease expense	217.86	195.67
Total lease expense	392.48	384.38

Cash outflow on leases

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Repayment of lease liabilities	32.42	40.16
Interest on lease liabilities	9.73	15.01
Short-term lease expense	174.62	188.71
Variable lease expense	217.86	195.67
Total cash outflow on leases	434.63	439.55

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

42 Disclosure as per IND AS 116 on leases (Continued)

Maturity analysis

	Lease liability o/s as at 31 March 2021	Less than 1 year	Between 1 and 5 years	Over 5 years	Weighted average effective interest rate %
31 March 2021					
Lease liabilities	74.63	25.78	48.85	-	9%
	74.63	25.78	48.85	-	
31 March 2020					
Lease liabilities	149.59	38.27	111.32	-	9%
	149.59	38.27	111.32	-	

Reconciliation between operating lease commitments recognised as per IND AS 17 during the year ended 31 March 2019 and lease liabilities recognised as per IND AS 116 during the year ended 31 March 2020

Particulars	Amount
Operating lease commitments as per 31 March 2019	169.60
Less: Impact on account of discounting of lease payments	2.32
Less: Short-term lease	138.45
Add: Lease liability recognised on account of implementation of IND AS 116	151.33
Lease liability as at 1 April 2019	180.16

43 Impact of COVID-19 Pandemic

The Company is able to ensure the recoverability and carrying values of all the assets as at the 31 March 2021. Further, management also concludes that there are no material adjustments required in the financial statements. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions.

44 Exceptional item

Exceptional item Current Year INR Nil (31 March 2020: Exceptional item of INR. 992.00 lakhs include INR 300.00 lakhs on account of destroying early age inventories and INR 692.00 lakhs on account of loss on fair valuation of biological assets).

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

45 Biological assets

A. Reconciliation of carrying amount

31 March 2021

Particulars	Amount
Balance as 1 April 2020	6,817.70
Add: Purchases	7,636.76
Add: Change in fair value less cost to sell	171.45
Add: Transferred to finished goods	23,205.34
Less: Sales/ disposals	(31,123.28)
Balance as at 31 March 2021	6,707.97

31 March 2020

Particulars	Amount
Balance as 1 April 2019	6,316.71
Add: Purchases	4,569.85
Add: Change in fair value less cost to sell	(691.22)
Add: Transferred to finished goods	26,209.00
Less: Sales/ disposals	(29,586.64)
Balance as at 31 March 2020	6,817.70

B. Measurement of Fair value

i. Fair Value hierarchy

The fair value measurements for PS birds, hatching eggs, broilers has been categorised as Level 3 fair values based on the inputs to valuation technique used.

ii. Level 3 Fair values

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

Particulars	31 March 2021	31 March 2020
Gain included in 'cost of sales'	171.45	(691.22)
Change in fair value (realised)	(1,820.66)	(2,511.88)
Change in fair value (unrealised)	1,992.11	1,820.66

iii. Valuation techniques and significant unobservable inputs

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement and fair value measurement
Biological assets - it comprises of: PS Bird; Hatching eggs; and Contract farm- Broilers	Discounted cash flows	Estimated price of each component - PS birds - INR 20.59 (31 March 2020: INR 21.00) per Hatching eggs, - Hatching eggs - INR 34.49 (31 March 2020: INR 27.00) per Day Old Chicks, - Contract farms- Broilers (average rate) - INR 105.00 (31 March 2020: INR 64.00) per kg for live bird	The estimated fair valuation would increase/(decrease) if - Estimated price of each component of poultry stock was higher/(lower) - discounting is done for the expected cash flows

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

45 Biological assets (Continued)

C. Risk Management strategies related to poultry activities

The Company is exposed to the following risks relating to its poultry operation:

i. Regulatory and environmental risks

The Company is subject to laws and regulations in the country in which it operates. It has established various environmental policies and procedures aimed at compliance with the local environmental and other laws.

ii. Supply and demand risks

The Company is exposed to risks arising from fluctuations in the price of Hatching Eggs, Commercial Day Old Chicks and Live Birds. When prices goes down the management possibly manages this risk by diverting more Live birds for processing and when prices goes up, the management sells more Hatching eggs, Day old chicks and Live birds.

iii. Climate and other risks

The Company's Live stock are exposed to the extreme climatic changes in summer and winter season. However, the Company has extensive processes in place aimed at monitoring and mitigating those risks, including regular health inspections of Live Stock and adopting industry best practices by professional qualified veterinarian doctors.

A reasonably possible change of 10% in Estimated fair value of Live stock at the reporting date would have increased (decreased) profit or loss by the amounts shown below.

	Profit or loss for the year ended March 31, 2021		Profit or loss for the year ended March 31, 2020	
	10% Increase	10% Decrease	10% Increase	10% Decrease
Estimated change in valuation of biological assets	777.11	(777.11)	699.43	(699.43)

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46 Financial instruments – Fair values and risk management

46.1 Accounting classification and fair values

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 March 2021	Carrying amount				Fair value			Total
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
<i>Non-current financial assets</i>								
Loans	-	-	379.66	379.66	-	-	-	-
Others	-	-	-	-	-	-	-	-
<i>Current financial assets</i>								
Trade receivables	-	-	2,743.90	2,743.90	-	-	-	-
Cash and cash equivalents	-	-	415.85	415.85	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	7.66	7.66	-	-	-	-
Loans	-	-	358.48	358.48	-	-	-	-
Others	-	-	38.59	38.59	-	-	-	-
	-	-	3,944.14	3,944.14	-	-	-	-
Financial liabilities								
<i>Non-current financial liabilities</i>								
Borrowings	-	-	1,500.00	1,500.00	-	-	-	-
Lease liabilities	-	-	48.85	48.85	-	-	-	-
<i>Current financial liabilities</i>								
Borrowings	-	-	5,000.00	5,000.00	-	-	-	-
Trade payables	-	-	5,775.23	5,775.23	-	-	-	-
Other financial liabilities	-	-	3,134.59	3,134.59	-	-	-	-
	-	-	15,458.67	15,458.67	-	-	-	-

31 March 2020	Carrying amount				Fair value			Total
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	
Financial assets								
<i>Non-current financial assets</i>								
Loans	-	-	655.40	655.40	-	-	-	-
Others	-	-	1.29	1.29	-	-	-	-
<i>Current financial assets</i>								
Trade receivables	-	-	2,794.15	2,794.15	-	-	-	-
Cash and cash equivalents	-	-	202.20	202.20	-	-	-	-
Bank balance other than cash and cash equivalents	-	-	6.46	6.46	-	-	-	-
Loans	-	-	50.28	50.28	-	-	-	-
Others	-	-	5.53	5.53	-	-	-	-
	-	-	3,715.31	3,715.31	-	-	-	-
Financial liabilities								
<i>Non-current financial liabilities</i>								
Borrowings	-	-	1,900.00	1,900.00	-	-	-	-
Lease liabilities	-	-	111.32	111.32	-	-	-	-
<i>Current financial liabilities</i>								
Borrowings	-	-	6,638.09	6,638.09	-	-	-	-
Trade payables	-	-	6,641.92	6,641.92	-	-	-	-
Other financial liabilities	-	-	2,603.53	2,603.53	-	-	-	-
	-	-	17,894.86	17,894.86	-	-	-	-

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46 Financial instruments – Fair values and risk management *(Continued)*

46.1 Accounting classification and fair values *(Continued)*

Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ;
- Market risk ; and
- Currency risk

i. Risk management framework

The Company's management has overall responsibility for the establishment and oversight of the Company's risk management framework. The management is responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The audit committee oversees how management monitors compliance with the company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

Trade receivables and loans and advances.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer and the geography in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

Management has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further, for domestic sales, the Company segments the customers into Distributors, Institution, Quick service restaurant (QSR) and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the Company individually monitors the sanctioned credit limits as against the outstanding balances. Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

The Company monitors each loans and advances given and makes any specific provision wherever required.

The Company establishes an allowance for impairment that represents its estimate of expected losses in respect of trade receivables and loans and advances.

In assessing the recoverability of receivables and other financial assets, the Company has considered internal and external information up to the date of approval of these financial statements. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

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

	Carrying amount	
	31 March 2021	31 March 2020
Trade and other receivables	2,743.90	2,794.15
Domestic		
Distributors	898.97	711.65
Institution	455.29	1,205.58
QSR-Modern Trade	1,059.07	579.83
Other	330.57	297.09
Total	2,743.90	2,794.15

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

	31 March 2021	31 March 2020
Neither past due nor impaired		
Past due 1-30 days	2,257.86	1,462.33
Past due 31-90 days	301.60	1,047.87
Past due 91-180 days	114.75	152.31
> 180 days	69.69	131.64
	2,743.90	2,794.15

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

	Trade receivables	Other receivables
Balance as at 1 April 2020	138.14	22.99
Impairment loss recognised	392.41	-
Write back/utilisation during the year	(78.29)	-
Balance as at 31 March 2021	452.26	22.99
Balance as at 1 April 2019	97.49	22.99
Impairment loss recognised	52.45	-
Write back/utilisation during the year	(11.80)	-
Balance as at 31 March 2020	138.14	22.99

Cash and cash equivalents

The Company held cash and cash equivalents of INR 415.85 lakhs (31 March 2020: INR 202.20 lakhs). The cash and cash equivalents are held with banks and financial institution counterparties with good credit rating.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46.3 Interest risk

Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing financial assets or borrowings because of fluctuations in the interest rates, if such assets/borrowings are measured at fair value through profit or loss. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing borrowings will fluctuate because of fluctuations in the interest rates.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

Particulars	31 March 2021	31 March 2020
Fixed rate instruments		
Financial assets	368.07	62.46
Financial liabilities	2,711.24	3,069.24
	<u>(2,343.17)</u>	<u>(3,006.78)</u>
Variable rate instruments		
Financial assets	-	-
Financial liabilities	5,000.00	6,638.09
	<u>(5,000.00)</u>	<u>(6,638.09)</u>

Interest rate sensitivity - fixed rate instruments

The Company's fixed rate borrowings and fixed rate bank deposits are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flow will fluctuate because of a change in market interest rates.

Interest rate sensitivity - variable rate instruments

31 March 2021 INR in lakhs	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(50.00)	50.00	(32.53)	32.53
Cash flow sensitivity (net)	<u>(50.00)</u>	<u>50.00</u>	<u>(32.53)</u>	<u>32.53</u>

31 March 2020 INR	Profit or loss		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Variable-rate instruments	(66.38)	66.38	(43.18)	43.18
Cash flow sensitivity (net)	<u>(66.38)</u>	<u>66.38</u>	<u>(43.18)</u>	<u>43.18</u>

The risk estimates provided assume a change of 100 basis points interest rate for the interest rate benchmark as applicable to the borrowings summarised above. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

Godrej Tyson Foods Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46.4 Currency risk

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

The Board of Directors and its Audit Committee are responsible for overseeing the Company's risk assessment and management policies. The major market risks of foreign exchange, interest rate and counter-party risk are managed centrally by Company's treasury department, which evaluates and exercises independent control over the entire process of market risk management.

The Company has a written treasury policy, and reconciliations of the Company's positions with counter-parties are performed at regular intervals.

The Company adopts a policy of ensuring that between 80% and 90% of its interest rate risk exposure is at a fixed rate. Hence, interest rate risk is covered by entering into fixed-rate instruments to ensure variability in cash flows attributable to interest rate risk is minimized.

Currency risk

The functional currency of Company is primarily the local currency in which it operates. The currencies in which these transactions are primarily denominated are INR. The Company is not exposed to currency risk in respect of transactions in foreign currency as there is no amount receivable or payable in foreign currency as at 31 March 2021.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

46.5 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company had unutilised credit limits from banks of INR 1,369.00 lakhs (31 March 2020: INR 961.91 lakhs).

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 March 2021	Carrying amount	Total	Contractual cash flows				
			0-6 months	6-12 months	1-2 years	2-5 years	More than 5
Non-derivative financial liabilities							
Term loans from banks	1,900.00	1,900.00	200.00	200.00	400.00	1,100.00	-
Cash credit from bank	-	-	-	-	-	-	-
Working capital loans from banks	5,000.00	5,000.00	5,000.00	-	-	-	-
Inter-corporate deposit taken	-	-	-	-	-	-	-
Lease Liabilities	74.63	74.63	12.89	12.89	48.86	-	-
Trade payables- others	5,775.23	5,775.23	5,775.23	-	-	-	-
Security deposit	811.24	811.24	811.24	-	-	-	-
Amount due for payment to gratuity fund	47.30	47.30	47.30	-	-	-	-
Non trade payables	679.62	679.62	679.62	-	-	-	-
Interest accrued but not due on borrowings	20.86	20.86	20.86	-	-	-	-
Other financial liabilities	1,149.79	1,149.79	1,149.79	-	-	-	-
Total	15,458.68	15,458.68	13,696.93	212.89	448.86	1,100.00	-
31 March 2020							
	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities							
Cash credit from bank	2,138.09	2,138.09	2,138.09	-	-	-	-
Term loans from banks	2,300.00	2,300.00	200.00	200.00	400.00	1,500.00	-
Working capital loans from banks and acceptances	3,000.00	3,000.00	3,000.00	-	-	-	-
Inter company deposit taken	1,500.00	1,500.00	1,500.00	-	-	-	-
Lease Liabilities	149.59	149.59	19.14	19.14	72.02	39.30	-
Trade payables- others	6,641.92	6,641.92	6,641.92	-	-	-	-
Security deposit	769.24	769.24	769.24	-	-	-	-
Amount due for payment to gratuity fund	92.04	92.04	92.04	-	-	-	-
Non trade payables	385.88	385.88	385.88	-	-	-	-
Interest accrued but not due on borrowings	17.47	17.47	17.47	-	-	-	-
Other financial liabilities	900.63	900.63	900.63	-	-	-	-
Total	17,894.84	17,894.84	15,664.39	219.14	472.02	1,539.30	-

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

47 Tax expense

(a) Amounts recognised in statement of profit and loss

	31 March 2021	31 March 2020
Current income tax	177.76	-
Adjustment of tax for earlier years	(108.38)	-
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	676.31	(2,625.04)
Deferred tax charge/(credit)	676.31	(2,625.04)
Tax expense for the year	745.69	(2,625.04)

(b) Amounts recognised in other comprehensive income

	For the year ended 31 March 2021			For the year ended 31 March 2020		
	Before tax	Tax (benefit)	Net of tax	Before tax	Tax expense	Net of tax
Re-measurements of defined benefit liability	(17.70)	6.18	(11.51)	(57.70)	20.16	(37.54)
	(17.70)	6.18	(11.51)	(57.70)	20.16	(37.54)

(c) Reconciliation of effective tax rate

	31 March 2021	31 March 2020
Profit / (Loss) before tax	2,267.55	(7,717.86)
Company's domestic tax rate	34.94%	34.90%
Tax using the Company's domestic tax rate	792.37	(2,693.84)
Tax on expense not allowed for tax purposes	0.77	47.85
Changes in estimates related to prior year	(61.68)	-
Others	14.23	20.95
	745.69	(2,625.04)

The Company's effective tax rate for the year ended 31 March 2021 is 32.89 % (31 March 2020: 34.28%).

The Company has not adopted the concessional rate of tax of 22% (and surcharge of 10%) introduced vide 'The Taxation Laws (Amendment) Ordinance, 2019' on 20 September 2019 in the Income-Tax Act, 1961 and continues to apply existing tax rate of 30%.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

48 Movement in deferred tax balances for the year ended 31 March 2021

Particulars	Net balance 1 April 2020	Recognised in statement of profit and loss	Recognised in OCI	Other adjustments	Deferred tax asset	Deferred tax liability	Net deferred tax
Deferred tax asset/(liabilities)							
Property, plant and equipment and intangible assets	(849.19)	(14.55)	-	-	-	(863.74)	(863.74)
Employee benefits	-	14.93	-	-	14.93	-	14.93
Provisions	64.81	109.76	-	-	174.57	-	174.57
Biological assets	(636.21)	(59.91)	-	-	-	(696.12)	(696.12)
Indexation of freehold land	153.28	15.01	-	-	168.29	-	168.29
MAT credit entitlements	449.89	177.76	-	-	627.65	-	627.65
Lease liabilities	(3.20)	(1.34)	-	-	-	(4.54)	(4.54)
Unabsorbed Business losses and depreciation	2,696.93	(917.97)	-	-	1,778.96	-	1,778.96
Other items	34.16	-	6.18	-	40.34	-	40.34
Tax assets / (liabilities)	1,910.47	(676.31)	6.18	-	2,804.74	(1,564.40)	1,240.34

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

Particulars	Net balance 1 April 2019	Recognised in statement of profit and loss	Recognised in OCI	Other adjustments	Deferred tax asset	Deferred tax liability	Net deferred tax
Deferred tax asset/(liabilities)							
Property, plant and equipment and intangible assets	(506.01)	(343.18)	-	-	-	(849.19)	(849.19)
Employee benefits	-	-	-	-	-	-	-
Provisions	54.04	10.76	-	-	64.81	-	64.81
Biological assets	(891.29)	255.08	-	-	-	(636.21)	(636.21)
Indexation of freehold land	142.03	11.24	-	-	153.28	-	153.28
MAT credit entitlements	452.48	(2.59)	-	-	449.89	-	449.89
Lease liabilities	-	(3.20)	-	-	-	(3.20)	(3.20)
Loss for the year*	-	2,696.93	-	-	2,696.93	-	2,696.93
Other items	14.01	-	20.16	-	34.16	-	34.16
Tax assets / (liabilities)	(734.74)	2,625.04	20.16	-	3,399.07	(1,488.60)	1,910.47

Significant management judgment is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income and the period over which deferred income tax assets will be recovered.

Deferred tax assets for the carry forward of unused tax losses are recognised to the extent that it is probable that future taxable profits will be available against which the unused tax losses can be utilised. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

The Company has recognised deferred tax asset to the extent that the same will be recoverable using the estimated future taxable income based on the approved business plans and budgets of the Company. The Company is expected to generate taxable income from the financial year ended 31 March 2021 onwards. The business losses can be carried forward for a period of 8 years as per the tax regulations and the Company expects to recover the losses.

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

Particulars	31 March 2021	Expiry date	31 March 2020	Expiry Date
Expire	<u>3,016.47</u>	2027-28	<u>6,171.02</u>	2027-28
	<u>3,016.47</u>		<u>6,171.02</u>	
Never Expire	2,125.70		1,546.84	

Godrej Tyson Foods Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

49 Employee benefits

The Company contributes to the following post-employment benefit plans in India.

Defined Contribution Plans:

The Company's contributions paid/payable to Regional Provident Fund, Super Annuation Fund, Employees State Insurance Scheme, Employees Pension Schemes, 1995 and other funds, are determined under the relevant approved schemes and/or statutes and are recognised as expense in the Statement of profit and loss during the period in which the employee renders the related service. There are no further obligations other than the contributions payable to the approved appropriate authorities.

The Company recognised INR 209.24 lakhs (31 March 2020: INR 222.73 lakhs) towards provident fund contribution in the Statement of profit and loss.

Defined Benefit Plan:

The Company's gratuity and leave encashment/long-term compensated absences schemes are defined benefit plans. The Company's liability for the defined benefit schemes is actuarially determined based on the projected unit credit method. The Company's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Actuarial gains and losses are recognised immediately in the Statement of profit and loss.

In accordance with the provisions of the Payment of Gratuity Act, 1972, the Company has a defined benefit plan which provides for gratuity payments. The plan provides a lump sum gratuity payment to eligible employees at retirement or termination of their employment. The amounts are based on the respective employee's last drawn salary and the years of employment with the Company.

Liabilities in respect of the gratuity plan are determined by an actuarial valuation, based upon which the Company makes annual contributions to the Group Gratuity Cum Life Assurance Schemes administered by the ICICI Prudential Life Insurance, a funded defined benefit plan for qualifying employees. Trustees administer the contributions made by the Company to the gratuity scheme.

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at 31 March 2021. The present value of the defined benefit obligations and the related current service cost and past service cost were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the details of the employee benefit obligation and the plan assets as at balance sheet date:

Particulars	31 March 2021	31 March 2020
Defined benefit obligation	416.37	364.00
Less: Fair value of plan assets	369.07	271.96
Net defined benefit obligation	47.30	92.04

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

49 Employee benefits (Continued)

i. Movement in net defined benefit (asset)/liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components

Particulars	Defined benefit obligation		Fair value of plan assets		Net defined benefit (asset)/liability	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Opening balance	364.00	290.97	271.97	263.41	92.03	27.56
<i>Included in profit or loss</i>						
Current service cost	40.21	33.95	-	-	40.21	33.95
Past service cost	-	-	-	-	-	-
Interest cost	23.88	22.23	17.84	20.13	6.04	2.10
<i>Included in OCI</i>						
<i>Re-measurement loss/(gain):</i>						
<i>Actuarial loss/(gain) arising from:</i>						
Demographic assumptions	-	-	-	-	-	-
Financial assumptions	(0.23)	21.10	-	-	(0.23)	21.10
Experience adjustment	17.23	31.52	-	-	17.23	31.52
Return on plan assets excluding interest income	-	-	(0.71)	(5.08)	0.71	5.08
	445.09	399.77	289.10	278.46	155.99	121.31
Other						
<i>Contributions paid by the employer</i>	-	-	108.69	29.27	(108.69)	(29.27)
Benefits paid	(28.74)	(35.77)	(28.74)	(35.77)	-	-
Closing balance	416.35	364.00	369.05	271.96	47.30	92.04
Represented by						
Net defined benefit asset	-	-				
Net defined benefit liability	47.30	92.04				

ii. Plan assets

Plan assets comprise the following

	31 March 2021	31 March 2020
Insurer managed fund (100%)	369.05	271.96
	369.05	271.96

iii. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

Particulars	31 March 2021	31 March 2020
Discount rate	6.57%	6.56%
Future salary growth	5.00%	5.00%
Rate of employee turnover	10% p.a. for all Service groups	10% p.a. for all Service groups
Mortality rate	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

49 Employee benefits (Continued)

iv. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	31 March 2021		31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(21.42)	23.88	(19.62)	21.92
Future salary growth (1% movement)	24.01	(21.92)	22.04	(20.08)
Rate of employee turnover (1% movement)	1.60	(1.82)	1.17	(1.38)

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting year.

v. Expected future cash flows

The expected future cash flows in respect of gratuity were as follows

Expected future benefit payments	31 March 2021	31 March 2020
1st Following year	44.84	36.45
2nd Following year	58.60	37.78
3rd Following year	45.78	49.58
4th Following year	45.23	38.73
5th Following year	40.69	38.10
Thereafter	406.90	371.29

Other long-term employee benefits:

Compensated absences policy has been modified from 1 April 2020, As per revised policy all officers till Assistant manager can carryforward leave applicable for the next year. The charge towards compensated absences for the year ended 31 March 2021 based on actuarial valuation using the projected accrued benefit method is INR 42.72 lakhs (31 March 2020 INR Nil lakhs).

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully charged to the Statement of profit and loss.

Incentive Plans: From 01 April 2019, the Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Economic Value Addition (EVA). The PLVR amount is related to actual improvement made in Economic Value Addition (EVA) over the target set for the period April to March which is fully charged to the Statement of profit and loss. From 1st April 2020, the Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on Profit Before Tax (PBT).

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

50 Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

For the purposes of the Company's capital management, capital includes issued capital and all other equity reserves. The primary objective of Company's capital management is to maximize shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'Total equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings (excluding lease liabilities), less cash and cash equivalents.

The Company's adjusted net debt to equity ratio as at 31 March 2021 and 31 March 2020 was as follows.

	31 March 2021	31 March 2020
Total borrowings	6,900.00	8,938.09
Less : Cash and cash equivalent	415.85	202.20
Adjusted net debt	6,484.15	8,735.89
Total equity	15,028.58	13,518.24
Adjusted net debt to adjusted equity ratio	0.43	0.65

Management monitors the return on capital as well as level of dividends to ordinary shareholders.

51 Reconciliation of revenue from contract with customer:

Particulars	31 March 2021	31 March 2020
Revenue from contract with customer as per the contract price	62,409.70	53,884.15
Adjustment made to contract price on account of :-		
a) Discounts/ Rebates/ Incentives	2,187.95	2,347.00
Revenue from contract with customer as per the statement of profit and loss	60,221.75	51,537.15

Sales by performance obligation	31 March 2021	31 March 2020
Upon shipment	-	-
Upon delivery	60,221.75	51,537.15
	60,221.75	51,537.15

Sales by geographical disaggregation	31 March 2021	31 March 2020
Sales in India	294.97	-
Sales outside India	59,926.78	51,537.15
	60,221.75	51,537.15

Godrej Tyson Foods Limited

Notes to the financial statements (*Continued*)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

52 Related Party Disclosures

Related party disclosures as required by Ind AS 24, "Related Party Disclosures", are given below".

1 Relationships:

(i) Ultimate Holding Company

Godrej Industries Limited

(ii) Holding Companies:

Godrej Agrovet Limited (GAVL) holds 51% (Previous Year 51% with effect from 27 March 2019).

Tyson India Holding Limited holds 49% in the company.

(iii) Fellow subsidiaries

- 1 Astec LifeSciences Limited
- 2 Behram Chemicals Private Limited
- 3 Comercializadora Agricola Agroastrachem Cia Ltda (Bogota, Columbia)
- 4 Astec Europe Sprl (Belgium, Europe) (upto 31 August 2020)
- 5 Creamline Dairy Products Limited
- 6 Nagavalli Milkline Private Limited (upto 29th October, 2019)
- 7 Godrej Maxximilk Private Limited
- 8 Godvet Agrochem Limited
- 9 Ensemble Holdings & Finance Limited
- 10 Godrej One Premises Management Private Limited
- 11 Godrej International Limited
- 12 Godrej International Trading & Investments Pte. Ltd.
- 13 Pyxis Holdings Limited (w.e.f March 25, 2021)
- 14 Godrej Properties Limited
- 15 Godrej Realty Private Limited
- 16 Godrej Landmark Redevelopers Private Limited
- 17 Godrej Redevelopers (Mumbai) Private Limited
- 18 Wonder Space Properties Private Limited (Merged w.e.f. October 26, 2020)
- 19 Godrej Projects Development Limited
- 20 Godrej Garden City Properties Private Limited
- 21 Godrej Hillside Properties Private Limited
- 22 Godrej Home Developers Private Limited
- 23 Godrej Prakriti Facilities Private Limited
- 24 Godrej Highrises Properties Private Limited
- 25 Godrej Genesis Facilities Management Private Limited
- 26 Prakritiplaza Facilities Management Private Limited
- 27 Godrej Skyline Developers Private Limited
- 28 Citystar Infraprojects Limited
- 29 Godrej Residency Private Limited
- 30 Godrej Properties Worldwide INC
- 31 Mosiac Landmarks LLP
- 32 Dream World Landmarks LLP
- 33 Oxford Realty LLP
- 34 Oasis Landmarks LLP
- 35 M S Ramaiah Ventures LLP
- 36 Godrej Construction Projects LLP
- 37 Godrej Housing Projects LLP
- 38 Godrej Highrises Realty LLP
- 39 Godrej Project Developers & Properties LLP
- 40 Godrej Skyview LLP
- 41 Godrej Green Properties LLP
- 42 Godrej Projects North LLP (formerly known as Godrej Projects (Bluejay) LLP)
- 43 Godrej Projects (Soma) LLP
- 44 Godrej Projects North Star LLP (Formerly Known as Godrej Century LLP)
- 45 Godrej Athenmark LLP
- 46 Embellish Houses LLP (Associate w.e.f. May 11, 2020)
- 47 Godrej City Facilities Management LLP
- 48 Ashank Realty Management LLP
- 49 Godrej Olympia LLP

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

52 Related Party Disclosures *(Continued)*

1 Relationships: *(Continued)*

(iii) Fellow subsidiaries *(Continued)*

- 50 Godrej Florentine LLP
- 51 Ashank Facility Management LLP
- 52 Ceear Lifespaces Private Limited (w.e.f. March 20, 2020)
- 53 Godrej SSPDL Green Acres LLP
- 54 Caroa Properties LLP
- 55 Bavdhan Realty@Pune 21 LLP
- 56 Godrej Green Woods Private Limited (w.e.f. May 26, 2020)
- 57 Godrej Precast Construction Private Limited (w.e.f. 19 July 2020)

(iv) Other related parties

- 1 Godrej Consumer Products Limited
- 2 ACI Godrej Agrovet Private Limited, Bangladesh
- 3 Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)
- 4 Omnivore India Capital Trust

(v) Key Management Personnel and relatives of such Personnel

- 1 Nadir B. Godrej (Chairman)
- 2 B. S. Yadav (Managing Director)
- 3 S. Varadaraj (Director)
- 4 Malik Sadiq (Director) up to March 31, 2021
- 5 Brian Baker (Director) up to March 31, 2021
- 6 Prashant Vatkar (Chief Executive Officer)
- 7 Suhas Advant (Chief Financial Officer)
- 8 Sanjay V. Gogate (Independent Director)
- 9 Els Reynaers (Independent Director) (up to 31 January 2020)

(vi) Key Management Personnel of Parent Company

- 1 Tanya Dubash
- 2 N. B. Godrej
- 3 Nitin Nabar
- 4 Clement Pinto
- 5 Tejal Jariwala
- 6 B. S. Yadav
- 7 Vivek Raizada
- 8 S. Varadaraj

Godrej Tyson Foods Limited

Notes to the financial statements *(Continued)*

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

52 Related Party Disclosures *(Continued)*

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

(i) Details relating to parties referred to in items 1(i), (ii), (iii)*

Nature of Transactions	Holding	Joint	Fellow	Other
	Companies (i)	Ventures (ii)	Subsidiaries (iii)	Related parties (iv)
1 Purchase of Property, plant and equipment	- <i>2.79</i>	-	-	-
2 Sale of materials / finished goods	16.35 <i>16.78</i>	-	-	-
3 Purchase of materials / finished goods	32,479.97 <i>38,064.84</i>	-	-	3.55 <i>1.84</i>
4 Expenses charged to / reimbursement made from other companies	12.81 <i>11.62</i>	-	-	-
5 Expenses charged by / reimbursement made to other companies	1,726.95 <i>803.52</i>	-	167.59 <i>135.08</i>	-
6 Inter-corporate deposits placed during the year	-	-	-	-
7 Inter-corporate deposits received during the year	4,875.00 <i>-</i>	-	1,000.00 <i>2,500.00</i>	-
8 Inter-corporate deposits repaid during the year	4,875.00 <i>-</i>	-	2,500.00 <i>1,000.00</i>	-
9 Interest expense on Inter-corporate deposits received	29.55 <i>-</i>	-	21.95 <i>28.80</i>	-
10 Interest income on inter-corporate deposits placed	-	-	-	-
11 Outstanding Inter-corporate deposits payable	-	-	-	-
12 Outstanding receivables/(payables), net	(4,672.70) <i>(5,664.33)</i>	-	(14.03) <i>(1,500.00)</i>	-

*Previous year numbers are shown in italics.

(ii) Details relating to persons referred to in items 1 (v)

	31 March 2021	31 March 2020
1 Post-employment benefits	20.21	13.72
2 Remuneration	222.23	259.98
3 Director's sitting fees	4.13	5.87

Godrej Tyson Foods Limited

Notes to the financial statements (Continued)

for the year ended 31 March 2021

(Currency: Indian rupees in lakhs)

52 Related Party Disclosures (Continued)

Related party disclosures as required by Ind AS - 24, "Related Party Disclosures", are given below".

3 Significant related party transactions:

Sr. No.	Nature of Transaction	31 March 2021	31 March 2020
1	Purchase of Property, plant and equipment		
	Godrej Agrovet Limited	-	2.79
2	Sale of materials / finished goods		
	Godrej Agrovet Limited	16.23	16.02
	Godrej Industries Limited	0.12	0.76
3	Purchase of materials / finished goods		
	Godrej Agrovet Limited	32,479.97	38,064.40
	Godrej Industries Limited	-	0.44
	Godrej Consumer Products Limited	3.55	1.84
4	Expenses charged to / reimbursement made from other companies		
	Godrej Agrovet Limited	12.81	11.62
5	Expenses charged by / reimbursement made to other companies		
	Godrej Agrovet Limited	1,722.08	796.50
	Godrej Industries Limited	4.87	7.02
	Creamline Dairy Products Limited	167.59	135.08
	Godrej Consumer Products Limited	-	-
6	Inter-corporate deposits placed during the year		
	Astec LifeSciences Ltd.	-	-
7	Inter-corporate deposits received during the year		
	Creamline Dairy Products Limited	1,000.00	1,000.00
	Godrej Agrovet Limited	4,875.00	-
	Astec LifeSciences Ltd.	-	1,500.00
8	Inter-corporate deposits returned during the year		
	Astec LifeSciences Ltd.	1,500.00	-
	Godrej Agrovet Limited	4,875.00	-
	Creamline Dairy Products Limited	1,000.00	1,000.00
9	Interest expense on Inter-corporate deposits received		
	Creamline Dairy Products Limited	2.28	28.21
	Godrej Agrovet Limited	29.55	-
	Astec LifeSciences Ltd.	19.66	0.60
10	Interest income on inter-corporate deposits placed		
	Astec LifeSciences Ltd.	-	-
11	Outstanding Inter-corporate Deposits payable		
	Astec LifeSciences Ltd.	-	(1,500.00)
12	Outstanding receivables (net of payables)		
	Godrej Agrovet Limited	(4,673.03)	(5,664.61)
	Godrej Industries Limited	0.33	0.29
	Godrej Consumer Products Limited	-	-
	Creamline Dairy Products Limited	(14.03)	-

53 The disclosures regarding details of specified bank notes held and transacted during 8 November 2016 to 30 December 2016 has not been made in these financial statements since the requirement does not pertain to financial year ended 31 March 2021.

54 The figures for the previous year have been regrouped/ reclassified to correspond with current year's classification/ disclosures.

As per our report of even date attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

For and on behalf of the Board of Directors of
Godrej Tyson Foods Limited
CIN: U15122MH2008PLC177741

Burjis Pardiwala
Partner
Membership No: 103595

N.B. Godrej
Chairman
DIN: 00066195

B.S. Yadav
Managing Director
DIN: 00294803

U.R. Pathak
Company Secretary
Membership No F7266

Suhas Advant
Chief Financial Officer
Membership No.: 048962

Mumbai
28 April 2021

Mumbai
28 April 2021