

DIRECTORS' REPORT**OF****GODVET AGROCHEM LIMITED****[Corporate Identification Number (CIN): U01400MH2014PLC252382]****FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022****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, 2022.

FINANCIAL SUMMARY / HIGHLIGHTS:

Your Company's performance during the Financial Year 2021-22 is summarized below:

(₹ in Lakh)

Particulars	Financial Year 2021-22	Financial Year 2020-21
Revenue from Operations	-	-
Other Income	125.98	406.60
Total Income	125.98	406.60
Total Expenses	12.13	30.44
Profit / (Loss) Before Tax	113.85	376.16
Less: Current Tax	31.98	91.82
Less: Deferred Tax	(26.64)	(18.53)
Less: Adjustment for Tax of previous years	-	-
Profit/(Loss) After Tax	108.51	302.87
Other Comprehensive Income (Net of Tax)	-	-
Total Comprehensive Income	108.51	302.87

During the Financial Year 2021-22, your Company has registered a total profit of Rs. 108.51 Lakh, as compared to a profit of Rs.302.87 Lakh in the Financial Year 2021-22.

REVIEW OF OPERATIONS / STATE OF AFFAIRS:

Your Company owns lands in the States of Andhra Pradesh which have been leased to Godrej Agrovet Limited, Holding Company.



During the Financial Year 2021-22, your Company has managed the affair in a fair and transparent manner and there was no change in the business of the Company.

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

Except as stated in this Report, there have been no material changes and commitments affecting the financial position of your Company which have occurred since the end of the Financial Year 2021-22 till the date of this Directors' Report.

DIVIDEND:

The Directors of your Company do not recommend any Dividend for the Financial Year 2021-22.

TRANSFER TO RESERVE:

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, 2022 is as follows: -

	Authorized Share Capital			Issued, Subscribed & Paid-up Share Capital		
	No. of Shares	Face Value (Rs.)	Amount (Rs.)	No. of Shares	Face Value (Rs.)	Amount (Rs.)
As on April 1, 2021	1,05,00,000	10	10,50,00,000	99,50,000	10	9,95,00,000
Changes during the Year	Nil	Nil	Nil	Nil	Nil	Nil
As on March 31, 2022	1,05,00,000	10	10,50,00,000	99,50,000	10	9,95,00,000

There was no change in the Equity Share Capital of your Company during the Financial Year 2021-22.

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

The Company appointed National Securities Depository Limited ("NSDL") to enable allotment, holding, transfer, transmission, split or consolidation of securities of the Company in dematerialized form.

All the issued, subscribed and paid-up Equity Shares of the Company are in dematerialized form.

DEPOSITS:

During the Financial Year 2021-22, 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.

HOLDING COMPANY:

Godrej Agrovat Limited, Holding Company, continues to hold 100% (One Hundred per cent) of the Paid-



up Equity Share Capital of the Company.

There was no change in this position during the Financial Year 2021-22.

SUBSIDIARY COMPANY:

Your Company does not have any Subsidiary Company and there was no change in this position during the Financial Year 2021-22.

ASSOCIATE COMPANY:

Your Company does not have any Associate Company and there was no change in this position during the Financial Year 2021-22.

DIRECTORS AND KEY MANAGERIAL POSITION:

The Board of Directors of the Company comprises of the following Directors during the Financial Year ended 2021-22:

- | | |
|----------------------------|--|
| 1. Mr. S. Varadaraj | Director (Non-Executive & Non-Independent) |
| 2. Mr. Prafulla J. Bhat | Director (Non-Executive & Non-Independent) |
| 3. Mr. Sandeep Kumar Singh | Director (Non-Executive & Non-Independent) |

Mr. Praful J. Bhat (DIN: 06762076) is liable to retire by rotation at the ensuing Ninth Annual General Meeting ("9th AGM") of the Company in accordance with Section 152 of Companies Act, 2013 and Article 130 of Articles of Association of the Company and being eligible offers himself for re-appointment.

During the Financial Year 2021-22, there was no requirement for appointing any Key Managerial Personnel as per the provisions of Section 203 read with Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 of the Companies Act, 2013.

MEETINGS OF THE BOARD OF DIRECTORS:

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

There were 4 (Four) Meetings of the Board of Directors held during the Financial Year 2021-22 (i.e., on April 27, 2021, July 27, 2021, October 25, 2021 and January 31, 2022) in compliance with the requirements of the Companies Act, 2013.

The names of Members of the Board, their attendance at the Board Meetings held during the period under review are as follows:

Sr. No.	Name of the Directors	Number of Meetings attended out of Total Meetings held during the Financial Year 2021-22
1.	Mr. S. Varadaraj	4 out of 4
2.	Mr. Sandeep Kumar Singh	4 out of 4
3.	Mr. Prafulla J. Bhat	4 out of 4



DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS:

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

STATEMENT ON OPINION OF THE BOARD OF DIRECTORS WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE OF INDEPENDENT DIRECTORS APPOINTED DURING THE FINANCIAL YEAR 2021-22:

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

VIGIL MECHANISM:

During the Financial Year 2021-22, the provisions of Section 177(9) of the Companies Act, 2013 with respect to establishment of Vigil Mechanism are not applicable to the Company.

INTERNAL COMPLAINTS COMMITTEE:

Your Company does not have any employee(s) during the Financial Year 2021-22. Hence, the constitution of Internal Complaints Committee ("ICC") pursuant to the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("the said Act"), is not required to be constituted.

MAINTENANCE OF COST RECORDS:

The provisions of Section 148 of the Companies Act, 2013 read with the Companies (Cost Records & Audit) Rules, 2014, are not applicable to the Company, as the Company was not covered under the class of companies engaged in the production of goods and/or providing services as per Rule 3 of the Companies (Cost Records & Audit) Rules, 2014, during the Financial Year 2021-22.

CORPORATE SOCIAL RESPONSIBILITY:

During the Financial Year 2021-22, the provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) 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 the Directors' Report is annexed hereto as "ANNEXURE 'A'".

DIRECTORS' RESPONSIBILITY STATEMENT:

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



- a) in the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year (i.e., March 31, 2022) and of the Profit and Loss of the Company for that period (i.e., the Financial Year 2021-22);
- c) the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors had prepared the Annual Accounts on a going concern basis; and
- e) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

There are no qualifications, reservations, adverse remarks and disclaimers of the Statutory Auditors in their report on Financial Statements for the Financial Year 2021-22.

FRAUD REPORTING:

During the Financial Year 2021-22, the Statutory Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to the provisions of Section 143(3) of the Companies Act, 2013.

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

The particulars of loans, guarantees or investments made during the Financial Year 2021-22, if any, have been disclosed in the notes attached to and forming part of the Financial Statements of the Company prepared for the Financial Year ended March 31, 2022, as per the provisions of Section 186 and Section 134(3)(g) of the Companies Act, 2013.

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

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

All the Related Party Transactions entered into by your Company during the Financial Year 2021-22, were on arm's length basis and in the ordinary course of business.



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

Your Company does not have any manufacturing facility at present. Therefore, the disclosures pursuant to Section 134(3)(m) of the Companies Act, 2013 and Rule 8 of the Companies (Accounts) Rules, 2014 pertaining to Conservation of Energy, Technology Absorption, Adaption and Innovation, are not applicable to your Company.

During the Financial Year 2021-22, your Company did not have any Foreign Exchange Earnings and Outgo.

RISK MANAGEMENT:

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

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

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

SIGNIFICANT REGULATORY OR COURT OR TRIBUNAL ORDERS:

During the Financial Year 2021-22, there are no significant and material orders passed by the regulators or Courts or Tribunals which can adversely impact the going concern status of the Company and its operations in future.

INTERNAL FINANCIAL CONTROLS:

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

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

During the Financial Year 2021-22, such controls were tested and no reportable material weakness in the design or operation was observed.

STATUTORY AUDITORS:

The Members, at their Sixth Annual General Meeting ("6th AGM") held on July 26, 2019, have appointed M/s Kalyaniwalla & Mistry, Chartered Accountants (**Firm Registration No. 104607W/W100166**) (K&M), as the Statutory Auditors of the Company, to hold office from the conclusion of the 6th (Sixth) AGM until the conclusion of the 11th (Eleventh) AGM of the Company, at such remuneration as may be mutually agreed upon between K&M and the Board of Directors of the Company.



Pursuant to the Companies (Amendment) Act, 2017 read with the Companies (Audit and Auditors) 2nd Amendment Rules, 2018 and Notification S.O. 1833 (E) dated May 7, 2018, the ratification of appointment of Statutory Auditor at each Annual General Meeting of the Company is not required. Accordingly, ratification of appointment of the Statutory Auditors are not proposed at the ensuing 9th AGM of the Company.

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 2021-22, there was no application made and proceeding initiated /pending the Insolvency and Bankruptcy Code, 2016, by any Financial and/or Operational Creditors against your Company.

As on the date of this Report also, 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 2021-22, the Company has not made any settlement with its Bankers from which it has availed / accepted any term loan.

ADDITIONAL INFORMATION:

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

PARTICULARS OF EMPLOYEES:

The Company is not required to disclose the particulars of employees as required as per the provisions of Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as there were no employees in the Company, during the Financial Year 2021-22.

SECRETARIAL STANDARDS:

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

ACKNOWLEDGMENT:

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

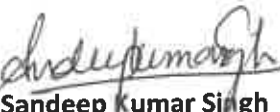


Your Directors also wish to place on record their deep sense of appreciation for the committed services by the Company's executives, staff and workers.

For and on behalf of the Board of Directors of
Godvet Agrochem Limited


S. Varadaraj
Director
(DIN: 00323436)




Sandeep Kumar Singh
Director
(DIN: 08207627)

Date: April 27, 2022

Place: Mumbai

ANNEXURE 'A' TO THE DIRECTORS' REPORT**EXTRACT OF ANNUAL RETURN IN FORM NO. MGT-9****OF****GODVET AGROCHEM LIMITED**

As at the Financial Year ended on March 31, 2022

[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): U01400MH2014PLC252382
- ii. Registration Date: 22/01/2014
- iii. Name of the Company: Godvet Agrochem 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.
Tel.: No. 91-22-4914 2700; Fax: 91-22-4914 2503
Email ID: info_ndml@nsdl.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

Sr. No.	Name and Description of Main Products / Services	NIC Code of the Product / Service (as per NIC 2008)	% to Total Turnover of the Company
1.	Nil	N.A.	N.A.



III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sr. No.	Name And Address of the Company	CIN	Holding / Subsidiary / Associate	% of Shares Held	Applicable Section
1.	Godrej Agrovet Limited Registered Office: "Godrej One", 3 rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India	L15410MH1991PLC135359*	Holding Company	100% Shareholding	Section 2(46)
2.	Godrej Industries Limited Registered Office: "Godrej One", Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai – 400 079, Maharashtra, India	L24241MH1988PLC097781	Holding Company (Ultimate Holding Company)	Nil (No direct Shareholding)	Section 2(87)(ii)

IV. SHARE HOLDING PATTERN:

(Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
Individual / HUF	-	-	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.(s)	-	-	-	-	-	-	-	-	-
Bodies Corporate	99,50,000	NIL	99,50,000	100%	99,50,000	NIL	99,50,000	100%	NIL



Banks / FIs	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	99,50,000	NIL	99,50,000	100%	99,50,000	NIL	99,50,000	100%	NIL
(2) Foreign NRIs -									
Individuals	-	-	-	-	-	-	-	-	-
Other -									
Individuals	-	-	-	-	-	-	-	-	-
Bodies									
Corporate	-	-	-	-	-	-	-	-	-
Banks / FIs	-	-	-	-	-	-	-	-	-
Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	99,50,000	NIL	99,50,000	100%	99,50,000	NIL	99,50,000	100%	NIL
B. Public Shareholding									
(1) Institutions									
Mutual Funds	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt.	-	-	-	-	-	-	-	-	-
State Govt.(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	-	-	-	-	-	-	-	-	-
(2) Non-Institutions									
-									
(a) Bodies Corporate									
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	-	-	-	-	-	-	-	-	-



(i) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	-	-	-	-	-	-	-	-	-
(c) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B) = (B) (1) + (B) (2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A + B + C)	99,50,000	NIL	99,50,000	100%	99,50,000	NIL	99,50,000	100%	NIL

(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.	Godrej Agrovet Limited	99,50,000	100.00	-	99,50,000	100.00	-	Nil

(iii) Change in Promoters' Shareholding:

Sr. No.	Particulars	Shareholding at the beginning of the year	Cumulative Shareholding during the end of the year
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		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	99,50,000	100.00	99,50,000	100.00
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	99,50,000	100.00	99,50,000	100.00

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

Sr. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the 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.)	-	-	-	-
-	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	-	-	-	-
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V. INDEBTEDNESS:

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

	(Rs. in Lakh)			
	Secured Loans excluding Deposits	Unsecured Loans	Deposits (ICD)	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	-	182.00	-	182.00
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	3.28	-	3.28
TOTAL (i + ii + iii)	-	185.28	-	185.28
Changes in Indebtedness during the financial year				
(i) Principal Amount	-	(86.50)	-	(86.50)
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	(0.16)	-	(0.16)
Net Change	-	(86.66)	-	(86.66)
Indebtedness at the end of the financial year				
(i) Principal Amount	-	95.50	-	95.50
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	3.12	-	3.12
TOTAL (i + ii + iii)	-	98.62	-	98.62

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

A. Remuneration to Managing Director, Whole-time Director and / or Manager: Not Applicable



Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole-time Director / Manager –	Total Amount
1	Gross Salary	N.A.	N.A.
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	N.A.	N.A.
	(b) Value of perquisites under Section 17(2) of the Income Tax Act, 1961	N.A.	N.A.
	(c) Profits in lieu of salary under Section 17(3) of Income Tax Act, 1961	N.A.	N.A.
2	Stock Option	N.A.	N.A.
	Sweat Equity (not issued during F.Y. 2014-15)	N.A.	N.A.
	Commission	N.A.	N.A.
	As a % of profit	N.A.	N.A.
	Others (specify)	N.A.	N.A.
	Total (A)	N.A.	N.A.
3	Ceiling as per the Companies Act	N.A.	N.A.

B. Remuneration to other Directors:

Sr. No.	Particulars of Remuneration	Names of Directors			Total Amount
1.	Independent Directors:	-	-	-	-
	Fee for attending Board & Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others (please specify)	-	-	-	-
	TOTAL (1)	-	-	-	-
2.	Other Non-executive Directors:	Mr. S. Varadaraj	Mr. Prafulla J. Bhat	Mr. Sandeep Kumar Singh	-
	Fee for attending Board & Committee Meetings	-	-	-	-
	Commission	-	-	-	-
	Others (please specify)	-	-	-	-
	TOTAL (2)	-	-	-	-
	TOTAL (B) = (1) + (2)	-	-	-	-



Total Managerial Remuneration	-
Overall Ceiling as per the Act	Not Applicable

C. Remuneration to Key Managerial Personnel (KMP) other than Managing Director:

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

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

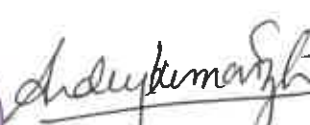


C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board of Directors of
Godvet Agrochem Limited


S. Varadaraj
Director
(DIN: 00323436)




Sandeep Kumar Singh
Director
(DIN: 08207627)

Date: April 27, 2022
Place: Mumbai

ANNEXURE 'B' TO THE DIRECTORS' REPORT**FORM NO. AOC-2**

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

OF**GODVET AGROCHEM LIMITED**

As at the Financial Year ended on March 31, 2022

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

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

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2022, which were not at arm's length basis.

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

Sr. No.	Name of the Company & Relationship	Nature of Transaction and salient Features	Amount (Rs. In Lakh)
1	Godrej Agrovet Limited (Holding company)	Inter Corporate Deposit Returned / Repaid	86.50
2	Godrej Agrovet Limited (Holding company)	Rent Received	125.98
3	Godrej Agrovet Limited (Holding company)	Expenses charged by / reimbursement made to other companies	108.83
4	Godrej Agrovet Limited (Holding company)	Interest Expense on Inter Corporate deposit	10.05
5	Godrej Agrovet Limited (Holding company)	Inter Corporate Deposit Outstanding (including interest payable)	98.62
6	Godrej Agrovet Limited (Holding company)	Outstanding Payables (net of receivables)	28.84

For and on behalf of the Board of Directors of
Godvet Agrochem Limited


S. Varadara

Director
(DIN: 00323436)



Sandeep Kumar Singh
Director
(DIN: 08207627)

Date: April 27, 2022

Place: Mumbai

KALYANIWALLA & MISTRY LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GODVET AGROCHEM LIMITED

Report on the Audit of the Ind-AS Financial Statements

Opinion

We have audited the accompanying Ind-AS financial statements of **GODVET AGROCHEM LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and the Notes to the Ind-AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind-AS financial statements give the information required by the Companies Act, 2013, (the Act) in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015, as amended, (Ind-AS) and with other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, the profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Ind-AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Ind-AS Financial Statements* section of our report. We are independent of the Company in accordance with the *Code of Ethics* issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Ind-AS financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Ind-AS financial Statements and Auditor's Report Thereon

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

Our opinion on the Ind-AS 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 Ind-AS financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Ind-AS 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



LLP IN : AAH - 3437

REGISTERED OFFICE : ESPLANADE HOUSE, 29, HAZARIMAL SOMANI MARG, FORT, MUMBAI 400 001
TEL.: (91) (22) 6158 6200, 6158 7200 FAX : (91) (22) 6158 6275

material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Ind-AS financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind-AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and the cash flows of the Company in accordance with the accounting principles generally accepted in India, including the 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 the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind-AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



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

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

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

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

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 Cash Flow Statement and the Statement of Changes in Equity, dealt with by this Report are in agreement with the books of account.



- d) In our opinion, the aforesaid Ind-AS financial statements comply with the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended from time to time.
- e) On the basis of the written representations received from the Directors of the Company as on March 31, 2022, taken on record by the Board of Directors, none of the Directors of the Company are disqualified as on March 31, 2022, from being appointed as a Director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) According to information and explanations given to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration and hence, the provisions of Section 197 of the Act is not applicable.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
 - ii) The Company did not have any long-term contracts including derivative contracts during the year ended March 31, 2022, 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.
 - iv) (i) the management has represented that, to the best of it's knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
 - (ii) the management has represented, that, to the best of it's knowledge and belief no funds have been received by the company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

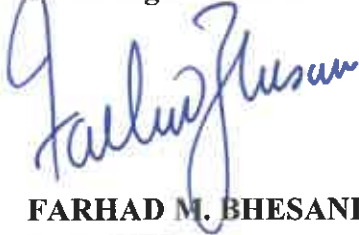


**KALYANIWALLA
& MISTRY LLP**

- v) the Company has not declared any dividend during the year hence, provisions of section 123 is not applicable.

**For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS**

Firm Registration No.: 104607W / W100166



**FARHAD M. BHESANIA
PARTNER**

**Membership Number: 127355
UDIN: 22127355AHYLSW5520**

Date: April 27, 2022

Place: Mumbai

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

The Annexure referred to in paragraph 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the Ind AS Financial Statements for the year ended March 31, 2022.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2020:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of immovable property classified as Investment Property.
- (B) The Company does not have any intangible assets hence, the provisions of paragraph 3(i)(a)(B) of the order are not applicable.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and the nature of its assets. No discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the Company, the title deeds of immovable properties classified as Investment Property are held in the name of the Company.
- (d) The Company has not revalued its immovable property classified as investment property during the year.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) The Company does not have any inventory and hence the provisions of paragraph 3(ii)(a) of the Order are not applicable.
- (b) According to the information and explanations given to us, the Company has not been sanctioned any working capital facility at any point of time during the year from banks or financial institutions and hence provisions of paragraph 3(ii) (b) of the Order are not applicable.
- (iii) The Company has not made any investments in, provided any guarantee or security and granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year and hence, provisions of paragraph 3(iii) of the Order are not applicable.
- (iv) In our opinion and according to the information given to us the Company has not advanced any loans to the persons covered under Section 185 or given any loans, guarantees or securities or made any investments as per the provisions of Section 186 of the Act.



- (v) In our opinion and according to the information and explanation given to us, the Company has not accepted or is not holding any deposit or amounts which are deemed to be deposits during the year and hence, the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted and amounts deemed to be deposits accepted are not applicable to the Company. According to the information and explanations given to us, no order has been passed by the Company Law Board or the National Company Law Tribunal or the Reserve Bank of India or any Court or any other Tribunal against the Company in this regard.
- (vi) The Company has not commenced operations; hence the provisions of paragraph 3(vi) of the Order regarding maintenance of cost records as prescribed under sub section (1) of section 148 of the Act, are not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and any other statutory dues with the appropriate authorities, wherever applicable. We have been informed that there are no undisputed dues which have remained outstanding as at March 31, 2022, for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us there are no dues outstanding of Goods & Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax on account of any dispute.
- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.
- (ix) (a) According to the information and explanations provided to us and based on the documents and records produced before us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) According to the information and explanations provided to us and on the basis of our audit procedure, the Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations provided to us, the Company has not taken any term loan during the year, hence provisions of paragraph 3(ix)(c) of the Order are not applicable.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that funds raised on short-term basis have, prima facie, not been used for long-term purposes by the Company.
- (e) According to the information and explanation provided to us, the Company does not have any subsidiary, associate, or joint venture, hence the provisions of paragraph 3(ix)(e) of the Order are not applicable.



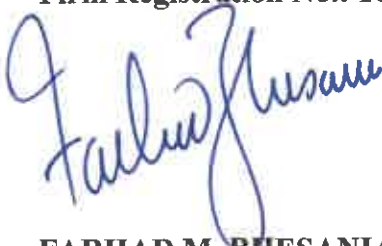
- (f) According to the information and explanation provided to us, the Company has not raised any loan during the year, hence the provisions of paragraph 3(ix)(f) of the Order are not applicable.
- (x) According to the information and explanations given to us, the Company has neither raised money through initial public offer or further public offer (including debt instruments). The Company has not made any preferential allotment or private placement of shares or fully or partly or optionally convertible debentures during the year, hence the provisions of paragraph 3(x)(a) and (b) of the Order is not applicable.
- (xi) (a) During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by the Company and on the Company has been noticed or reported during the year.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- (c) The Company is not required to establish vigil mechanism and hence, provisions of paragraph 3(xi)(c) of the Order are not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, hence the provisions of paragraph 3(xii) of the Order are not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Ind AS 24, Related Party Disclosure specified under Section 133 of the Act. Further the Company is not required to constitute an Audit Committee under Section 177 of the Act, and accordingly, to this extent, paragraph 3(xiii) of the Order is not applicable to the Company.
- (xiv) In our opinion and based on our examination, the Company is not required to have an internal audit system and hence, the provisions of paragraph 3(xiv) of the Order are not applicable.
- (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 non-cash transactions with the Directors or persons connected with its Directors and hence the provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provision of paragraph 3(xvi)(a) of the Order are not applicable.
- (b) The Company is not a Core Investment Company as defined in the regulations made by the Reserve Bank of India, hence paragraph 3(xvi)(b) of the Order are not applicable.
- (c) The group does not have more than one CIC as a part of the group and accordingly reporting under clause xvi (d) of the order is not applicable.



The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

- (xviii) There has been no resignation of the Statutory Auditor during the year, hence provision of paragraph 3(xviii) of the Order are not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) The Company was not having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during the immediately preceding financial year and hence, provisions of Section 135 of the Act are not applicable to the Company during the year. Accordingly, reporting under clause 3(xx) of the Order is not applicable.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No.: 104607W / W100166



FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 22127355AHYLSW5520
Date: April 27, 2022
Place: Mumbai

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

Referred to in Paragraph 2(f) ‘Report on Other Legal and Regulatory Requirements’ in our Independent Auditor’s Report to the members of the Company on the Ind AS financial statements for the year ended March 31, 2022.

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

We have audited the internal financial controls with reference to financial statements of **GODVET AGROCHEM LIMITED** (“the Company”) as of March 31, 2022, in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

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

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

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



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


Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls Over Financial Reporting" issued by the Institute of Chartered Accountants of India.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Registration No.: 104607W / W100166



FARHAD M. BHESANIA
PARTNER
Membership Number: 127355
UDIN: 22127355AHYLSW5520
Date: April 27, 2022
Place: Mumbai

GODVET AGROCHEM LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

INR Lakh

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
I Assets			
(A) Non-current Assets			
(a) Investment properties	2	1,667.48	1,667.48
(b) Financial Assets			
(i) Others	3	0.56	0.56
(c) Deferred Tax Assets (net)	4	146.25	119.61
(d) Other Non-current Assets	5	2.50	2.50
Total Non-Current Assets		1,816.79	1,790.15
(B) Current Assets			
(a) Financial Assets			
(i) Cash & Cash Equivalents	6	0.52	10.72
(ii) Others	7	10.50	39.92
Total Current Assets		11.02	50.64
Total Assets		1,827.81	1,840.79
II Equity & Liabilities			
(A) Equity			
(a) Equity Share Capital	8	995.00	995.00
(b) Other Equity	9	687.26	578.75
Total Equity		1,682.26	1,573.75
(B) Liabilities			
(a) Current Liabilities			
(1) Financial Liabilities			
(i) Borrowings	10	98.62	185.28
(ii) Other Financial Liabilities	11	29.90	0.59
(2) Other Current Liabilities	12	1.99	2.02
(b) Current Tax Liabilities (net)		15.04	79.15
Total Current Liabilities		145.55	267.04
Total Equity and Liabilities		1,827.81	1,840.79
Significant Accounting Policies	1		

Notes 1 to 27 form an integral part of the Financial Statements
As per our Report of even date

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

FARHAD M. BHESANIA
PARTNER
Membership Number : 127355

Mumbai
April 27, 2022

Signatures to the Balance Sheet and Notes to the
Financial Statements

For and on behalf of the Board

S. VARADARAJU
Director
DIN:00323436

P. J. BHAT
Director
DIN:06762076

Particulars	Note No.	For the year ended March 31, 2022	For the year ended March 31, 2021
I Revenue from Operations		-	-
II Other Income	13	125.98	406.60
III Total Income		125.98	406.60
IV Expenses			
(a) Finance Costs	14	10.05	27.85
(b) Other Expenses	15	2.08	2.59
Total Expenses		12.13	30.44
V Profit Before Tax		113.85	376.16
VI Tax Expense			
(1) Current Tax		31.98	91.82
(2) Deferred Tax		26.64	18.53
Total Tax		5.34	73.29
VII Profit for the year after tax		108.51	302.87
VIII Other Comprehensive Income		-	-
IX Total Comprehensive Income for the year		108.51	302.87
X Earnings per Equity Share Basic & Diluted	16	1.09	3.04
Significant Accounting Policies	1		

Notes 1 to 27 form an integral part of the Financial Statements
As per our Report of even date

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

FARHAD M. BHESANIA
PARTNER
Membership Number: 127355

Mumbai
April 27, 2022

Signatures to the Statement of Profit and Loss and
Notes to the Financial Statements
For and on behalf of the Board

S. VARADARAJ
Director
DIN:00323436

P. J. BHAT
Director
DIN:06762076

GODVET AGROCHEM LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

INR Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A. Cash Flow from Operating Activities :		
Net Profit Before Taxes	113.85	376.16
Adjustment for:		
Finance Cost	10.05	27.85
Rent Received	(125.98)	(125.98)
Profit on Sale of Land	-	(280.62)
	(115.93)	(378.75)
Operating Profit Before Working Capital Changes	(2.08)	(2.59)
Adjustments for:		
Current Financial assets- Others	29.42	(39.92)
Non-current Financial liabilities- Others	29.31	(14.36)
Other current liabilities	(0.03)	(3.17)
	58.70	57.45
Cash Generated from Operations	56.62	(60.04)
Direct Taxes paid (net of refunds received)	(96.09)	18.43
Net Cash Flow from Operating Activities	(39.47)	(78.47)
B. Cash Flow from Investing Activities :		
Acquisition / Disposals of Investment properties	-	248.50
Rent Income	125.98	125.98
Net Cash Flow from Investing Activities	125.98	374.48
C. Cash Flow from Financing Activities :		
Repayment of Short Term Borrowings	(86.66)	(1,400.00)
Proceeds from Short Term Borrowings	-	1,102.00
Finance Cost	(10.05)	(24.73)
Net Cash Flow from Financing Activities	(96.71)	(322.73)
Net increase / (decrease) in Cash and Cash equivalents (A+B+C)	(10.20)	(26.72)
Cash and Cash equivalents (Opening balance)	10.72	37.44
Cash and Cash equivalents (Closing balance)	0.52	10.72

NOTES:

(a) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS) 7 on "Cash Flow Statements", and presents cash flows by operating, investing and financing activities.

(b)	Movement in borrowings	For the year ended March 31, 2022	For the year ended March 31, 2021
	Short term borrowings Opening Balance	185.28	480.17
	Cash flow during the year	(86.66)	(294.89)
	Non-cash changes	-	-
	Short term borrowings Closing Balance	98.62	185.28

(c) Figures in brackets are outflows/deductions.

(d) Figures for the previous year have been regrouped/restated wherever necessary to conform to the current year's classification.

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

FARHAD M. BHESANIA
 PARTNER
 Membership Number: 127355

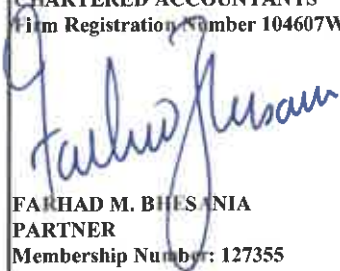
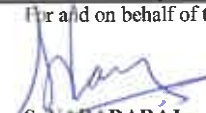

Mumbai
 April 27, 2022

For and on behalf of the Board

S. ARADARAJ
 Director
 DIN:00323436

P. J. BHAT
 Director
 DIN:06762076

GODVET AGROCHEM LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(a) Equity share capital			INR Lakh
Particulars	As at March 31, 2022	As at March 31, 2021	
Balance at the beginning of the reporting year	995.00	995.00	
Changes in equity share capital during the year	-	-	
Balance at the end of the reporting year	995.00	995.00	
(b) Other Equity			INR Lakh
Particulars	Attributable to the owners of the Company		
	Retained Earnings	TOTAL	
As at April 1, 2021	578.75	578.75	
Profit for the year	108.51	108.51	
Other comprehensive income for the year	-	-	
As at March 31, 2022	687.26	687.26	
As at April 1, 2020	275.88	275.88	
Profit for the year	302.87	302.87	
Other comprehensive income for the year	-	-	
As at March 31, 2021	578.75	578.75	
For KALYANIWALLA & MISTRY LLP CHARTERED ACCOUNTANTS Firm Registration Number 104607W/W100166  FARHAD M. BHESANIA PARTNER Membership Number: 127355 Mumbai April 27, 2022			For and on behalf of the Board  S. VARADRAJ Director DIN:00323436
			 P. J. BHAT Director DIN:06762076

GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1: Significant Accounting Policy

1. General information

Godvet Agrochem Ltd. ("the Company") is a public limited company, which is domiciled and incorporated in the Republic of India with its registered office situated at 3rd Floor, Godrej One, Pirojshanagar, Vikhroli (East), Mumbai – 400 079.

2. Basis of preparation

(i) Compliance with Ind AS:

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

The financial statements of the Company for the year ended March 31, 2022 were authorized for issue in accordance with a resolution of the Board of Directors on April 27, 2022.

Current versus non-current classification: All assets and liabilities have been classified as per the Company's normal operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of the products and the time taken between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of the classification of assets and liabilities into current and non-current.

(ii) Historical cost convention

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

(iii) Functional and presentation currency

These financial statements are presented in Indian rupees, which is the Company's functional currency. All amounts have been rounded off to the nearest lakh, unless otherwise indicated.

3. Key estimates and assumptions

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions.

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



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Judgement, estimates and assumptions are required in particular for:

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

Useful lives of tangible assets are based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful lives are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

- **Recognition of deferred tax assets**

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

- **Recognition and measurement of other provisions**

The recognition and measurement of other provisions are based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the balance sheet date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

- **Discounting of long-term financial assets / liabilities**

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial liabilities/assets which are required to subsequently be measured at amortised cost, interest is accrued using the effective interest method.

- **Fair value of financial instruments**

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

- **Determining whether an arrangement contains a lease**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

4. Measurement of fair values

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

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

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

- *Level 1:* quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2:* inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- *Level 3:* inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5. Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022, as below:

Ind AS 103 – Business Combinations

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Property, Plant and Equipment

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

6. Significant accounting policies

A. Revenue

i. Interest income

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

B. Income Tax

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



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

i. Current tax

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

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

- a) has a legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries and associates to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

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

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and



GODVET AGROCHEM LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

C. Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses.

The cost of an item of property, plant and equipment comprises:

- a) its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates.
- b) any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- c) the initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located, the obligation for which an entity incurs either when the item is acquired or as a consequence of having used the item during a particular period for purposes other than to produce inventories during that period.

Income and expenses related to the incidental operations, not necessary to bring the item to the location and condition necessary for it to be capable of operating in the manner intended by management, are recognised in the statement of profit or loss.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted and depreciated for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit or loss.

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment as recognized as at April 01, 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation/ Amortizations

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act, 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

D. Investment properties

Since there is no change in the functional currency, the Company has elected to continue with the carrying value for all of its investment property as recognised in its Indian GAAP financial statements as deemed cost at the transition date, viz., 1st April 2015.

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by valuer applying a valuation model recommended by the International Valuation Standards Committee.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

E. Non-current assets (or disposal groups) classified as held for sale:

The Company classifies any assets or disposal groups (comprising assets and liabilities) as "Asset / Disposal groups held for sale" they must be available for immediate sale and its sale must be highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

F. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign currency foreign exchange forward contracts, interest rate swaps and currency options and embedded derivatives in the host contract.

Financial instruments also covers contracts to buy or sell a non-financial item that can be settled net in cash or another financial instrument, or by exchanging financial instruments, as if the contracts were financial instruments, with the exception of contracts that were entered into and continue to be held for



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the purpose of the receipt or delivery of a non-financial item in accordance with the entity's expected purchase, sale or usage requirements.

Derivatives are currently recognized at fair value on the date on which the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

i. Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- Where assets are measured at fair value, gains and losses are either recognized entirely in the Statement of Profit and Loss (i.e. fair value through profit or loss), or recognized in Other Comprehensive Income (i.e. fair value through other comprehensive income).
- A financial asset that meets the following two conditions is measured at amortized cost (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

Business model test: The objective of the Company's business model is to hold the financial asset to collect the contractual cash flows (rather than to sell the instrument prior to its contractual maturity to realize its fair value changes).

Cash flow characteristics test: The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Initial recognition & measurement

At initial recognition, the Company measures a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the Statement of Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset.

Derecognition

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

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

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

ii. Financial liabilities

Classification

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

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

Initial recognition and measurement

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

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

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

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



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Derecognition

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

G. Provisions and contingent liabilities

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

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

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

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

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but will probably not, require an outflow of resources. When there is a possible obligation of a present obligation in respect of which the likelihood of outflow of resources is remote, no provision disclosure is made.

A contingent asset is not recognised but disclosed in the financial statements where an inflow of economic benefit is probable.

Commitments includes the amount of purchase order (net of advance) issued to parties for completion of assets.

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



GODVET AGROCHEM LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

H. Impairment of non-financial assets

The carrying values of assets/cash generating units at each balance sheet date are reviewed for impairment if any indication of impairment exists. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount.

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor that reflects current market assessments of the time value of money and the risk specific to the asset.

When there is indication that an impairment loss recognised for an asset (other than a revalued asset) in earlier accounting periods which no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, to the extent the amount was previously charged to the Statement of Profit and Loss. In case of revalued assets, such reversal is not recognised.

I. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

J. Leases

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

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

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease payments shall include fixed payments,



GODVET AGROCHEM LIMITED
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variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The Company recognises the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognises any remaining amount of the re-measurement in statement of profit and loss.

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

Company as a lessor

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

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



Note No. 2: Investment Properties

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Land (Refer Note No. 2.1)	1,667.48	1,667.48
Total	1,667.48	1,667.48

Note No. 2.1 : Fair Valuation of Investment Property

The Company's investment property consist of freehold land in India.

As at March 31, 2022, the fair value of the properties are INR 2,707 lakh (previous year INR 2,578 lakh). These valuations are based on valuations performed by an accredited independent valuer. The fair value of the investment property is based on the reports from the registered valuer. Valuation is done based on prevailing local market rate. Local enquiry was made for similar nature plots and lowest value from enquiry is adopted for valuation purpose. No recent sale transaction details are available and hence Local enquiry is relied upon.

Note No. 2.2

The title deeds of the immovable properties are held in the name of the Company.

Note No. 2.3

The Company has not revalued its Property, plant and equipment; hence the related disclosures are not applicable.

Note No. 2.4 : Reconciliation of the carrying amount of investment property at the beginning and end of the year

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Opening Balance of Investment Property	1,667.48	1,667.48
Add / (Less) : Addition / (Deletions) to Investment Property	-	-
Closing Balance of Investment Property	1,667.48	1,667.48

Note No. 3 : Other non-current financial assets

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Security Deposits	0.56	0.56
Total	0.56	0.56

Note No. 4: Deferred Tax Assets (net)

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Tax assets	146.25	119.61
Total	146.25	119.61

Note No. 5: Other Non-Current Assets

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured and Considered Good 1 Capital Advances	2.50	2.50
Total	2.50	2.50



GODVET AGROCHEM LIMITED
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Note No. 6: Cash & Cash Equivalents

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Balance with Banks Current Account	0.52	10.72
Total	0.52	10.72

Note No. 7: Other Financial Assets

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Non-Trade Receivables	10.50	39.92
Total	10.50	39.92

Note No. 8: Equity Share Capital

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Authorised Share Capital		
(i) 1,05,00,000 (P.Y. 1,05,00,000) Equity Shares of Rs. 10/- each	1,050.00	1,050.00
Total	1,050.00	1,050.00
(b) Issued, Subscribed and Paid-up Share Capital		
(i) 99,50,000 (P.Y. 99,50,000) Equity Shares of Rs. 10/- each	995.00	995.00
Total	995.00	995.00
(c) Reconciliation of number of Shares Outstanding		
<u>Equity Shares</u>		
At the beginning of the year: 99,50,000 shares of Rs.10/- each	99,50,000	99,50,000
Issued during the year:	-	-
At the end of the year: 99,50,000 shares of Rs.10/- each	99,50,000	99,50,000
(d) Shareholders holding more than 5% shares in the Company is set out below:		
(i) <u>Equity Shares</u>		
Godrej Agrovet Limited (the Holding Company) and its nominee - 99,50,000 (P.Y. 99,50,000) Equity Shares of Rs.10/- each	100%	100%
(e) Details of shares held by promoters		
<u>Equity Shares</u>		
Godrej Agrovet Limited (the Holding Company) and its nominee - 99,50,000 (P.Y. 99,50,000) Equity Shares of Rs.10/- each	100%	100%
There is no change in the shares held by promoters during the financial year 2021-22 and 2020-21.		
(f) Rights, preferences and restrictions attached to Equity shares:		
The Company has one class of equity shares having a par value of Rs. 10/- per share. Each shareholder is eligible for one vote per share held. All equity shareholders are eligible to receive dividends in proportion to their shareholdings. The dividend proposed by the Board of Directors are subject to the approval of shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.		



GODVET AGROCHEM LIMITED
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Note No. 9: Other Equity

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Reserves and Surplus		
(i) Retained Earnings		
Opening Balance	578.75	275.88
Add: Net Profit for the year	108.51	302.87
Closing Balance	687.26	578.75
Total	687.26	578.75

Note No. 10: Current Financial Liability - Borrowings

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured		
(i) Inter corporate deposit from holding company (Refer Note No. 10.1)	98.62	185.28
Total	98.62	185.28

Note No. 10.1: Inter Corporate Deposit taken from holding company is repayable on demand, carrying interest rate of 7.25%

Note No. 11: Other Financial Liabilities

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Non Trade Payables	28.84	0.02
(b) Other Financial Liabilities		
(i) Other Liabilities	1.06	0.57
Total	29.90	0.59

Note No. 12: Other Current Liabilities

INR Lakh

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Statutory Liabilities	1.99	2.02
Total	1.99	2.02



GODVET AGROCHEM LIMITED
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Note No. 13: Other Income

INR Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Rent Income	125.98	125.98
(b) Profit on sale of Fixed Assets (net)	-	280.62
Total	125.98	406.60

Note No. 14: Finance Costs

INR Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Interest Expense - Others		
(i) on Inter Corporate Deposit	10.05	27.85
Total	10.05	27.85

Note No. 15: Other Expenses

INR Lakh

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Rates and Taxes	0.03	0.02
(b) Auditor's Remuneration - Audit Fees	0.75	0.59
(c) Auditor's Remuneration - Tax Consultancy	0.80	1.24
(d) Miscellaneous Expenses	0.50	0.74
Total	2.08	2.59

Note No. 16: Earnings Per Share

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
(a) Calculation of weighted average number of equity shares - Basic & Diluted		
(i) Number of shares at the beginning of the year	99,50,000	99,50,000
(ii) Number of equity shares outstanding at the end of the year	99,50,000	99,50,000
Weighted average number of equity shares outstanding during the year	99,50,000	99,50,000
(b) Profit attributable to ordinary shareholders (Basic/Diluted)		
Profit for the year, attributable to the owners of the Company	108.51	302.87
Profit for the year, attributable to ordinary shareholders	108.51	302.87
(c) Basic & Diluted Earnings per share (Rs.)	1.09	3.04
(d) Nominal Value of Shares (Rs.)	10.00	10.00



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Note 17: Financial instruments – Fair values and risk management

Note 17.1 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.

March 31, 2022 INR Lakh	Note	Carrying amount		Total	Fair value			
		FVTPL	FVOCI		Level 1	Level 2	Level 3	Total
I Financial assets								
I Non Current Financial Assets								
(a) Other Non-current financial assets				0.56				
Current Financial Assets								
(a) Cash and cash equivalents			-	0.52				
(b) Other current financial assets			-	10.50				
			-	11.58				
II Financial liabilities								
Current Financial liabilities								
(a) Short term borrowings		-	-	98.62			-	
(b) Other financial liabilities		-	-	29.90			-	
		-	-	128.52			-	
March 31, 2021 INR Lakh	Note	Carrying amount		Total	Fair value			
		FVTPL	FVOCI		Level 1	Level 2	Level 3	Total
I Financial assets								
Non-current Financial Assets								
(a) Other non-current financial assets				0.56				
Current Financial Assets								
(a) Cash and cash equivalents			-	10.72				
(b) Other current financial assets			-	39.92				
			-	51.20				
II Financial liabilities								
Current Financial liabilities								
(a) Short term borrowings				185.28		-		
(b) Other financial liabilities				0.59		-		
		-	-	185.87		-		

Financial risk management

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

- Liquidity risk ; and
- Market risk

i. Risk management framework

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



GODVET AGROCHEM LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial instruments – Fair values and risk management (continued)

Note 17.2: Liquidity risk

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

Exposure to liquidity risk

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

Contractual cash flows							
March 31, 2022	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
INR Lakh							
Non-derivative financial liabilities							
Current, non derivative financial liabilities							
Inter Corporate Deposit	98.62	98.62	98.62	-	-	-	-
Other current financial liabilities	29.90	29.90	29.90	-	-	-	-
Total	128.52	128.52	128.52	-	-	-	-
Contractual cash flows							
March 31, 2021	Carrying amount	Total	0-6 months	6-12 months	1-2 years	2-5 years	More than 5 years
INR Lakh							
Non-derivative financial liabilities							
Current, non derivative financial liabilities							
Inter Corporate Deposit	185.28	185.28	185.28	-	-	-	-
Other current financial liabilities	0.59	0.59	0.59	-	-	-	-
Total	185.87	185.87	185.87	-	-	-	-



GODVET AGROCHEM LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Financial instruments – Fair values and risk management (continued)

Note 17.3: Interest rate risk

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

Exposure to interest rate risk

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

Nominal amount		(INR Lakh)	
Particulars		As at March 31, 2022	As at March 31, 2021
Financial liabilities			
<u>Short term borrowings</u>			
Inter Corporate Deposits		98.62	185.28
Total		98.62	185.28

Fair value sensitivity analysis for fixed-rate instruments

The Company does not have any non current borrowings hence questions of fair value through P&L does not arise.



GODVET AGROCHEM LIMITED
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Note 18: Tax expense

(a) Amounts recognised in profit and loss

Particulars	For the year ended March 31, 2022 INR Lakh	For the year ended March 31, 2021 INR Lakh
Current income tax	31.98	91.82
Deferred income tax liability / (asset), net		
Origination and reversal of temporary differences	(26.64)	(18.53)
Deferred tax expense	(26.64)	(18.53)
Tax expense for the year	5.34	73.29

(b) Reconciliation of effective tax rate

Particulars	For the year ended March 31, 2022 INR Lakh	For the year ended March 31, 2021 INR Lakh
Profit before tax	113.85	376.16
Company's domestic tax rate	25.17%	25.17%
Tax using the Company's domestic tax rate	28.66	94.68
Tax effect of:		
Expense not allowed for tax purposes	0.14	0.18
Additional allowance for tax purpose	(26.64)	(24.28)
Tax paid at Lower rate	-	(6.43)
Others	3.18	9.14
	5.34	73.29



GODVET AGROCHEM LIMITED
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Note 19: Movement in deferred tax balances

Movement in deferred tax balances for the year ended March 31, 2022

	March 31, 2022				
	Net balance April 1, 2021	Recognised in profit or loss	Deferred tax asset	Deferred tax liability	Deferred tax asset
	INR lakh	INR lakh	INR lakh	INR lakh	INR lakh
Deferred tax asset/(liabilities)					
Investment Property	119.61	26.64	146.25	-	146.25
Tax assets (Liabilities)	119.61	26.64	146.25	-	146.25

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

	March 31, 2021				
	Net balance April 1, 2020	Recognised in profit or loss	Deferred tax asset	Deferred tax liability	Deferred tax asset
	INR lakh	INR lakh	INR lakh	INR lakh	INR lakh
Deferred tax asset/(liabilities)					
Investment Property	101.08	18.53	119.61	-	119.61
Tax assets (Liabilities)	101.08	18.53	119.61	-	119.61

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

Significant management judgement is required in determining provision for income tax, deferred income tax assets and liabilities and recoverability of deferred income tax assets. The recoverability of deferred income tax assets is based on estimates of taxable income by each jurisdiction in which the relevant entity operates and the period over which deferred income tax assets will be recovered.



GODVET AGROCHEM LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 20: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders.

The Board of Directors seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The primary objective of the Company's Capital Management is to maximise shareholder value. The Company manages its capital structure and makes adjustments in the light of changes in the economic environment and the requirements of the financial covenants, if any.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as total borrowings, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity.

The Company's adjusted net debt to equity ratio at March 31, 2022 was as follows:

INR Lakh	As at March 31, 2022	As at March 31, 2021
Total Borrowings	98.62	185.28
Less : Cash and cash equivalent	0.52	10.72
Adjusted net debt	98.10	174.56
Equity	1,682.26	1,573.75
Adjusted net debt to equity ratio	0.06	0.11

Note 21: Commitments

(INR Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for.	165.66	165.66

Note 22 : Lease

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

Undiscounted lease payments to be received for non-cancellable operating leases

INR Lakh	March 31, 2022
Year 1	-
Year 2 to 5	-
Later than 5 years	-
Total	-

Note 23: Impact of Covid -19 pandemic

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

Note 24: MSME Disclosure

Under the Micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), which came in to force from October 2, 2006, certain disclosures are required to be made relating to Micro and Small Enterprises.

Particulars	As at March 31, 2022	As at March 31, 2021
A Principal amount remaining unpaid	-	-
B Interest due thereon	-	-
C Interest paid by the company in term of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 along with the amount of the payment made to the suppliers beyond the appointed day during the year	-	-
D Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006	-	-
E Interest accrued and remaining unpaid	-	-
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	-	-



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Note No. 25: Related Party Disclosures

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

		GODVET AGROCHEM LIMITED
(a)	(i) Key Management Personnel	
		Mr. S. Varadara (Director)
		Mr. P. J. Bhat (Director)
		Dr. P..N. Narkhede (Director) (upto March 1, 2021)
		Mr. Sandeep Kumar Singh (Director)
(b)	(i) Holding companies	Godrej Agrovat Limited (Holding company)
		Godrej Industries Limited (Ultimate holding company)
	(ii) Fellow Subsidiary Companies	Astec LifeSciences Limited
		Creamline Dairy Products Limited
		Godrej Tyson Foods Limited.
		Godrej Maxximilk Private Limited.
	(iii) Other Related Parties	ACI Godrej Agrovat Private Limited, Bangladesh
		Al Rahba International Trading Limited Liability Company, United Arab Emirates (UAE)



GODVET AGROCHEM LIMITED
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Note 25: Related Party Disclosures

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

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

(Figures in brackets represent previous year amounts)

INR Lakh

Sr. No.	Nature of Transactions	Holding Companies (i)	Other related Parties (ii)
1	Inter Corporate Deposit Taken	-	-
		662.00	440.00
2	Inter Corporate Deposit Returned / Repaid	86.50	-
		480.00	920.00
3	Rent Received	125.98	-
		125.98	-
4	Expenses charged by / reimbursement made to other companies	108.83	-
		39.46	
5	Interest Expense on Inter Corporate deposit	10.05	-
		12.13	15.72
6	Inter Corporate Deposit Outstanding (including interest accrued)	98.62	-
		185.28	-
7	Outstanding Receivables (net of payables)	-	-
		29.42	-
8	Outstanding Payables (net of receivables)	28.84	-



GODVET AGROCHEM LIMITED
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Related Party Disclosures (Contd.)

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

Significant Related Party Transactions :

INR Lakh

Sr. No.	Nature of Transaction	Current Period	Previous Year
1	<u>Inter Corporate Deposit Taken</u> Godrej Agrovet Limited Creamline Dairy Products Ltd Astec LifeSciences Limited	- - -	662.00 440.00 -
2	<u>Inter Corporate Deposit Returned / Repaid</u> Godrej Agrovet Limited Creamline Dairy Products Ltd Astec LifeSciences Limited	86.50 - -	480.00 440.00 480.00
3	<u>Rent Received</u> Godrej Agrovet Limited	125.98	125.98
4	<u>Expenses charged by / reimbursement made to other companies</u> Godrej Agrovet Limited	108.83	39.46
5	<u>Interest Expense on Inter Corporate deposit</u> Godrej Agrovet Limited Creamline Dairy Products Ltd Astec LifeSciences Limited	10.05 - -	12.13 5.42 10.30
6	<u>Inter Corporate Deposit Outstanding (including interest payable)</u> Godrej Agrovet Limited Astec LifeSciences Limited	98.62 -	185.28 -
7	<u>Outstanding Receivables (net of payables)</u> Godrej Agrovet Limited	-	29.42
8	<u>Outstanding Payables (net of receivables)</u> Godrej Agrovet Limited Astec LifeSciences Limited	28.84 -	- -

Note 26: Comparative Accounts for the Previous Year

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



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Note 27 : Ratios Analysis and its elements

Ratio	Numerator	Denominator	March 31, 2022	March 31, 2021	% change	Reasons for variance
Current Ratio (in times)	Current Assets	Current Liabilities	0.08	0.19	-60.1%	Primarily on account of reduction in borrowings and decrease in non-trade receivables.
Debt-Equity Ratio (in times)	Total Debt	Total Equity	0.06	0.12	-50.2%	Primarily on account of reduction in borrowings
Debt Service Coverage Ratio	Earnings available for Debt Service*	Debt Service**	11.80	11.88	-0.7%	
Return on Equity Ratio	Net profit after tax - preference Dividend	Average shareholder's equity = (Opening + Closing total equity) / 2	0.07	0.21	-68.7%	Mainly on account of one time income on sale of fixed assets in the previous year.
Inventory Turnover Ratio	Net sales	Average Inventory = (Opening + Closing inventory) / 2	0.00	0.00	0.0%	
Trade Receivable Turnover Ratio	Net sales	Average trade receivables = (Opening + Closing Trade receivables) / 2	0.00	0.00	0.0%	
Trade Payable Turnover Ratio	Net purchases	Average trade payables = (Opening + Closing Trade payables) / 2	0.00	0.00	0.0%	
Net Capital Turnover Ratio	Net sales	Working capital = Current Assets - Current Liabilities	0.00	0.00	0.0%	
Net Profit Ratio	Net profit after tax	Net sales	0.00	0.00	0.0%	
Return on Capital Employed	Earnings before interest and taxes	Capital Employed***	0.07	0.23	-69.7%	Mainly on account of one time income on sale of fixed assets in the previous year.

*Net profit after taxes+Depreciation and amortizations+Interest Cost+Loss on Sale of Investments

**Interest & Lease payments+Principal repayments

***Total Debt, Total Equity and Deferred Tax Liability

