**DRAFT RED HERRING PROSPECTUS**
Dated: July 18, 2017
*(This Draft Red Herring Prospectus will be updated upon filing with the RoC)*
*Please read Section 32 of the Companies Act, 2013*
**Book Built Issue**

# GODREJ AGROVET LIMITED

Our Company was incorporated as Godrej Agrovet Private Limited on November 25, 1991 in the state of Gujarat as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word "private" was struck off from the name of our Company with effect from April 27, 1992. Pursuant to our Company passing a resolution under Section 21 of the Companies Act, 1956, our Company was registered as a public limited company with effect from August 26, 1994. Subsequently, the Registrar of Companies, Gujarat issued a fresh certificate of incorporation dated February 19, 2002 consequent upon conversion, recording the change of our Company's name to 'Godrej Agrovet Limited'. For details of change in the name and Registered Office of our Company, see "*History and Certain Corporate Matters*" beginning on page 143.

**Registered and Corporate Office**: Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079
**Contact Person**: Vivek Raizada, Company Secretary and Compliance Officer; **Tel**: (91 22) 2519 4416; **Fax**: (91 22) 2519 5124
**E-mail**: gavlinvestors@godrejagrovet.com; **Website**: www.godrejagrovet.com
**Corporate Identity Number**: U15410MH1991PLC135359

**PROMOTERS OF OUR COMPANY: GODREJ INDUSTRIES LIMITED, NADIR B. GODREJ AND ADI B. GODREJ**

**PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF GODREJ AGROVET LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION (THE "ISSUE") COMPRISING A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,000 MILLION BY OUR COMPANY ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES BY GODREJ INDUSTRIES LIMITED ("PROMOTER SELLING SHAREHOLDER") AGGREGATING UP TO ₹ 3,000 MILLION AND UP TO 12,300,000 EQUITY SHARES BY V-SCIENCES INVESTMENTS PTE LTD ("V-SCIENCES" OR "INVESTOR SELLING SHAREHOLDER") ("V-SCIENCES' OFFERED SHARES") AGGREGATING UP TO [●] MILLION (THE PROMOTER SELLING SHAREHOLDER AND THE INVESTOR SELLING SHAREHOLDER ARE COLLECTIVELY REFERRED TO AS, THE "SELLING SHAREHOLDERS" AND SUCH EQUITY SHARES OFFERED BY THE PROMOTER SELLING SHAREHOLDER AND THE V-SCIENCES' OFFERED SHARES, COLLECTIVELY THE "OFFERED SHARES") ("OFFER FOR SALE"). THE ISSUE WOULD INCLUDE A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 200 MILLION FOR SUSBCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED IN "DEFINITIONS AND ABBREVIATIONS"). FURTHER, OUR COMPANY PROPOSES TO ISSUE UP TO 405,500 EQUITY SHARES AGGREGATING UP TO ₹[●] MILLION TO IDENTIFIED EMPLOYEES OF OUR COMPANY UNDER THE ESPS (AS DEFINED IN "DEFINITIONS AND ABBREVIATIONS") AS PART OF THE ISSUE AND AT ISSUE PRICE. THE NET ISSUE WOULD CONSTITUTE [●]% OF OUR POST-ISSUE PAID-UP EQUITY SHARE CAPITAL (AFTER CONSIDERING ALLOTMENT TO THE IDENTIFIED EMPLOYEES OF OUR COMPANY UNDER THE ESPS).**

**OUR COMPANY MAY, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMS"), CONSIDER A PRIVATE PLACEMENT OF UP TO 560,000 EQUITY SHARES FOR CASH CONSIDERATION AGGREGATING UP TO ₹252 MILLION, AT ITS DISCRETION, PRIOR TO FILING OF THE RED HERRING PROSPECTUS WITH THE ROC ("PRE-IPO PLACEMENT"). IF THE PRE-IPO PLACEMENT IS COMPLETED, THE NUMBER OF EQUITY SHARES ISSUED PURSUANT TO THE PRE-IPO PLACEMENT WILL BE REDUCED FROM THE FRESH ISSUE, SUBJECT TO A MINIMUM ISSUE SIZE OF 10% OF THE POST-ISSUE PAID-UP EQUITY SHARE CAPITAL OF OUR COMPANY BEING OFFERED TO THE PUBLIC.**

**THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY BY SEEKING AND ENSURING ALIGNMENT WITH THE SELLING SHAREHOLDERS, IN CONSULTATION WITH AND THE BRLMS, IN THE MANNER AS AGREED UPON IN THE ISSUE AGREEMENT. THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS AND WILL BE ADVERTISED IN [●] EDITIONS OF [●], [●] EDITIONS OF [●] AND [●] EDITIONS OF [●] (WHICH ARE WIDELY CIRCULATED ENGLISH, HINDI AND MARATHI NEWSPAPERS RESPECTIVELY, MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/ISSUE OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE", AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.**

In case of any revision in the Price Band, the Bid/Issue Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the Stock Exchanges, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the Syndicate Members and by intimation to the Designated Intermediaries (as defined below).

In terms of Rule 19(2)(b)(iii) of the Securities Contracts (Regulation) Rules, 1957, as amended ("**SCRR**"), the Net Issue shall be for at least 10% of the post-Issue paid-up equity share capital of our Company. The Issue is being made through the Book Building Process, in compliance with Regulation 26(1) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "**SEBI ICDR Regulations**"), wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs ("**QIB Portion**"), provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis ("**Anchor Investor Portion**''), at the Anchor Investor Allocation Price. Atleast one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price. All potential Bidders, other than Anchor Investors, shall only participate in the Issue through the Application Supported by Blocked Amount ("**ASBA**") process providing details of their respective bank account which will be blocked by the Self Certified Syndicate Banks ("**SCSBs**"). Anchor Investors are not permitted to participate in the Issue through ASBA Process. For details, see "*Issue Procedure*" beginning on page 523.

**RISK IN RELATION TO THE FIRST ISSUE**

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is ₹10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Issue Price (determined and justified by our Company in consultation with the BRLMs, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process, as stated under "*Basis for Issue Price*" beginning on page 91) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

**GENERAL RISKS**

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Issue unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue, including the risks involved. The Equity Shares in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("**SEBI**"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "*Risk Factors*" beginning on page 15.

**ISSUER'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY**

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this Draft Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which makes this Draft Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. Further, the Promoter Selling Shareholders accept responsibility for and confirm (only to the extent of the information in the statements specifically confirmed or undertaken by it and its respective proportion of the Offered Shares offered by them in this Draft Red Herring Prospectus) that such statements are true and correct in all material aspects and are not misleading in any material respect. The Investor Selling Shareholder accepts responsibility only for and confirm (only to the extent of the information in the statements specifically confirmed or undertaken by it as a selling shareholder and the V-Sciences' Offered Shares in this Draft Red Herring Prospectus) that such statements are true and correct in all material aspects and are not misleading in any material respect. However, the Investor Selling Shareholder does not assume any responsibility for any other statement, including any statements made by or in relation to our Company or the Promoter Selling Shareholders in this Draft Red Herring Prospectus.

**LISTING**

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Issue, the Designated Stock Exchange shall be [●].

| BOOK RUNNING LEAD MANAGERS | | | REGISTRAR TO THE ISSUE |
|---|---|---|---|
| **Kotak Mahindra Capital Company Limited**<br>1st Floor, 27 BKC, Plot No. 27<br>"G" Block, Bandra Kurla Complex<br>Bandra (East)<br>Mumbai 400 051<br>Tel: (91 22) 4336 0000<br>Fax: (91 22) 6713 2447<br>E-mail: gavl.ipo@kotak.com<br>Investor grievance e-mail: kmccredressal@kotak.com<br>Website: www.investmentbank.kotak.com<br>Contact Person: Ganesh Rane<br>SEBI registration no.: INM000008704 | **Axis Capital Limited**<br>1st Floor, Axis House<br>C-2, Wadia International Centre<br>Pandurang Budhkar Marg, Worli<br>Mumbai 400 025<br>Tel: (91 22) 4325 2183<br>Fax: (91 22) 4325 3000<br>E-mail: godrej.agrovet@axiscap.in<br>Investor grievance e-mail: complaints@axiscap.in<br>Website: www.axiscapital.co.in<br>Contact Person: Ankit Bhatia<br>SEBI registration no.: INM000012029 | **Credit Suisse Securities (India) Private Limited**<br>10th Floor, Ceejay House, Plot F<br>Shivsagar Estate, Dr. Annie Besant Road,<br>Worli, Mumbai 400 018<br>Tel: (91 22) 6777 3885<br>Fax: (91 22) 6777 3820<br>E-mail: list.godrejagrovetipo@credit-suisse.com<br>Investor grievance e-mail:<br>list.igcellmerbnkg@creditsuisse.com<br>Website: https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html<br>Contact Person: Abhay Agarwal<br>SEBI registration no.: INM000011161 | **Karvy Computershare Private Limited**<br>Karvy Selenium, Tower B<br>Plot number 31 & 32 Gachibowli<br>Financial District, Nanakramguda<br>Hyderabad 500 032<br>Tel: (91 40) 6716 2222<br>Fax: (91 40) 2343 1551<br>E-mail: godrej.agrovet@karvy.com<br>Investor grievance e-mail: einward.ris@karvy.com<br>Website: https://karisma.karvy.com<br>Contact Person: M Murali Krishna<br>SEBI registration no.: INR000000221 |

**BID/ISSUE PROGRAMME**

| | |
|---|---|
| **BID/ISSUE OPENS ON** | [●](1) |
| **BID/ISSUE CLOSES ON** | [●](2) |

(1) *Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/Issue Period shall be one Working Day prior to the Bid/Issue Opening Date.*

(2) *Our Company may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations.*

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## SECTION I: GENERAL

## DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act or regulation, as amended from time to time. In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

### General Terms

| Term | Description |
|---|---|
| "our Company", "the Company", or "the Issuer" | Godrej Agrovet Limited, a public limited company incorporated under the Companies Act, 1956 and having its registered office at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079 |
| "we", "us" or "our" | Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries |

### Company Related and Selling Shareholder Related Terms

| Term | Description |
|---|---|
| ACI Godrej | ACI Godrej Agrovet Private Limited |
| Articles of Association/AoA | Articles of Association of our Company |
| Associates | Al Rahba International Trading LLC and Crop Science Advisors LLP |
| Astec Europe | Astec Europe Sprl |
| Astec LifeSciences | Astec LifeSciences Limited |
| Auditors/Statutory Auditors | Statutory auditors of our Company, namely, Kalyaniwalla & Mistry LLP, Chartered Accountants |
| Behram Chemicals | Behram Chemicals Private Limited |
| Board/Board of Directors | Board of Directors of our Company including a duly constituted committee thereof |
| Comercializadora Agricola | Comercializadora Agricola Agroastrachem Cia Ltda |
| Creamline Dairy | Creamline Dairy Products Limited |
| CRISIL | CRISIL Limited |
| CSR Committee | Corporate Social Responsibility Committee |
| Director(s) | Director(s) of our Company |
| Equity Shares | Equity shares of our Company of face value of ₹10 each |
| ESPS | Godrej Agrovet Limited Employee Share Purchase Scheme |
| ESOP Scheme I | Godrej Agrovet Limited Employees Stock Option Scheme I |
| ESOP Scheme II | Godrej Agrovet Limited Employees Stock Option Scheme II |
| ESOP Trust | Godrej Agrovet Limited Employees Stock Option Trust |
| GIL | Godrej Industries Limited |
| Godrej Tyson | Godrej Tyson Foods Limited |
| Godvet Agrochem | Godvet Agrochem Limited |
| Group Companies | Companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, as identified in *"Our Group Companies"* beginning on page 182 |
| Investor Selling Shareholder/V-Sciences | V-Sciences Investments Pte Ltd |
| GSGL | Godrej Seeds and Genetics Limited |
| Joint Ventures | Godrej Tyson Foods Limited and ACI Godrej Agrovet Private Limited |
| Key Management Personnel | Key management personnel of our Company in terms of Regulation 2(1)(s) of the SEBI ICDR Regulations and Section 2(51) of the Companies Act, 2013 and as disclosed in |

| Term | Description |
|---|---|
| | "*Our Management*" beginning on page 153 |
| Managing Director | Balram S. Yadav, Managing Director of our Company |
| Memorandum of Association/MoA | Memorandum of Association of our Company |
| Nagavalli Milkline | Nagavalli Milkline Private Limited |
| Preference Shares | Preference shares of our Company of face value of ₹10 each |
| Promoter | Promoters of our Company namely, Godrej Industries Limited, Nadir B. Godrej and Adi B. Godrej. For details, see "*Our Promoters and Promoter Group*" beginning on page 175 |
| Promoter Group | Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations. For details, see "*Our Promoters and Promoter Group*" beginning on page 175 |
| Promoter Selling Shareholder | Godrej Industries Limited |
| Registered Office | Registered and corporate office of our Company situated at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079 |
| Registrar of Companies/RoC | Registrar of Companies, Maharashtra situated at Mumbai |
| Restated Financial Statements | Restated consolidated and standalone summary statement of assets and liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the restated consolidated and standalone summary statement of profit and loss and the restated consolidated and standalone summary statement of cash flow for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 |
| Selling Shareholders | Collectively, the Promoter Selling Shareholder and the Investor Selling Shareholder |
| Shareholders | Shareholders of our Company from time to time |
| Subsidiaries | Subsidiaries and step down subsidiaries of our Company namely, Astec LifeSciences Limited, Behram Chemicals Private Limited, Astec Europe Sprl, Comercializadora Agricola Agroastrachem Cia Ltda, Creamline Dairy Products Limited, Nagavalli Milkline Private Limited and Godvet Agrochem Limited |

**Issue Related Terms**

| Term | Description |
|---|---|
| Acknowledgement Slip | The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form |
| Allot/Allotment/Allotted | Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the respective portion of the Offered Shares by each of the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders |
| Allotment Advice | A note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange |
| Allottee | A successful Bidder to whom the Equity Shares are Allotted |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI ICDR Regulations and the Red Herring Prospectus |
| Anchor Investor Allocation Price | The price at which Equity Shares will be allocated to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be decided by our Company, in consultation with the BRLMs |
| Anchor Investor Application Form | The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Anchor Investor Bid/Issue Period | One Working Day prior to the Bid/Issue Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed |
| Anchor Investor Issue Price | The final price at which the Equity Shares will be Allotted to the Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or |

| Term | Description |
|---|---|
| | higher than the Issue Price but not higher than the Cap Price<br>The Anchor Investor Issue Price will be decided by our Company, in consultation with the BRLMs |
| Anchor Investor Portion | Up to 60% of the QIB Portion which may be allocated by our Company, in consultation with the BRLMs, to the Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations<br>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price |
| Application Supported by Blocked Amount or ASBA | An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising an SCSB to block the Bid Amount in the ASBA Account |
| ASBA Account | A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form |
| ASBA Bid | A Bid made by an ASBA Bidder |
| ASBA Bidders | All Bidders except Anchor Investors |
| ASBA Form | An application form, whether physical or electronic, used by ASBA Bidders to submit Bids, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| Axis | Axis Capital Limited |
| Banker(s) to the Issue | Escrow Collection Bank, Refund Bank and Public Issue Account Bank |
| Basis of Allotment | The basis on which Equity Shares will be Allotted to successful Bidders under the Issue and which is described in "*Issue Procedure*" beginning on page 523 |
| Bid | An indication to make an offer during the Bid/Issue Period by a Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Issue Period by the Anchor Investor, pursuant to submission of the Anchor Investor Application Form, to purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI ICDR Regulations<br>The term "Bidding" shall be construed accordingly |
| Bid/Issue Closing Date | Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, being [●]. Our Company may, in consultation with the BRLMs, consider closing the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations. |
| Bid/Issue Opening Date | Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, being [●] |
| Bid/Issue Period | Except in relation to Anchor Investors, the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof |
| Bid Amount | The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidders, as the case may be, upon submission of the Bid |
| Bid cum Application Form | The Anchor Investor Application Form or the ASBA Form, as the context requires |
| Bid Lot | [●] Equity Shares |
| Bidder | Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor and an Eligible Employee. |
| Bidding Centres | The centres at which the Designated Intermediaries shall accept the Bid cum Application Forms, i.e. Designated Branches for SCSBs, Specified Locations for the Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs |
| Book Building Process | Book building process, as provided in Schedule XI of the SEBI ICDR Regulations, in terms of which the Issue is being made |
| Book Running Lead Managers/ | The book running lead managers to the Issue namely, Kotak Mahindra Capital Company |

| Term | Description |
|---|---|
| BRLMs | Limited, Axis Capital Limited and Credit Suisse Securities (India) Private Limited |
| Broker Centres | The broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker<br><br>The details of such Broker Centres, along with the names and the contact details of the Registered Brokers are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| CAN / Confirmation of Allocation Note | A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated Equity Shares, after the Anchor Investor Bid/Issue Period |
| Cash Escrow Agreement | The cash escrow agreement to be entered into among our Company, the Selling Shareholders, the BRLMs, the Registrar to the Issue, the Escrow Collection Bank and the Syndicate Members for *inter alia*, collection of the Bid Amounts from the Anchor Investors and where applicable, refunds of the amounts collected from the Anchor Investors, on the terms and conditions thereof |
| CDP / Collecting Depository Participant | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Cap Price | The higher end of the Price Band, above which the Issue Price and Anchor Investor Issue Price will not be finalised and above which no Bids will be accepted |
| Client ID | The client identification number maintained with one of the Depositories in relation to demat account |
| Credit Suisse | Credit Suisse Securities (India) Private Limited |
| Cut-off Price | The Issue Price finalised by our Company in consultation with the BRLMs<br><br>Only Retail Individual Bidders and Eligible Employees (subject to the Bid Amount being up to ₹500,000) are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price |
| Demographic Details | Details of the Bidders including the Bidders' address, name of the Bidders' father / husband, investor status, occupation and bank account details |
| Designated Branches | Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at<br><br>http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, or at such other website as may be prescribed by SEBI from time to time |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the ASBA Forms.<br><br>The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC |
| Designated Intermediaries | The members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect Bid cum Application Forms from the Bidders, in relation to the Issue |
| Designated RTA Locations | Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.<br><br>The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Stock Exchange | [●] |
| Draft Red Herring Prospectus or DRHP | This Draft Red Herring Prospectus dated July 18, 2017, issued in accordance with the SEBI ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue |
| Eligible Employees | All or any of the following:<br><br>(a) a permanent and full time employee of our Company as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be a permanent |

| Term | Description |
|---|---|
| | and full time employee of our Company, until the submission of the ASBA Form and is based, working and present in India as on the date of submission of the ASBA Form; and<br>(b) a Director of our Company, whether a whole time Director or otherwise, (excluding such Directors not eligible to invest in the Issue under applicable laws, rules, regulations and guidelines) as of the date of filing the Red Herring Prospectus with the RoC and who continues to be a Director of our Company until the submission of the ASBA Form and is based and present in India as on the date of submission of the ASBA Form.<br>The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000. Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount). |
| Employee Reservation Portion | Portion of the Issue being [●] Equity Shares aggregating up to ₹ 200 million available for allocation to Eligible Employees, on a proportionate basis |
| Eligible NRI(s) | NRI(s) from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to purchase the Equity Shares |
| Escrow Account | Account to be opened with the Escrow Collection Bank(s) and in whose favour the Bidders (excluding the ASBA Bidders) will issue cheques or demand drafts in respect of the Bid Amount when submitting a Bid |
| Escrow Collection Bank | A bank, which is a clearing member and registered with SEBI as a banker to an offer under the SEBI BTI Regulations and with whom the Escrow Account will be opened, in this case being [●] |
| First Bidder | The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names |
| Floor Price | The lower end of the Price Band, subject to any revision(s) thereto, at or above which the Issue Price and the Anchor Investor Issue Price will be finalised and below which no Bids will be accepted |
| Fresh Issue | The fresh issue of up to [•] Equity Shares aggregating up to ₹3,000 million by our Company<br>Our Company may, in consultation with the BRLMs, consider a private placement of up to 560,000 equity shares for cash consideration aggregating up to ₹ 252 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post- Issue paid-up equity share capital of our Company being offered to the public |
| General Information Document/GID | The General Information Document for investing in public issues, prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI, suitably modified and included in "*Issue Procedure*" beginning on page 523 |
| Issue | The initial public offer of up to [●] Equity Shares of face value of ₹10 each for cash at a price of ₹[●] each, aggregating up to ₹ [●] million, comprising<br>(i) the Fresh Issue of up to [●] Equity Shares aggregating upto ₹ 3,000 million<br>(ii) Offer for Sale of up to [●] Equity Shares aggregating upto ₹ 3,000 million by Godrej Industries Limited and up to 12,300,000 Equity Shares aggregating upto ₹ [●] million by V-Sciences<br>The Issue comprises the Net Issue to the public aggregating up to ₹[●] million and the Employee Reservation Portion |
| Issue Agreement | The agreement dated July 18, 2017 between our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue |

| Term | Description |
|---|---|
| Issue Price | The final price at which Equity Shares will be Allotted to Bidders (other than Anchor Investors). Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price in terms of the Red Herring Prospectus<br>The Issue Price will be decided by our Company in consultation with the BRLMs on the Pricing Date in accordance with the Book-building Process and the Red Herring Prospectus |
| Issue Proceeds | The proceeds of the Issue that is available to our Company and the Selling Shareholders.<br>For further information about use of Issue Proceeds, see "*Objects of the Issue*" beginning on page 87 |
| Kotak | Kotak Mahindra Capital Company Limited |
| Maximum RIB Allottees | The maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot |
| Monitoring Agency | [●] |
| Mutual Fund Portion | 5% of the Net QIB Portion or [•] Equity Shares which shall be available for allocation to Mutual Funds only on a proportionate basis |
| Mutual Funds | Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| Net Issue | Issue less the Employee Reservation Portion |
| Net Proceeds | Proceeds of the Fresh Issue less our Company's share of the Issue expenses<br>For further information about use of the Issue Proceeds and the Issue expenses, see "*Objects of the Issue*" beginning on page 87 |
| Net QIB Portion | The portion of the QIB Portion less the number of Equity Shares Allotted to the Anchor Investors |
| Non-Institutional Bidders / NIIs | All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Portion | The portion of the Net Issue being not less than 15% of the Issue consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Issue Price |
| Non-Resident | A person resident outside India, as defined under FEMA and includes NRIs, FVCIs and FPIs |
| Non-Resident Indians | A non-resident Indian as defined under the FEMA Regulations |
| Offer for Sale | The offer for sale of up to [●] equity shares by Godrej Industries Limited aggregating up to ₹ 3,000 million and up to 12,300,000 equity shares by V-Sciences aggregating up to [●] million equity shares at the Issue Price in terms of the Red Herring Prospectus<br>For further details in relation to Selling Shareholders, see "*The Issue*" beginning on page 61 |
| Offered Shares | Up to [●] Equity Shares aggregating up to ₹[●] million offered by the Selling Shareholders in the Offer for Sale |
| Pre-IPO Placement | The private placement of up to 560,000 Equity Shares for cash consideration aggregating up to ₹ 252 million, which may be undertaken by our Company, in consultation with the BRLMs, at its discretion in favour of identified employees of certain of our Group Companies, to be completed prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. In the event such private placement is completed, the relevant details will be included in the Red Herring Prospectus. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post- Issue paid-up equity share capital of our company being offered to the public |
| Price Band | The price band of a minimum price of ₹[●] per Equity Share (Floor Price) and the maximum price of ₹[●] per Equity Share (Cap Price) including revision(s) thereof<br>The Price Band for the Issue will be decided by our Companyy seeking and ensuring alignment with the Selling Shareholders, in consultation with the BRLMs, in the manner |

| Term | Description |
|---|---|
| | as agreed upon in the Issue Agreementand the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs and will be advertised at least five Working Days prior to the Bid/Issue Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation |
| Pricing Date | The date on which our Company in consultation with the BRLMs, will finalise the Issue Price |
| Prospectus | The prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013 and the SEBI ICDR Regulations containing, *inter alia*, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information including any addenda or corrigenda thereto |
| Public Issue Account | The account to be opened, in accordance with Section 40 of the Companies Act, 2013, with the Public Issue Bank(s) to receive monies from the Escrow Account(s) and the ASBA Accounts on the Designated Date |
| Public Issue Bank | The bank(s) with whom the Public Issue Account for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be opened, in this case being [●] |
| QIB Portion | The portion of the Issue (including the Anchor Investor Portion) being not more than 50% of the Net Issue or [●] Equity Shares which shall be allocated to QIBs (including Anchor Investors).<br>Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. |
| QIBs / QIB Bidders / Qualified Institutional Buyers | The qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI ICDR Regulations |
| Red Herring Prospectus or RHP | The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto<br>The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date |
| Refund Account(s) | The account to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Anchor Investors shall be made |
| Refund Bank(s) | [●] |
| Registered Brokers | The stock brokers registered with the stock exchanges having nationwide terminals, other than the Members of the Syndicate and eligible to procure Bids in terms of circular number CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI |
| Registrar to the Issue/Registrar | Karvy Computershare Private Limited |
| Registrar Agreement | The agreement dated July 18, 2017, entered into amongst our Company, the Selling Shareholders and the Registrar to the Issue, in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue |
| Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s) | Resident Indian individual Bidders submitting Bids, who have Bid for the Equity Shares for an amount not more than ₹200,000 in any of the bidding options in the Issue (including HUFs applying through their Karta) |
| Retail Portion | The portion of the Net Issue being not less than 35% of the Issue or [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price |
| Revision Form | The form used by Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s)<br>QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. |
| RTAs / Registrar and Share Transfer Agents | The registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular number |

| Term | Description |
|---|---|
| | CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Self Certified Syndicate Bank(s) or SCSB(s) | The Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time |
| Share Escrow Agent | The share escrow agent appointed pursuant to the Share Escrow Agreement namely [●] |
| Share Escrow Agreement | The share escrow agreement to be entered into among our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Issue by the Selling Shareholders and credit of such Equity Shares to the demat accounts of the Allottees |
| Specified Locations | The Bidding centres where the Syndicate shall accept Bid cum Application Forms |
| Syndicate / Members of the Syndicate | The BRLMs and the Syndicate Members |
| Syndicate Agreement | The syndicate agreement to be entered into among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members in relation to collection of Bid cum Application Forms by the Syndicate |
| Syndicate Members | The intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●] |
| Underwriters | [●] |
| Underwriting Agreement | The underwriting agreement to be entered into among our Company, the Selling Shareholders and the Underwriters, on or after the Pricing Date, but prior to filing the Prospectus with the RoC |
| V-Sciences' Offered Shares | Up to 12,300,000 Equity Shares offered by V-Sciences |
| Wilful Defaulter | Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India and includes any company whose director or promoter is categorised as such |
| Working Day | All days other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; (b) Bid/Issue Period, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, it shall mean all trading days of the Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

**Technical/Industry Related Terms/Abbreviations**

| Term | Description |
|---|---|
| FFB | Fresh Fruit Bunches |
| MMT | Million Metric Tons |
| MT | Metric Tons |

**Conventional and General Terms or Abbreviations**

| Term | Description |
|---|---|
| ₹/Rs./Rupees/INR | Indian Rupees |
| AGM | Annual general meeting |
| AIF | Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| Air Act | Air (Prevention and Control of Pollution) Act, 1981 |
| AML | Anti money laundering |
| AS/Accounting Standards | Accounting standards issued by the Institute of Chartered Accountants of India |

| Term | Description |
|---|---|
| Bn/bn | Billion |
| BSE | BSE Limited |
| Category I foreign portfolio investors | FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations |
| Category II foreign portfolio investors | FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations |
| Category III foreign portfolio investors | FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations |
| CAGR | Compounded Annual Growth Rate |
| CDSL | Central Depository Services (India) Limited |
| CENVAT | Central Value Added Tax |
| CESTAT | Customs, Excise and Service Tax Appellate Tribunal |
| CIN | Corporate Identity Number |
| CIT | Commissioner of Income Tax |
| Civil Code | The Code of Civil Procedure, 1908 |
| Companies Act | Companies Act, 1956 and Companies Act, 2013, as applicable |
| Companies Act, 1956 | Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder |
| Companies Act, 2013 | Companies Act, 2013, to the extent in force pursuant to the notification of the Notified Sections, along with the relevant rules made thereunder |
| Depositories | NSDL and CDSL |
| Depositories Act | The Depositories Act, 1996 |
| DIN | Director Identification Number |
| DP ID | Depository Participant’s Identification |
| DP/Depository Participant | A depository participant as defined under the Depositories Act |
| DTC | Direct Taxes Code |
| ECB | External Commercial Borrowing |
| EGM | Extraordinary General Meeting |
| EPS | Earnings Per Share |
| Essential Commodities Act | Essential Commodities Act, 1955 |
| Factories Act | Factories Act, 1948 |
| FDI | Foreign Direct Investment |
| FEMA | Foreign Exchange Management Act, 1999, read with rules and regulations thereunder |
| Fertilizer Control Order | Fertilizer (Control) Order, 1985 |
| Financial Year/Fiscal/ Fiscal Year/FY | Unless stated otherwise, the period of 12 months ending March 31 of that particular year |
| FIR | First information report |
| FPI(s) | Foreign Portfolio Investors as defined under the SEBI FPI Regulations |
| FVCI | Foreign Venture Capital Investors as defined and registered under the SEBI FVCI Regulations |
| GAAR | General anti-avoidance rules |
| Gazette | Gazette of India |
| GDP | Gross Domestic Product |
| GIR | General Index Register |
| GoI/Government | Government of India |
| GST | Goods and Services Tax |

| Term | Description |
| --- | --- |
| ICAI | The Institute of Chartered Accountants of India |
| IFRS | International Financial Reporting Standards |
| IMF | International Monetary Fund |
| Income Tax Act | The Income-tax Act, 1961 |
| Ind AS | Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 |
| India | Republic of India |
| Indian Accounting Standard Rules | The Companies (Indian Accounting Standards) Rules of 2015 |
| Indian Boilers Act | Indian Boilers Act, 1923 |
| Indian GAAP | Generally Accepted Accounting Principles in India |
| Insecticides Act | Insecticides Act, 1968 |
| IPC | The Indian Penal Code, 1860 |
| IPO | Initial public offering |
| IRDAI | Insurance Regulatory and Development Authority of India |
| IST | Indian Standard Time |
| IT | Information Technology |
| JMFC | Judicial Magistrate First Class |
| KYC | Know Your Customer |
| Legal Metrology Act | Legal Metrology Act, 2009 |
| MCA | Ministry of Corporate Affairs, Government of India |
| MoU | Memorandum Of Understanding |
| Mn/mn | Million |
| N.A./NA | Not Applicable |
| NAV | Net Asset Value |
| NEFT | National Electronic Fund Transfer |
| Negotiable Instruments Act | Negotiable Instruments Act, 1881 |
| Notified Sections | The sections of the Companies Act, 2013 that have been notified by the Ministry of Corporate Affairs, Government of India |
| NR | Non-Resident |
| NRI | A person resident outside India, who is a citizen of India or a person of Indian origin, and shall have the meaning ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000 |
| NSDL | National Securities Depository Limited |
| NSE | National Stock Exchange of India Limited |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Issue |
| p.a. | Per annum |
| P/E Ratio | Price/Earnings Ratio |
| PAN | Permanent Account Number |
| PAT | Profit After Tax |
| RBI | Reserve Bank of India |
| RBI Act | Reserve Bank of India Act, 1934 |
| RTGS | Real Time Gross Settlement |

| Term | Description |
|---|---|
| SCRA | Securities Contracts (Regulation) Act, 1956 |
| SCRR | Securities Contracts (Regulation) Rules, 1957 |
| SEBI | Securities and Exchange Board of India constituted under the SEBI Act, 1992 |
| SEBI Act | Securities and Exchange Board of India Act, 1992 |
| SEBI AIF Regulations | Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012 |
| SEBI BTI Regulations | Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 |
| SEBI Depository Regulations | Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996 |
| SEBI ESOP Regulations | Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 |
| SEBI FPI Regulations | Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| SEBI FVCI Regulations | Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000 |
| SEBI ICDR Regulations | Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| SEBI Listing Regulations | Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 |
| SEBI Mutual Fund Regulations | Securities and Exchange Board of India (Mutual Funds) Regulations, 1996 |
| SEBI Portfolio Manager Regulations | Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 |
| SEBI Stock Broker Regulations | Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 |
| SEBI VCF Regulations | Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996 |
| Securities Act | U.S. Securities Act, 1933 |
| SICA | The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985 |
| Stamp Act | The Indian Stamp Act, 1899 |
| State Government | The government of a state in India |
| Stock Exchanges | BSE and NSE |
| STT | Securities Transaction Tax |
| Takeover Regulations | Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 |
| TAN | Tax deduction account number |
| U.S./USA/United States | United States of America |
| USD/US$ | United States Dollars |
| VAT | Value Added Tax |
| VCFs | Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations |
| Water Act | Water (Prevention and Control of Pollution) Act, 1974 |

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI ICDR Regulations, the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Notwithstanding the foregoing, terms in "*Statement of Tax Benefits*", "*Financial Statements*", "*Regulations and Policies*", "*Issue Procedure – Part B*", *"Industry Overview"* and "*Main Provisions of Articles of Association*" beginning on pages 94, 209, 140, 532, 96 and 564 respectively, shall have the meaning given to such terms in such sections.

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY OF PRESENTATION

### Certain Conventions

Unless otherwise specified or the context otherwise requires, all references in this Draft Red Herring Prospectus to "India" are to the Republic of India and all references to "USA", "US" and "United States" are to the United States of America.

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### Financial Data

Unless stated otherwise, the financial data in this Draft Red Herring Prospectus is derived from the Restated Financial Statements of our Company which comprises the restated audited balance sheet, the restated audited profit and loss statement and the restated audited cash flow statement as at and for the Financial Years 2017, 2016, 2015, 2014 and 2013, together with the annexures and notes thereto, prepared in accordance with sub-clause (i), (ii) and (iii) of clause (b) of sub-section (1) of section 26 of Chapter III of the Companies Act, 2013 read with rule 4 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Ind AS, and restated in accordance with the SEBI ICDR Regulations.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and accordingly there may be consequential changes in this Draft Red Herring Prospectus on account of rounding off adjustments.

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular Financial Year, unless stated otherwise, are to the 12 months' period ended on March 31 of that year.

Unless the context otherwise indicates, any percentage amounts, as set forth in "*Risk Factors*", "*Our Business*" and "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" beginning on pages 15, 122 and 443 respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of our Restated Financial Statements prepared in accordance with the Companies Act and Ind AS and restated in accordance with the SEBI ICDR Regulations.

### Currency and Units of Presentation

All references to:

- "BDT" are to the Bangladeshi Taka, the official currency of Bangladesh.
- "EUR" or "€" are to Euro, the official currency of Eurozone.
- "Colombian Peso" or "COP" or "$" are to Peso, the official currency of Colombia.
- "Rupees" or "₹" or "INR" or "Rs." are to the Indian Rupee, the official currency of the Republic of India.
- "US$" or "USD" are to the United States Dollar, the official currency of the United States.

Our Company has presented certain numerical information in this Draft Red Herring Prospectus in "million" and "billion" units, as applicable. One million represents 1,000,000, one billion represents 1,000,000,000 and one crore represents 10,000,000.

### Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rates:

***(in ₹)***

| Currency | As on March 31, 2017 | As on March 31, 2016 | As on March 31, 2015 | As on March 31, 2014(1) | As on March 31, 2013(2) |
|---|---|---|---|---|---|
| 1 USD | 64.83 | 66.33 | 62.59 | 60.09 | 54.38 |
| 1 BDT | 0.81 | 0.84 | 0.80 | 0.77 | 0.70 |
| 1 EUR | 69.25 | 75.10 | 67.51 | 82.58 | 69.54 |
| 1 COP | 0.02 | 0.02 | 0.02 | 0.03 | 0.03 |

*(Source: RBI website, Bloomberg)*

(1) *Exchange rate as on March 28, 2014, as RBI reference rate and Bloomberg data are not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.*

(2) *Exchange rate as on March 28, 2013, as RBI reference rate and Bloomberg data are not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.*

Further, the exchange rates of Argentine Peso, Nigerian Naira and Indonesion Rupiah as of March 31, 2017 are ₹ 4.21, ₹ 0.21 and ₹ 0.49, respectively. *(Source: Bloomberg)*

**Industry and Market Data**

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications (including the reports prepared by Dr. P. Rethinam, CRISIL, LightCastle Partners, A.C. Nielson, and IMARC Services Private Limited).

Industry publications (including the reports prepared by Dr. P. Rethinam, CRISIL, LightCastle Partners, and IMARC Services Private Limited) generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us or the BRLMs or any of their affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in "*Risk Factors – We have commissioned industry reports from certain agencies, which have been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us"* beginning on page 31. Accordingly, investment decisions should not be based solely on such information.

The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data. There are no standard data gathering methodologies in the industry in which the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

**Disclaimer of CRISIL**

This Draft Red Herring Prospectus contains data and statistics from certain reports and material prepared by CRISIL, which is subject to the following disclaimer:

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## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with the expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company has businesses and its ability to respond to them, its ability to successfully implement its strategy, its growth and expansion, technological changes, its exposure to market risks, general economic and political conditions in India and globally which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in its industry. Important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

- unfavourable local and global weather patterns;
- inability to manage our diversified operations given the five business verticals we operate in;
- dependency of our revenue from our animal feed business;
- availability of raw materials and arrangements with suppliers for raw materials;
- handling, processing or storage of raw materials or products;
- dependency of utilisation of services of third parties for our operations; and
- seasonal variations in our businesses.

For further discussion of factors that could cause the actual results to differ from the expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 15, 122 and 443, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, the Selling Shareholders, the BRLMs nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In accordance with regulatory requirements, our Company and the BRLMs will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. The Selling Shareholders, severally and not jointly, will ensure that investors are informed of material developments in relation to the statements relating to and undertakings specifically confirmed or undertaken by such Selling Shareholder in the Red Herring Prospectus and the Prospectus in relation itself or their respective portion of the Offered Shares until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II: RISK FACTORS

*An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry and segments in which we currently operate or propose to operate. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our businesses, results of operations, financial condition and cash flows. If any of the following risks, or other risks that are not currently known or are currently deemed immaterial, actually occur, our businesses, results of operations, financial condition and cash flows could suffer, the trading price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with "Our Business", "Industry Overview" and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 122, 96 and 443, respectively, as well as the financial, statistical and other information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Issue including the merits and risks involved. You should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.*

*Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. For details, see "Forward-Looking Statements" on page 14.*

*Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless the context requires otherwise, the financial information of our Company has been derived from the Restated Financial Statements.*

***Internal Risk Factors***

***Risks Relating to our Business***

***1. Unfavourable local and global weather patterns may have an adverse effect on our business, results of operations and financial condition.***

As an agri-based company, our businesses are sensitive to weather conditions, including extremes such as drought and natural disasters. There is growing concern that carbon dioxide and other greenhouse gases in the atmosphere may have an adverse impact on global temperatures, weather patterns and the frequency and severity of extreme weather and natural disasters. The availability of raw materials that we require for our operations and the demand for our products may be adversely affected by longer than usual periods of heavy rainfall in certain regions or a drought in India caused by weather patterns such as the El Nino. For example, natural disasters, excessive rainfall or extended periods of dry weather will lead to a decrease in the overall yield of FFB at oil palm plantations to which we have access. Excessive rainfall may lead to poor pollination of palms, decrease the effectiveness of fertilizers and affect harvesting, while drought results in oil palm plantations forming fewer fruit bunches.

Adverse weather conditions may also cause volatility in the prices of commodities, which may affect growers' decisions about the types and quantum of crops to plant and may consequently affect the sales of our crop protection products. Further, we may be subjected to decreased availability of water, which could impact our manufacturing operations. The increasing concern over climate change may also result in enhanced regional and global legal and regulatory requirements to reduce or mitigate the effects of greenhouse gases, as well as more stringent regulation of water rights. In the event that such regulations are enacted and are more aggressive than the sustainability measures that we are currently undertaking to monitor our emissions, improve our energy efficiency, and reduce and reuse water, we may experience significant increases in our costs of operations. Consequently, the occurrence of any such unfavourable weather patterns may adversely affect our business, results of operations and financial condition.

***2. We operate in five business verticals and our inability to manage our diversified operations may have an adverse effect on our business, results of operations and financial condition.***

We operate in five business verticals, on our own and through our subsidiaries, joint ventures and associates: animal feed, crop protection, oil palm, dairy, and poultry and processed food. As a result of operating such diverse businesses, our management requires considerable expertise and skill to manage and allocate an appropriate amount of time and attention to each business. Operating such diverse businesses also makes forecasting future revenue and operating results difficult, which may impair our operations and your ability to assess our prospects. In addition, our cost controls, internal controls, and accounting and reporting systems must be integrated and upgraded on a continual basis to support our diversified businesses. In order to manage and integrate our diversified businesses effectively, we will be required to, among other things, stay abreast with key developments in each geography in which we operate, implement and continue to improve our operational, financial and management systems, develop the management skills of our managers and continue to train, motivate and manage our employees. If we are unable to manage our diversified operations, our business, results of operations and financial condition may be adversely affected.

***3. We derive a significant portion of our revenue from our animal feed business and any reduction in demand or in the production of such products could have an adverse effect on our business, results of operations and financial condition.***

We derive a significant portion of our revenue from our animal feed business, which primarily comprises the sale of cattle, poultry (broiler and layer), aqua (fish and shrimp) and specialty feed. For the financial years 2017, 2016 and 2015, our revenue from our animal feed business was ₹ 26,208.22 million, ₹ 25,442.02 million and ₹ 25,429.88 million, or 53.20%, 67.80% and 76.80% of our revenue from operations, respectively. Consequently, any reduction in demand or a temporary or permanent discontinuation of manufacturing of such products could have an adverse effect on our business, results of operations and financial condition.

***4. We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability of such raw materials could have an adverse effect on our business and results of operations.***

Each of our businesses depend on the availability of reasonably priced, high quality raw materials in the quantities required by us. Our animal feed business depends primarily on maize, extractions, animal proteins, molasses, amino acids, vitamins and minerals and other additives, all of which are purchased from the open market. Our crop protection business depends on organic chemicals, petroleum solvents, intermediates, fluro chemicals, catalysts, inhibitors, anti–oxidants, solid fuel, fine chemicals phytosterols, vegetable oil extracts and emulsifiers. Our dairy business depends on the availability of raw milk, cultures, sugar, flavour, spices, packaging material, stabilizers, preservatives and other additives. Our oil palm business depends on oil palm seedlings. For our poultry and processed foods business, we require broiler feed, day old chicks and the Vencobb breed of birds, which we source from one of our competitors.

For the financial years 2017, 2016 and 2015, our cost of materials consumed was ₹ 36,171.24 million, ₹ 28,571.49 million and ₹ 25,062.48 million, or 72.6%, 74.8% and 75.4% of our total revenue, respectively. The price and availability of such raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our operations.

Further, we typically rely on third-party transportation providers to supply most of the raw materials and to deliver products to our customers. If, for any reason, primary suppliers of raw materials should curtail or discontinue their delivery of such materials or products to us in the quantities we need, or on commercially acceptable terms, production schedules could be disrupted and our business and results of operations could be adversely affected.

***5. The improper handling, processing or storage of raw materials or products, or spoilage of and damage to such raw materials and products, or any real or perceived contamination in our products, could subject us to regulatory and legal action, damage our reputation and have an adverse effect on our business, results of operations and financial condition.***

The products that we manufacture or process are subject to risks such as contamination, adulteration and product tampering during their manufacture, transport or storage. We face inherent business risks of exposure to product liability or recall claims in the event that our products fail to meet the required quality standards or are alleged to result in harm to customers. For example, in our dairy business, although we extensively test our primary raw material, which is raw milk, there could still be some deviation from prescribed quality standards due to factors such as human error. Also, apart from raw milk, certain of our other raw materials and our products are required to be stored, handled and transported at specific temperatures and under certain food safety conditions. Further, poultry products may be subject to contamination by disease producing organisms or pathogens, such as listeria monocytogenes, salmonella and generic E coli. These pathogens are typically found in the environment, and, as a result, there is a risk that they could affect our processed poultry products. These and other pathogens can also impact us as a result of improper handling at the processing, food service or consumer levels.

Such risks may be controlled, but not eliminated, by adherence to good manufacturing practices and finished product testing. We have little, if any, control over proper handling once our products are shipped to our customers, particularly our retail customers. We face the risk of legal proceedings and product liability claims being brought by various entities, including consumers, distributors and government agencies for various reasons including for defective or contaminated products sold or services rendered. For further details, please see "*Outstanding Litigation and Material Developments – Litigation filed against our Company*" on page 467. If we experience a product recall or are a party to a product liability case, we may incur considerable expense in litigation. We cannot assure you that we will not experience product recalls or product liability losses in the future. Although we have product liability insurance cover for our domestic and international markets for certain of our businesses, we cannot assure you that this insurance coverage is adequate or that any losses will be adequately compensated by our insurers in the event of a product liability claim. Any product recall, product liability claim or adverse regulatory action may adversely affect our reputation and brand image, as well as entail significant costs in excess of available insurance coverage, which could adversely affect our reputation, business, results of operations and financial condition.

***6. Our Company, our Directors, our Subsidiaries, Promoters and certain of our Group Companies are involved in certain legal proceedings. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.***

Our Company, our Directors, our Subsidiaries, Promoters and certain of our Group Companies are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to criminal matters, direct tax matters, indirect tax matters, actions by regulatory/ statutory authorities and matters above the materiality threshold against our Company, and our Subsidiaries, Promoters, Group Companies and Directors have been set out below.

- *Litigation against our Company*

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 1. | Criminal | 23 | - |
| 2. | Action by regulatory/ statutory authorities | 10 | - |
| 3. | Other matters exceeding ₹ 10 million | 2 | 49.80 |
| 4. | Direct tax | 2 | 27.55 |
| 5. | Indirect Tax | 80 | 1,196.47 |
| | **Total** | **117** | **1,273.82** |

- *Litigation against our Directors*

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 1. | Criminal | 13 | - |
| 2. | Action by regulatory/ statutory authorities | - | - |
| 3. | Other matters exceeding ₹ 10 million | 4 | 84.24 |
| 4. | Direct tax | - | - |
| 5. | Indirect tax | 1 | 5.00 |
| | **Total** | 18 | 89.24 |

- *Litigation against our Subsidiaries & Joint Ventures*

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 1. | Criminal | 5 | - |
| 2. | Action by regulatory/ statutory authorities | 7 | 1.52 |
| 3. | Other matters exceeding ₹ 10 million | 4 | 1173.95 |
| 4. | Direct tax | 7 | 43.79 |
| 5. | Indirect tax | 9 | 789.19 |
| | **Total** | **32** | **2,008.45** |

- *Litigation against our Promoters*

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 1. | Criminal | 8 | - |
| 2. | Action by regulatory/ statutory authorities | - | - |

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 3. | Other matters exceeding ₹ 10 million | 2 | 21.06 |
| 4. | Direct tax | 23 | 454.28 |
| 5. | Indirect tax | 31 | 354.06 |
| | **Total** | **63** | **829.4** |

- *Litigation against our Group Companies*

| S. No. | Nature of Case | Number of outstanding cases | Amount involved (in ₹ million) |
|---|---|---|---|
| 1. | Criminal | 11 | - |
| 2. | Action by regulatory/ statutory authorities | 10 | - |
| 3. | Other matters exceeding ₹ 10 million | 74 | 3,432.83 |
| 4. | Direct tax | 42 | 4,767.81 |
| 5. | Indirect tax | 351 | 87,165.12 |
| | **Total** | **483** | **95,365.76** |

For further details, see "*Outstanding Litigation and Material Developments*" on page 467. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, results of operations, financial condition and prospects. If the courts or tribunals rule against us or our Company, our Directors, Promoters, Subsidiaries and Group Companies, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

7. ***We utilize the services of certain third parties for our operations and any deficiency or interruption in their services could adversely affect our business and results of operations.***

We utilize and depend on the services of certain third parties for our operations. In our animal feed business, 10 of the 32 processing facilities that produce our animal feed products are owned and operated by us, seven are operated by us, while the rest are operated by contract manufacturers whom we do not control. Such manufacturers are responsible for employing their own personnel at their facilities and own certain equipment required in the manufacturing operations. If they are unable to deliver contracted capacities as agreed, enforcing contracts or finding alternate third party processing facilities could be expensive and time consuming.

In our dairy business, we utilize the services of agents to procure milk from farmers. We also depend significantly on the reliability of cold chain networks for the supply of milk to our facilities and the distribution and storage of our products. We utilize the services of third party logistic providers for transport of milk to our facilities. Milk and dairy based food and beverage products are perishable in nature and are required to be transported in temperature controlled vehicles to ensure their preservation. Milk is the primary raw material used in the manufacture of all our dairy products and a delay in the delivery of raw milk to our production facilities may result in the slowdown or shutdown of our operations. Further, milk and dairy based food and beverage products have a limited shelf-life and the improper storage or delay in transportation may result in spoilage.

In our oil palm business, we rely on third parties for a variety of tasks. For example, we are responsible for convincing farmers located in the command areas allocated to us by various state governments pursuant to the Oil Palm Development Programme to plant and grow oil palm using seedlings, fertilizers, machinery and training that we provide. We rely on farmers to operate oil palm farms, harvest fresh fruit bunches and coordinate with third party collection agents to bring harvested fresh fruit bunches to our processing facilities. Farmers in our command area are not required to continue to grow oil palm and may decide to plant other crops. While we have an obligation to buy all fresh fruit bunches grown in our assigned command areas at a pre-determined price, the farmers are not under any legal or contractual obligation to cultivate oil palm, and, except in certain states, our relationship with these farmers are not governed by binding agreements.

In our poultry and processed food business, we rely on third parties to raise broilers and sell our products in the retail market. Though we provide third party farmers with the day old chicks, medicine and poultry feed to grow the broilers that we eventually process, they may not follow optimum hygiene standards, could discontinue their operations or experience delays or lapses in standards for reasons outside of our control. Such third party farmers may also sell the birds to other customers. Further, we depend significantly on the reliability of cold chain networks for the supply of our products. While we also provide third party retailers selling our poultry products with visi coolers to sell our branded products at their retail outlets, such retailers could use these coolers for the storage of products other than ours. Retailers may not maintain the required temperature to store our products, resulting in spoilage of products. Also since other products may be stored along with our products, there is a risk of contamination to our products.

In our crop protection business, we rely on dedicated third party manufacturers to produce certain products.

We cannot assure you that we will be successful in continuing to receive uninterrupted, high quality service from various third parties on whom we rely for all of our current and future products and developments. Any disruption or inefficiencies in the operations of these third parties may adversely affect our business and results of operations.

***8. Certain of our businesses are subject to seasonal variations that could result in fluctuations in our results of operations.***

Our businesses are subject to seasonal variations. For example, in our animal feed business, we sell lower volumes of cattle feed during the monsoons due to the availability of green fodder. In our poultry and processed foods business, the demand for poultry products is higher in the second half of financial year since the consumption of poultry meat and eggs are higher during winter months, while the sale of such products is lower during certain religious festivals.

In our dairy business, the supply of raw milk is subject to seasonal factors. Cattle generally produce more milk in temperate weather, and extreme cold or hot weather could lead to lower than expected production. Our raw milk procurement and the production of milk and milk products is therefore higher in the second half of the financial year during the winter months with temperate climate in our milk procurement region. In contrast, the demand for our products such as curd and beverages are higher in the first half of the financial year during summer months and the demand for *ghee* is higher during festive seasons.

In our oil palm business, a significant share of fresh fruit bunches are harvested in India between May and October. As a result, a substantial share of the income we derive from these products is received during these periods.

In our crop protection business, our domestic sales tend to be higher during the Kharif season in view of significant application of our product on Kharif crops.

As a result of such seasonal fluctuations, our sales and results of operations may vary by fiscal quarter, and the sales and results of operations of any given fiscal quarter may not be relied upon as indicators of the sales or results of operations of other fiscal quarters or of our future performance.

***9. If we are unable to introduce new products and respond to changing consumer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and financial condition.***

The success of our business depends upon our ability to anticipate and identify changes in consumer preferences and offer products that consumers require. We constantly seek to develop our research and development capabilities to distinguish ourselves from our competitors to enable us to introduce new products and different variant of our existing products, based on consumer preferences and demand. Although we seek to identify such trends and introduce new products, we cannot assure you that our products would gain consumer acceptance or that we will be able to successfully compete in such new product segments. For example, in our animal feed business, if our customers start rearing different breeds of animals, our animal feed products may not be suitable for such breeds. In the past, our shrimp feed customers had reduced rearing black tiger shrimp and started rearing Vannamei, which required us to introduce new products to cater to Vannamei.

Before we can introduce a new product, we must successfully execute a number of steps, including successful research and development, obtaining required approvals and registrations, effective marketing strategies for our target customers, while scaling our vendor, production and infrastructure networks to increase or change the nature of our production capacity. We also depend on the successful introduction of new production and manufacturing processes to create innovative products, achieve operational efficiencies and adapt to advances in, or obsolescence of our technology. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to our technological infrastructure, keep up with technological improvements in order to meet our customers' needs or that the technology developed by others will not render our products less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of products we sell.

The development and commercialization process of a new product would require us to spend considerable time and money. Our ongoing investments in research and development for new products and processes may result in higher costs without a proportionate increase in revenues. Delays in any part of the process, our inability to obtain necessary regulatory approvals for our products or failure of a product to be successful at any stage could adversely affect our business. Consequently, any failure on our part to successfully introduce new products and processes may have an adverse effect on our business, results of operations results and financial condition.

10. ***Outbreaks of livestock diseases in general, and poultry and shrimp disease in particular, can significantly restrict our ability to conduct our operations.***

We take all reasonable precautions to ensure that our poultry flocks are healthy and that our processing plants and other facilities operate in a hygienic and environmentally sound manner. However, events beyond our control, such as the outbreak of disease, could significantly restrict our ability to conduct our operations. An outbreak of disease could result in governmental restrictions on the import, export and domestic sale of our fresh chicken or other products to, or from our suppliers, facilities or customers, or require us to destroy one or more of our flocks. This could result in the cancellation of orders by our customers and create adverse publicity that may have a material adverse effect on our ability to market our products successfully and on our business, reputation and prospects.

An outbreak of the most highly pathogenic strain of avian influenza, H5N1, a disease contagious to turkey, poultry and other birds, was identified in poultry farms owned by ACI Godrej in Bangladesh, resulting in the destruction or death of a substantial portion of its poultry flock, which adversely affected our results of operations. H5N1 has been spreading throughout Asia since 2003, with a widespread outbreak in West Bengal in 2008, and outbreaks occurring regularly throughout India with the most recent in January 2017. Outbreaks of H5N1 or other livestock diseases may adversely affect the demand for poultry or our reputation and brand, require us to incur significant remedial or prophylactic expenditures, subject our business to increased regulatory or customer scrutiny and adversely affect our poultry business and animal feed business. In addition, any disease or epidemic affecting the health of cattle in India may result in a decrease in the sale of our cattle feed products. Cattle diseases that occur within our procurement regions, may also affect our ability to procure adequate amounts of raw milk for our dairy business. In our animal feed business, we have experienced a reduction in the sales of our shrimp feed products in the past on account of early mortality syndrome in shrimps. Consequently, the outbreak of any such diseases in the future may adversely affect our business, results of operations and financial condition.

11. ***Our inability to expand or effectively manage our distribution network may have an adverse effect on our business, results of operations and financial condition.***

We have set up an extensive sales and distribution network for each of our business verticals and we also make sales to certain institutional customers directly. We use modern trade channels which comprise super-markets and hyper-markets and general trade channels that include smaller retail stores to sell certain of our products and our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new distributors targeted at different customer groups and geographies. We cannot assure you that we will be able to successfully identify or appoint new distributors or effectively manage our existing distribution network. If the terms offered to such distributors by our competitors are more favourable than those offered by us, distributors may decline to distribute our products and terminate their arrangements with us. We may be unable to appoint replacement distributors in a timely fashion, or at all, which may reduce our sales volumes and adversely affect our business, results of operations and financial condition.

Further, our competitors may have exclusive arrangements with certain distributors who may be unable to stock and distribute our products, which may limit our ability to expand our distribution network. We typically do not have exclusive arrangements with our distributors and while we offer them certain incentive schemes to distribute our products, we may not be able to effectively implement them across our distribution network. Similarly our competitors may adopt innovative distribution models, which could be more effective than traditional distribution models resulting in a reduction in the sales of our products. We may also face disruptions in the delivery of our products for various reasons beyond our control, including poor handling by distributors of our products, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. In addition, failure to provide distributors with sufficient inventories of our products may result in a reduction in the sales of our products. If our distributors fail to distribute our products in a timely manner, or adhere to the terms of the distribution agreement, or if our distribution agreements are terminated, our business and results of operations may be adversely affected.

12. ***Certain of our operations are concentrated in the state of Andhra Pradesh and any adverse developments affecting this state could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Certain of our operations are concentrated in the state of Andhra Pradesh. For our oil palm business, 32,249.95 hectares, or 52.3% of oil palm plantation to which we have access are located in Andhra Pradesh and we have set up an R&D facility and two processing mills in Andhra Pradesh. For our dairy business, we procure a significant amount of raw milk from various districts in Andhra Pradesh and we also sell a significant portion of our dairy products in Andhra Pradesh. For our animal feed business, we manufacture and sell a significant portion of our aqua feed products in Andhra Pradesh. Consequently, any significant social, political or economic disruption, or natural calamities or civil disruptions in the state of Andhra Pradesh, or changes in the policies of the state or local governments of this state or the Government of India, could require us to incur significant capital expenditure and change our business strategy. The occurrence of, or our inability to effectively respond to any such event, could have an adverse effect on our business, results of operations, financial condition and cash flows.

***13. A slowdown or shutdown in our manufacturing operations or under-utilization of our manufacturing facilities could have an adverse effect on our business, results of operations and financial condition.***

As of March 31, 2017, we conducted our operations through 32 manufacturing facilities for our animal feed business, four facilities for our crop protection business, five palm oil mills for our oil palm business, nine milk processing units and one milk powder plant for our dairy business and two processing plants for our poultry and processed food business. Our business is dependent upon our ability to manage our manufacturing facilities, which are subject to various operating risks, including those beyond our control, such as the breakdown and failure of equipment or industrial accidents and severe weather conditions and natural disasters. Any significant malfunction or breakdown of our machinery may entail significant repair and maintenance costs and cause delays in our operations. If we are unable to repair malfunctioning machinery in a timely manner or at all, our operations may need to be suspended until we procure machinery to replace the same. In addition, we may be required to carry out planned shutdowns of our facilities for maintenance, statutory inspections and testing, or may shut down certain facilities for capacity expansion and equipment upgrades. We may also face protests from local citizens at our existing facilities or while setting up new facilities, which may delay or halt our operations. While some of our businesses have a number of processing and manufacturing facilities, certain products and certain regions depend on either one or two of such facilities. For example, our poultry and processed foods business in India relies on two facilities to process poultry. Further, several of the raw materials that we require, are perishable products and consequently any malfunction or break-down of our machinery or equipment resulting in the slowdown or stoppage of our operations may adversely affect the quality of such raw materials.

Although we have not experienced any significant disruptions at our manufacturing facilities in the past, we cannot assure you that there will not be any disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

***14. Our inability to effectively manage our growth could have an adverse effect on our business, results of operations and financial condition.***

We have experienced considerable growth over the past five years and we have significantly expanded our operations and product portfolio. Our total revenues grew from ₹ 27,715.71 million for the financial year 2013 to ₹ 49,832.98 million for the financial year 2017, while our profit for the period grew from ₹ 965.80 million for the financial year 2013 to ₹ 2,735.30 million for the financial year 2017. We cannot assure you that our growth strategy will continue to be successful or that we will be able to continue to grow further, or at the same rate.

Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget estimates or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. We intend to continue expansion to pursue existing and potential market opportunities. As of March 31, 2017, we had committed to invest an aggregate of ₹ 983.29 million as capital expenditure for Godrej Agrovet and its subsidiaries (i.e animal feed, oil palm, dairy and crop protection business). Our future prospects will depend on our ability to grow our business and operations, which could be affected by many factors, including our ability to introduce new products and maintain the quality of our products, general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and raw materials, energy supply and currency exchange rates.

In order to manage our growth effectively, we must implement, upgrade and improve our operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Moreover, our ability to sustain our rate of growth depends significantly upon our ability to select and retain key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges.

We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations, or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

***15. We do not own the "Godrej" trademark and logo.***

We do not own the "Godrej" trademark and logo we do not have any licensing arrangement to use the same. In the event we are not able to obtain satisfactory licensing arrangements or other agreement for the "Godrej" trademark and logo, we may have to discontinue the use of the "Godrej" trademark and logo which may materially and adversely affect our reputation, business, financial condition, results of operation and prospects.

***16. Our inability to accurately forecast demand or price for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.***

Our businesses depend on our estimate of the demand for our products from customers. If we underestimate demand or have inadequate capacity due to which we are unable to meet the demand for our products, we may manufacture fewer quantities of products than required, which could result in the loss of business. While we forecast the demand and price for our products and accordingly plan our production volumes, any error in our forecast could result in a reduction in our profit margins and surplus stock, which may result in additional storage cost and such surplus stock may not be sold in a timely manner, or at all. At times when we have overestimated demand, we may have incurred costs to build capacity or purchased more raw materials and manufactured more products than required. In addition, certain of our products have a shelf life of a specified period and if not sold prior to expiry, may lead to losses or if consumed after expiry, may lead to health hazards. Our inability to accurately forecast demand for our products and manage our inventory may have an adverse effect on our business, results of operations and financial condition.

***17. A shortage or non-availability of electricity, fuel or water may adversely affect our manufacturing operations and have an adverse effect on our business, results of operations and financial condition.***

Our manufacturing operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. The production process of certain products, as well as the storage of certain raw materials and products in temperature controlled environments requires significant power. We currently source our water requirements from state and municipal corporations and local body water supply, canals, bore wells and water tankers and depend on state electricity boards and private suppliers for our energy requirements. Although we have diesel generators to meet exigencies at certain of our facilities, we cannot assure you that our facilities will be operational during power failures. For example, while setting up ACI Godrej in Bangladesh, we were unable to source gas for our operations, which resulted in a delay in the commencement of operations by one year. Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely fashion, and at an acceptable cost, may have an adverse effect on our business, results of operations and financial condition.

***18. Non-compliance with and changes in, safety, health and environmental laws and other applicable regulations, may adversely affect our business, results of operations and financial condition.***

We are subject to a broad range of safety, health, environmental, labour, workplace and related laws and regulations in the jurisdictions in which we operate, which impose controls on the disposal and storage of raw materials, noise emissions, air and water discharges; on the storage, handling, discharge and disposal of chemicals, employee exposure to hazardous substances and other aspects of our operations. For example, laws in India limit the amount of hazardous and pollutant discharge that our manufacturing facilities may release into the air and water. The discharge of substances that are chemical in nature or of other hazardous substances into the air, soil or water beyond these limits may cause us to be liable to regulatory bodies and incur costs to remedy the damage caused by such discharges. Further, any accidents at our facilities may result in personal injury or loss of life of our employees, contract laborers or other people, substantial damage to or destruction of property and equipment resulting in the suspension of operations. Any of the foregoing could subject us to litigation, which may increase our expenses in the event we are found liable, and could adversely affect our reputation. Additionally, the government or the relevant regulatory bodies may require us to shut down our facilities, which in turn could lead to product shortages that delay or prevent us from fulfilling our obligations to customers.

The adoption of stricter health and safety laws and regulations, stricter interpretations of existing laws, increased governmental enforcement of laws or other developments in the future may require that we make additional capital expenditures, incur additional expenses or take other actions in order to remain compliant and maintain our current operations. Complying with, and changes in, these laws and regulations or terms of approval may increase our compliance costs and adversely affect our business, prospects, results of operations and financial condition.

We are also subject to the laws and regulations governing relationships with employees in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and termination of employees, contract labour and work permits. There is a risk that we may inadvertently fail to comply with such regulations, which could lead to enforced shutdowns and other sanctions imposed by the relevant authorities, as well as the withholding or delay in receipt of regulatory approvals for our new products. We cannot assure you that we will not be involved in future litigation or other proceedings, or be held liable in any litigation or proceedings including in relation to safety, health and environmental matters, the costs of which may be significant.

Further, Astec LifeSciences, our listed Subsidiary is subject to various listing obligations and disclosure requirements under the regulations framed by SEBI, including the Takeover Regulations and the SEBI Listing Regulations. In April 2017, SEBI had issued a settlement notice upon ex-promoter of Astec LifeSciences to avail settlement of adjudication proceedings initiated by SEBI against ex-promoter of Astec LifeSciences for inter alia, alleged non-compliances done by them of the Takeover Regulations and delay in disclosure of shareholding and encumbrances details by them as required under the Takeover Regulations. For further details, see "*Outstanding Litigation and Material Developments*" on page 467. Further, in the recent past, BSE and NSE have issued notices upon Astec LifeSciences for alleged failure of Astec LifeSciences in intimating and making disclosures to the stock exchanges in terms of the violation of the SEBI Listing Regulations inter alia seeking clarification in relation to significant increase in volume of their securities across exchanges, non-disclosure of commencement and conclusion of time of the meeting under the SEBI Listing Regulations, format of financials not being in accordance with the format prescribed under the SEBI Listing Regulations.

19. ***We are subject to extensive government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected.***

Our operations are subject to extensive government regulation and we are required to obtain and maintain a number of statutory and regulatory permits and approvals under central, state and local government rules in India, generally for carrying out our business and for each of our manufacturing facilities. We are also required to obtain environmental clearances for the manufacture and sale of certain products. For details of approvals relating to our business and operations, see "*Government and Other Approvals*" on page 494.

A majority of these approvals are granted for a limited duration. Some of these approvals have expired and we have either made or are in the process of making an application for obtaining the approval or its renewal, including applications for renewal of certificate from the pollution control boards, renewal of registration for installation of generators and no-objection certificates from the Directorate of Fire and Emergency Services in relation to certain factories. For details of pending approvals, see "*Government and Other Approvals*" on page 494. Further, while we have applied for some of these approvals, we cannot assure you that such approvals will be issued or granted to us in a timely manner, or at all. If we do not receive such approvals or are not able to renew the approvals in a timely manner, our business and operations may be adversely affected.

The approvals required by us are subject to numerous conditions and we cannot assure you that these would not be suspended or revoked in the event of non-compliance or alleged noncompliance with any terms or conditions thereof, or pursuant to any regulatory action. If there is any failure by us to comply with the applicable regulations or if the regulations governing our business are amended, we may incur increased costs, be subject to penalties, have our approvals and permits revoked or suffer a disruption in our operations, any of which could adversely affect our business.

20. ***Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations.***

The regulatory and policy environment in which we operate is evolving and subject to change. Such changes may adversely affect our business, results of operations and prospects, to the extent that we are unable to suitably respond to and comply with any such changes in applicable law and policy. GST has been implemented with effect from July 1, 2017 and has replaced the indirect taxes on goods and services such as central excise duty, service tax, central sales tax, state VAT and surcharge currently being collected by the central and state governments. The GST is expected to increase tax incidence and administrative compliance. Given the limited availability of information in the public domain concerning the GST, we are unable to provide any assurance as to the tax regime following implementation of the GST. The implementation of this new structure may be affected by any disagreement between certain state Governments, which could create uncertainty. Any such future amendments may affect our overall tax efficiency, and may result in significant additional taxes becoming payable.

We have not determined the impact of such proposed legislations on our business. In addition, unfavourable changes in or interpretations of existing, or the promulgation of new, laws, rules and regulations including foreign investment laws governing our business, operations and group structure could result in us being deemed to be in contravention of such laws and may require us to apply for additional approvals. We may incur increased costs and other burdens relating to compliance with such new requirements, which may also require significant management time and other resources, and any failure to comply may adversely affect our business, results of operations and prospects. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current businesses or restrict our ability to grow our businesses in the future.

***21. Our operations are hazardous and could expose us to the risk of liabilities, loss of revenue and increased expenses.***

Our operations are subject to various hazards associated with the production of chemical and other products, such as the use, handling, processing, storage and transportation of hazardous materials, as well as accidents such as leakage or spillages of chemicals. Any mishandling of hazardous chemical and poisonous substances could also lead to fatal accidents. In addition, our employees operate heavy machinery at our manufacturing facilities and accidents may occur while operating such machinery. These hazards can cause personal injury and loss of life, severe damage to and destruction of property and equipment, environmental damage and may result in the suspension of operations and the imposition of civil and criminal liabilities. As a result of past or future operations, claims of injury by employees or members of the public due to exposure, or alleged exposure, to the hazardous materials involved in our business may arise. For further details, see "*Outstanding Litigation and Material Developments*" on page 467. In April 2017, we experienced an employee fatality due to electrocution at a manufacturing facility of Creamline Dairy.

Liabilities incurred as a result of these events have the potential to adversely impact our financial position. Events like these could result in liabilities, or adversely affect our reputation with suppliers, customers, regulators, employees and the public, which could in turn affect our financial condition and business performance. While we maintain general insurance against these liabilities, insurance proceeds may not be adequate to fully cover the substantial liabilities, lost revenues or increased expenses that we might incur.

***22. We are subject to business risks inherent to the oil palm industry that may adversely affect our business.***

We are subject to risks inherent to the oil palm industry, including, but not limited to, outbreaks of diseases, damage from pests, fire or other natural disasters, unscheduled interruptions in fresh fruit bunch processing, spills from product carriers or storage tanks and adverse climate conditions. Adverse climate conditions, for example, could lead to decreased fresh fruit bunch yields or diminished product quality. Oil palm business is also subject to a long gestation period of fresh fruit bunch harvesting in India, requiring between three and four years between planting and first harvest, which adversely affects the predictability of our operations. Further, we are subject to the risk of spoilage, because we typically obtain the best results if we process the fresh fruit bunches within 48 hours of harvesting. We have processing mills in only four of the nine states in which oil palm cultivated hectares are allotted to us.

We also have obligations pursuant to memoranda of understanding that we enter into with state governments for each of our allotted districts. Under such memoranda of understanding we have no control over the price at which we are required to purchase the FFB. We are required to purchase harvested FFBs at a price using a pre-determined formula, typically fixed by a committee formed by the state government. The terms of these memoranda of understanding do not allow us to withdraw from our obligations under any circumstances. Further, we are also required to replace the planting material and compensate the farmers for loss of yield even when such loss occurs due to no fault of ours.

Our ability to mitigate these risks depends on various factors, including our ability to keep abreast of the latest technologies related to planting materials, disease prevention and oil palm operations and other developments in the industry, as well as our ability to effectively implement strategies for farmer education. We cannot assure you that we will be able to successfully mitigate the various risks of the oil palm industry or that we will be successful in implementing our strategies to grow our oil palm business.

***23. Fluctuations in the price of crude palm oil and other oil palm products could adversely affect our business and results of operations.***

The results of operations of our oil palm business depend heavily on the price of crude palm oil and oil palm products. Crude palm oil prices are subject to a high degree of volatility and cyclicality, and are affected by, among other things:

- the prices of crude oil and biofuels;
- the supply of and demand for crude palm oil and other oil palm products and substitute oils, particularly soy oil;
- global production levels and physical stocks of crude palm oil and other vegetable oils, which are affected principally by global weather conditions, the total area of land under cultivation, and the supply of and demand for suitable oil palm farm land;

- global consumption levels of crude palm oil and other vegetable oils; and
- import and export duties and other taxes and regulations related to crude palm oil, fresh fruit bunches and other vegetable oils..

Further, in the event of a significant and prolonged reduction in the prices for crude palm oil and palm-oil based products, farmers may uproot their oil palm crops, which could adversely affect our business and results of operations.

***24. Environmental concerns may lead to a decline in demand for oil palm products or a decline in oil palm plantations, which may adversely affect our business, results of operations and financial condition.***

The demand for crude palm oil and other oil palm products has in the past and may in the future be affected by campaigns brought by environmental groups. These environmental groups have raised concerns that oil palm farms result in the destruction of large areas of tropical forests and wildlife habitats, and have campaigned to promote sustainable palm oil cultivation and environmentally friendly practices on oil palm farms. If such environment campaigns result in a reduction in the demand for crude palm oil and other oil palm products, or change in government or regulatory policy our business, results of operations and financial condition could be adversely affected.

***25. We rely heavily on our existing brands and, specifically, the Godrej brand name, the dilution of which could adversely affect our business.***

Our brand and reputation are among our most important assets and we believe our brands serve in attracting customers to our products in preference over those of our competitors. We believe that continuing to develop awareness of our brand, through focused and consistent branding and marketing initiatives, among retail consumers and institutional customers, is important for our ability to increase our sales volumes and our revenues, grow our existing market share and expand into new markets. We also believe the 'Godrej' brand commands strong brand recall in India due to its long presence in the Indian market and the diversified businesses in which the group operates. Decrease in product quality due to reasons beyond our control or allegations of product defects, even when false or unfounded, could tarnish the image of the established brands and may cause consumers to choose other products. Our reputation and brands could also be affected by socially motivated groups, which could lead to a decline in our sales volume. Further, the considerable expansion in the use of social media over recent years has compounded the impact of negative publicity. Consequently, any adverse publicity involving the 'Godrej' brand, our Company or our products may impair our reputation, dilute the impact of our branding and marketing initiatives and adversely affect our business and our prospects.

***26. Our inability to protect or use our intellectual property rights may adversely affect our business.***

We consider our brand and intellectual property to be one of our most valuable assets and we and our joint ventures have several trademarks registered in India and abroad. We also rely on unpatented proprietary know-how, continuing technological innovation and other trade secrets to develop and maintain our competitive position. While we have applied for trademark registration for certain of our products, some of which are currently pending, we have not applied for such protection for some of our other products. For instance, we have applied for registration for our brands such as 'Azziano' and 'Sorbedo'. We may not be able to prevent infringement of our trademarks and a passing off action may not provide sufficient protection until such time that this registration is granted. For further details, see "*Government and Other Approvals*" on page 494.

The measures we take to protect our intellectual property include relying on Indian and foreign laws and initiating legal proceedings, which may not be adequate to prevent unauthorized use of our intellectual property by third parties. Notwithstanding the precautions we take to protect our intellectual property rights, it is possible that third parties may copy or otherwise infringe on our rights, which may have an adverse effect on our business, results of operations, cash flows and financial condition.

While we take care to ensure that we comply with the intellectual property rights of others, we cannot determine with certainty whether we are infringing any existing third-party intellectual property rights, which may force us to alter our offerings. We may also be susceptible to claims from third parties asserting infringement and other related claims. If similar claims are raised in the future, these claims could result in costly litigation, divert management's attention and resources, subject us to significant liabilities and require us to enter into potentially expensive royalty or licensing agreements or to cease certain offerings. Any of the foregoing could have an adverse effect on our business, results of operations, cash flows and financial condition.

### 27. *We are subject to counterfeit, cloned and pass-off products, which may reduce our sales and harm the reputation of our brands.*

We are subject to counterfeit, cloned and pass-off products in our businesses. Counterfeit and cloned products are products manufactured and sold illegally as legitimate products, whereas pass-off products are manufactured and packaged to resemble legitimate products. In the past few years, advances in technology have contributed to the ease at which legitimate products can be counterfeited. The sale of counterfeit, cloned and pass-off products have led, and if left uncurbed, will continue to lead, to lower sales for our businesses. In addition, such products may be harmful to consumers or may be less effective than genuine products, which could harm our brands and reputation. The proliferation of unauthorized copies of our products, and the time in pursuing claims and complaints about spurious products could have an adverse effect on our reputation and our business.

### 28. *Any failure of our information technology systems could adversely affect our business and our operations.*

We have information technology systems that support our business processes, including product formulas, product development, sales, order processing, production, procurement, inventory management, quality control, product costing, human resources, distribution and finance. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse effect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our product formulas, product development and other proprietary information could be compromised. The occurrence of any such events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation.

### 29. *Competition in the industries in which we operate could result in a reduction in our market share or require us to incur substantial expenditures on advertising and marketing, either of which could adversely affect our business, results of operations and financial conditions.*

The industries in which we operate are intensely competitive. We compete with several regional and local companies, as well as large multi-national companies that are larger and have substantially greater resources than we do, including the ability to spend more on advertising and marketing. We also face competition from new entrants who may have more flexibility in responding to changing business and economic conditions. Competition in our businesses can be based on, among other things, pricing, innovation, perceived value, brand recognition, promotional activities, advertising, special events, new product introductions and other activities. It is difficult for us to predict the timing and scale of our competitors' actions in these areas. We expect competition to continue to be intense as our existing competitors expand their operations and introduce new products. Our failure to compete effectively, including any delay in responding to changes in the industry and market, together with increased spending on advertising, may affect the competitiveness of our products, which may result in a decline in our revenues and profitability.

In our animal feed and crop protection business we compete with large companies and regional players. In our dairy business we compete with large multinational companies, as well as regional and local companies in each of the regions that we operate. We also compete with large dairy cooperatives that also procure milk from farmers in the regions where we procure milk, and any incentives offered by the Central or State Government to such cooperatives, could benefit such entities, which may in turn adversely affect our business.

Our oil palm business faces significant competition from other producers of oil palm and substitute oils, particularly from Malaysia and Indonesia, which produce large quantities of oil palm and refined oil palm-based products, due to the favourable climactic and soil conditions in some parts of those countries. The oil palm industry faces competition from other edible oils, such as soy oil, rapeseed oil and sunflower oil, which are substitutes for palm oil. Malaysia, Indonesia, the United States, Europe, Canada, India, Brazil and Argentina are all large producers of these edible oils, and a decline in the price of these other edible oils may cause consumers to increase their use of other edible oils in place of palm oil.

Our poultry business faces significant competition, particularly from other vertically integrated poultry companies.

Some of our competitors may be larger than us, or develop alliances to compete against us, have more financial and other resources and have products with greater brand recognition than ours. Our competitors in certain regions may also have better access or exclusive arrangements to procure raw materials required in our operations and may procure them at lower costs than us, and consequently be able to sell their products at lower prices. Some of our international competitors may be able to capitalize on their overseas experience to compete in the Indian market. As a result, we cannot assure you that we will be able to compete successfully in the future against our existing or potential competitors or that our business and results of operations will not be adversely affected by increased competition.

**30.** ***Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.***

As of March 31, 2017, we had a total outstanding indebtedness of ₹ 6,634.49 million. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, including any change in line of business or change in ownership, which could adversely affect our business and financial condition.

In addition, certain of our borrowings require us to maintain certain financial ratios and certain other informative covenants, which are tested at times on a quarterly or annual basis. In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs.

We may also be forced to sell some or all of our assets if we do not have sufficient cash or credit facilities to make repayments. Further, certain of our financing arrangements are due for renewal and we cannot guarantee that the facilities availed under such arrangements will be renewed on the previously agreed terms and conditions, or conditions which are not more onerous on us. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition.

**31.** ***Some of our business operations are being conducted on leased premises. Our inability to seek renewal or extension of such leases may materially affect our business operations.***

Some of our business operations are being conducted on premises leased from various third parties. We may also enter into such transactions with third parties in the future. Any adverse impact on the title, ownership rights, development rights of the owners from whose premises we operate, breach of the contractual terms of any lease, leave and license agreements, or any inability to renew such agreements on acceptable terms may materially affect our business operations. For further details, see "*Our Business – Property*" on page 138.

**32.** ***Any inability on our part to collect amounts owed to us could result in the reduction of our profits.***

Our operations involve extending credit for extended periods of time to our distributors and certain customers and consequently, we face the risk of the uncertainty regarding the receipt of these outstanding amounts. As a result of such industry conditions, we have and may continue to have high levels of outstanding receivables. For the financial years 2017, 2016 and 2015, our trade receivables were ₹ 5,219.50 million, ₹ 4,545.12 million and ₹ 2,692.49 million, respectively, which constituted 10.5%, 11.9% and 8.1% of our total revenues for the same periods. If our distributors and customers delay or default in making these payments, our profits could be adversely affected.

**33.** ***If we pursue strategic acquisitions or joint ventures, we may not be able to successfully consummate favourable transactions or successfully integrate acquired businesses.***

From time to time, we may evaluate potential acquisitions or joint ventures that would further our strategic objectives. For example, Astec LifeSciences and Creamline Dairy became subsidiaries of our Company with effect from November 6, 2015 and December 21, 2015, respectively. We have also formed joint ventures for our animal feed business in Bangladesh and for our poultry and processed foods business. However, we may not be able to identify suitable companies, consummate a transaction on terms that are favourable to us, or achieve expected returns and other benefits as a result of integration challenges or anti-monopoly regulations. Companies or operations acquired or joint ventures created by us may not be profitable or may not achieve sales levels and profitability that justify the investments made. Our corporate development activities may entail financial and operational risks, including diversion of management attention from its existing core businesses, difficulty in integrating or separating personnel and financial and other systems, and negative impacts on existing business relationships with suppliers and customers. Future acquisitions could also result in potentially dilutive issuances of equity securities; the incurrence of debt, contingent liabilities and increased operating expenses, all of which could adversely affect our business, financial condition, results of operations and prospects.

**34.** ***We are dependent on a number of key personnel, including our senior management, and the loss of, or our inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.***

Our performance depends largely on the efforts and abilities of our senior management and other key personnel. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by our Company. We cannot assure you that we will be able to retain these employees or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with our Company. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires.

Further, our ability to successfully carry out research and development depends on our ability to attract and retain skilled scientists. The personnel at the helm of our R&D functions are critical for new product launches and creating differentiated offering for our businesses. While we believe we have an experienced technical and production team, we may not be able to continuously attract or retain such personnel, or retain them on acceptable terms, given the demand for such personnel. Competition for qualified personnel with relevant industry expertise in India is intense and the loss of the services of our key personnel may adversely affect our business, results of operations and financial condition.

***35. Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As of March 31, 2017, we employed 3,740 personnel across our operations and our employees at certain of our facilities have formed registered unions. Although we have not experienced any material labour unrest, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

Further, the labour union of our employees have issued notices against our Company in the past, including for wrongful termination of employment and reinstatement of workmen, back wages and payment of bonuses to the workmen. Any such actions could adversely affect our business, results of operations and financial condition.

***36. We rely on contract labour for carrying out certain of our operations and we may be held responsible for paying the wages of such workers, if the independent contractors through whom such workers are hired default on their obligations, and such obligations could have an adverse effect on our results of operations and financial condition.***

In order to retain flexibility and control costs, we appoint independent contractors who in turn engage on-site contract labour for performance of certain of our operations in each of our business verticals. Although we do not engage these laborers directly, we may be held responsible for any wage payments to be made to such laborers in the event of default by such independent contractor. Any requirement to fund their wage requirements may have an adverse impact on our results of operations and financial condition. In addition, under the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a number of such contract labourers as permanent employees. In the event of any non-compliance by contractors with statutory requirements, legal proceedings may be initiated against us. Thus, any such order from a regulatory body or court may have an adverse effect on our business, results of operations and financial condition.

***37. Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.***

We could be held liable for accidents that occur at our manufacturing facilities or otherwise arise out of our operations. In the event of personal injuries, fires or other accidents suffered by our employees or other people, we could face claims alleging that we were negligent, provided inadequate supervision or be otherwise liable for the injuries. Our principal types of coverage include all risk insurance policy, boiler and pressure plant insurance policy, electronic equipment insurance policy, standard fire and special perils insurance policy, machinery breakdown insurance policy, money insurance policy, burglary insurance policy and comprehensive general liability insurance. However, we do not maintain any insurance policies to cover the risk of an outbreak of disease in animals.

While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all our losses. In addition, our insurance coverage expires from time to time. We apply for the renewal of our insurance coverage in the normal course of our business, but we cannot assure you that such renewals will be granted in a timely manner, at acceptable cost or at all. To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by insurance, exceeds our insurance coverage or where our insurance claims are rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected.

38. ***The emergence of modern trade channels in the form of hypermarkets, supermarkets and online retailers may adversely affect our pricing ability, which may have an adverse effect on our results of operations and financial condition.***

We sell some our products such as dairy and poultry and processed foods to retail customers through modern trade channels, which include supermarkets and hypermarkets. India has recently witnessed the emergence of such chains and online retailers and the market penetration of large scaled organized retail in India is likely to increase further. While we believe this provides us with an opportunity to improve our supply chain efficiencies and increase the visibility of our brands, it also increases the negotiating position of such stores. We cannot assure you that we will be able to negotiate our distribution agreements, specially our pricing or credit provisions, on terms favorable to us, or at all. Any inability to enter into distribution agreements and on terms favorable to us, may have an adverse effect on our pricing and margins, and consequently adversely affect our results of operations and financial condition.

39. ***Information relating to the historical capacity of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates and future production and capacity may vary.***

Information relating to the historical capacity of our production facilities included in this Draft Red Herring Prospectus is based on various assumptions including those relating to availability of raw materials and operational efficiencies. Actual production levels and rates may differ significantly from the production capacities. Undue reliance should therefore not be placed on our historical capacity information for our existing facilities included in this Draft Red Herring Prospectus.

40. ***We have had negative net cash flows in the past and may continue to have negative cash flows in the future.***

The following table sets forth our cash flow for the periods indicated:

| | **Financial Year** | | |
|---|---|---|---|
| | **2017** ***(₹ in millions)*** | **2016** ***(₹ in millions)*** | **2015** ***(₹ in millions)*** |
| Net Cash generated from Operating Activities | 8,973.03 | 1,683.19 | 1,088.28 |
| Net Cash (used in) Investing Activities | (868.19) | (4,277.96) | (1,306.62) |
| Net Cash generated from/ (used in) Financing Activities | (7,880.67) | 2,783.86 | (789.86) |
| Net increase/(decrease) in cash and cash equivalents | 224.17 | 189.09 | (1,008.20) |

For further details, see "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 209 and 443, respectively. We cannot assure you that our net cash flows will be positive in the future.

41. ***We have in the past entered into related party transactions and may continue to do so in the future, which may potentially involve conflicts of interest with the equity shareholders.***

We have entered into various transactions with related parties. We cannot assure you that we could not have achieved more favourable terms. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. For example, our Subsidiary, Creamline Dairy procures raw milk from related parties. For details on our related party transactions, see "*Related Party Transactions*" on page 207. For details on the interest of our Promoter, Directors and key management personnel of our Company, see "*Our Management – Interests of Directors*" and "*Our Management – Interests of Key Management Personnel*" on pages 166 and 170, respectively. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

42. ***We have certain contingent liabilities that have not been provided for in our financial statements, which, if they materialize, may adversely affect our financial condition.***

As of March 31, 2017, our contingent liabilities that have not been provided for are as set out in the table below:

| **Particulars** | **As of March 31, 2017** ***(₹ in millions)*** |
|---|---|
| Claims against the group not acknowledged as debts: | |
| Excise duty demands relating to disputed classification, assessable values, availment of credit which we have contested and is in appeal at various levels. | 1,626.98 |

| Particulars | As of March 31, 2017 *(₹ in millions)* |
|---|---|
| Service Tax demand amounting to ₹ 0.1 million raised by Central Excise Department at Lote in respect of dispute arising out of works contract transaction. An equal amount is levied by the department towards interest and penalty. We have preferred an appeal against this order of the assessing officer. | 0.20 |
| We have preferred an appeal with the Customs Department in the matter of assessable value of imported capital goods and presently the case is pending with the Commissioner of Customs, Chennai. | 9.91 |
| *Income Tax*<br><br>• We have received a rectification order under section 154 of Income Tax Act, 1961 for assessment year 2014-15 dated January 23, 2017, as per the said order amount determined to be payable is ₹ 13.24 million, which includes interest amounting to ₹ 2.55 million. | 13.24 |
| • We have preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the assessing officer for the assessment year 2013-14 in which a demand of ₹ 14.31 million has been determined to be payable by the Company. | 14.31 |
| • We have preferred appeal against the order of assessing officer and CIT in which demand of ₹ 43.79 million has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing officer/CIT | 43.79 |
| • We had preferred an appeal against the dis-allowance of deduction under section 80-I of the Income Tax Act, 1961, the details of which are given below. The Appellate Tribunal Hyderabad has passed an order to, partly allow deduction under section 80- I of the Income Tax Act, in respect of milk products manufactured. The assessing officer order for part refund of Income tax paid is still pending. | 5.13 |
| • We have preferred an appeal against the disallowance of deduction under section 32(1)(iia) of the Income Tax Act, 1961. Against the aforesaid demand, we have deposited/adjusted payment aggregating to ₹ 3.37 million. | 3.82 |
| • We have preferred an appeal against the dis-allowance of deduction under section 36(1)(iva) of the Income Tax Act, 1961 and other expenditure. Against the aforesaid demand, we have deposited the demand amount of tax. | 1.28 |
| • We have preferred an appeal against the dis-allowance under section 14A and under section 36 of the Income Tax Act, 1961. Against the aforesaid demand, the refund has adjusted (Tax Deposited). | 1.08 |
| *Sales Tax*<br><br>• Pending before JSCT(Appeal) | 14.85 |
| • Pending before Deputy Commissioner of Sales Tax, Thane. | 361.30 |
| • Contingent Liabilities against pending C & H Forms | 16.33 |
| • We have preferred an appeal against levy of sales tax on sale of cream and has deposited the entire demand of tax. | 2.62 |
| • We have received assessment orders for the financial year 2010-11 in respect of assessment of Value Added Tax from the Assistant Commissioner (CT) for ₹ 0.11 million. This pertains to disallowance of value added tax input credit claimed. We have gone on appeal and the same was remanded to assessing officer. The revision order from the assessing officer is awaited. | 0.11 |

| Particulars | As of March 31, 2017 (₹ *in millions)* |
|---|---|
| • We have filed writ petition in Telangana High Court against levy of Sales tax on sale of flavoured milk. The details of which are given below. The honurable High Court of Telangana had passed a favourable order allowing the writ petition filed by us. The order stating that the writ petition is allowed and impugned order is set aside only in so far as the taxing of flavoured milk at the rate of 14.5%, the miscellaneous petitions, if any pending in this writ petition shall stand closed. | 20.61 |

If a significant portion of these liabilities materialize, it could have an adverse effect on our business, financial condition and results of operations. For details, see "*Financial Statements – Contingent Liabilities and Commitments*" on pages 302 and 416.

***43. Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Issue Price.***

Our Company has issued Equity Shares in the last 12 months, which may be at a price lower than the Issue Price. For further details, see "*Capital Structure – Notes to the Capital Structure*" on page 72. Our Company may, in consultation with the BRLMs, consider a private placement of up to 400,000 Equity Shares for cash consideration aggregating up to ₹ 18,000 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. Our Company may continue to issue Equity Shares, under the ESOS Scheme, at a price below the market price of Equity Shares at the time of issuance.

***44. Some of our Promoter, GIL and Group Companies have unsecured loans that may be recalled by the lenders at any time.***

Some of our Promoter, GIL and Group Companies, have currently availed unsecured loans which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Such Group Companies may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

***45. Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.***

Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. For details of dividend paid by our Company in the past, see "*Dividend Policy*" on page 208.

***46. We have commissioned industry reports from certain agencies, which have been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.***

We have commissioned the CRISIL research report titled "Animal Feed Sector in India" published in June 2017, the CRISIL research report titled "A study of the Indian crop protection industry" published in June 2017, "Oil Palm – A Critical Study of its Role in Contributing the Vegetable Oil Economy in India" by Dr. P Rethinam, the IMARC report titled "Dairy Industry in India: 2017 Edition" published in 2017, the Nielsen report titled "Sizing of the Processed Poultry Market in India and Estimating the Share of Godrej Agrovet's Offering" published in July 2017 and the LightCastle Partners report titled "Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh". The reports use certain methodologies for market sizing and forecasting. Neither we, nor any of the BRLMs have independently verified such data and therefore, while we believe them to be true, we cannot assure you that they are complete or reliable. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. While industry sources take due care and caution while preparing their reports, they do not guarantee the accuracy, adequacy or completeness of the data. Accordingly, investors should not place undue reliance on, or base their investment decision solely on this information.

47. ***Some of our Group Companies have incurred losses in the last preceding financial year and have negative net worth, based on the last audited financial statements available.***

Some of our Group Companies have incurred losses in the preceding financial years and have negative net worth, based on the respective Group Companies' last available audited financial statements. For further details, see "*Our Group Companies – Details of Group Companies with negative net worth*" and "*Our Group Companies - Loss making Group Companies*" beginning on page 189 and 205, respectively. We cannot assure you that our Group Companies will not incur losses or have negative net worth in the future.

48. ***Certain of our existing shareholders together may be able to exert substantial voting control over our Company after completion of the Issue, which may limit your ability to influence the outcome of matters submitted for approval of our shareholders.***

Following the completion of the Issue, certain of our existing shareholders will continue to hold approximately [●]% of our post- Issue Equity Share capital. This concentration of ownership could limit your ability to influence corporate matters requiring shareholder approval. These existing shareholders will have the ability to significantly influence matters requiring shareholders approval, including the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings, including the issue of Equity Shares and dividend payments, business plans, mergers and acquisitions, any consolidation or joint venture arrangements, any amendment to our Memorandum of Association and Articles of Association, and any assignment or transfer of our interest in any of our licenses. In addition, if our shareholders do not act together, such matters requiring shareholder approval may be delayed or not occur at all, which could adversely affect our business. Moreover, these shareholders are not obligated to provide any business opportunities to us. If such other shareholders invest in another company in competition with us, we may lose the support provided to us by them, which could adversely affect our business, financial condition, cash flows and results of operations. We cannot assure you that our existing shareholders will not have conflicts of interest with other shareholders or with our Company. Any such conflict may adversely affect our ability to execute our business strategy or to operate our business.

49. ***We will continue to be controlled by our Promoters after the completion of the Issue.***

After the completion of the Issue, our Promoters will hold majority of our outstanding Equity Shares. As a result, our Promoters will continue to exercise significant control over us, including being able to control the composition of our Board and determine matters requiring shareholder approval or approval of our Board. Our Promoters may take or block actions with respect to our business, which may conflict with our interests or the interests of our minority shareholders. By exercising their control, our Promoters could delay, defer or cause a change of our control or a change in our capital structure, delay, defer or cause a merger, consolidation, takeover or other business combination involving us, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of us. We cannot guarantee that our Promoters and Promoter Group will act in our interest while exercising their rights.

50. ***Our ability to raise foreign capital under the FDI route is constrained by Indian law and we may be subject to various conditions if we propose to raise foreign capital through the FDI route. Further, we propose to raise foreign capital in the Issue from certain foreign investors under the FPI route in accordance with the applicable law and may raise further foreign capital from such foreign investors. If our shareholders do not increase this limit in the future or the Government of India reduces the permissible limit or imposes restrictive conditions in the future, our ability to raise foreign capital could be adversely affected and consequently, this may adversely affect our business, prospects and results of operations.***

Our Company has entered into a development management agreement with Godrej Properties Limited with respect to development of a certain parcel of land owned by our Company situated near Bengaluru. Since our Company is involved in construction development, under the FDI Policy, any foreign direct investment in our Company is subject to certain conditions which are required to be complied with for the purposes of receiving FDI including, inter alia, lock-in of the foreign investor for a period of three years calculated with reference to each tranche of foreign investment.

Our Company presently does not propose to raise any foreign capital or in the Issue through the FDI route and accordingly, our Company does not comply with these conditions. However, in the event that our Company proposes to raise foreign capital in the future through the FDI route, then we would be required to meet certain conditions as prescribed under the FDI Policy. We cannot assure you that we will be able to comply with any of these conditions in the future, and such inability may adversely affect our growth plans and business prospects.

Further, in accordance with the FDI Policy, we propose to allow participation by non-residents in the Issue to the extent of participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Regulations, subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of our Company and the aggregate limit for FPI investment under applicable law; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations, subject to limit of the individual holding of an Eligible NRI below 5% of the post-Issue paid-up capital of our Company and the aggregate limit for NRI investment to 10% of the post-Issue paid-up capital of our Company. Further, other non-residents such as FVCIs, multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

We cannot assure you that the Government of India will continue to allow current level of participation by the aforesaid investors in the sectors in which we operate or that the Government of India will not impose any further conditions with respect to such investments. Any adverse decision by the Government of India in this regard could adversely affect our business, prospects, results of operations and trading price of our Equity Shares. Furthermore, as an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all. Limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

***51. The examination report of our Statutory Auditors relating to Restated Financial Statements contains a qualification that our Company has paid remuneration to our Managing Director in excess of the limits prescribed under the Companies Act, 2013.***

The remuneration paid to our Managing Director in Fiscal 2017 exceeded five per cent of the net profits of our Company for Fiscal 2017 due to exercise of employee stock options. Accordingly, our Company has sought approval of the Central Government by way of application dated June 29, 2017, to waive the recovery of the compensation paid to our Managing Director in excess of the limits prescribed for managerial remuneration under the Companies Act, 2013. The Statutory Auditors have qualified their examination report in this regard. For further information, please see "*Financial Statements*" beginning on page 209.

***52. One of our joint ventures, Godrej Tyson, has not complied with one of the conditions of the approval by the Foreign Investment Promotion Board***

The Foreign Investment Promotion Board approved the investment of Tyson Foods Inc., in Godrej Tyson, one of our joint ventures, by way of approval dated June 15, 2010 (the "**FIPB Approval**"). The FIPB Approval was inter-alia subject to compounding with the Reserve Bank of India as Godrej Tyson had not complied with Press Note 1 of 2005 which, inter alia, required prior government approval for foreign investment in a company where the foreign investor had an existing joint venture or technology transfer/trademark agreement in the same field. Godrej Tyson is in the process of applying for compounding in terms of the FIPB Approval.

We cannot assure you that the RBI will condone the irregularity or that the penalty amount will be reasonable. If we are unable to obtain the compounding order or if the compounding order imposes heavy penalties on Godrej Tyson or if the government initiates action against Godrej Tyson for failure to comply with the terms of the FIPB Approval, our business, reputation, results of operations and financial condition could be adversely affected.

***External Risk Factors***

***Risks Related to India***

***53. Political, economic or other factors that are beyond our control may have an adverse effect on our business and results of operations.***

We are dependent on domestic, regional and global economic and market conditions. Our performance, growth and market price of our Equity Shares are and will be dependent to a large extent on the health of the economy in which we operate. There have been periods of slowdown in the economic growth of India. Demand for our products may be adversely affected by an economic downturn in domestic, regional and global economies. Economic growth in the countries in which we operate is affected by various factors including domestic consumption and savings, balance of trade movements, namely export demand and movements in key imports (oil and oil products), global economic uncertainty and liquidity crisis, volatility in exchange currency rates, and annual rainfall which affects agricultural production. Consequently, any future slowdown in the Indian economy could harm our business, results of operations, financial condition and cash flows. Also, a change in the government or a change in the economic and deregulation policies could adversely affect economic conditions prevalent in the areas in which we operate in general and our business in particular and high rates of inflation in India could increase our costs without proportionately increasing our revenues, and as such decrease our operating margins.

***54. Investors may not be able to enforce a judgment of a foreign court against our Company.***

Our Company is incorporated under the laws of India. Our Company's assets are primarily located in India and substantially all of our Company's Directors and Key Managerial Personnel are residents of India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India.

Recognition and enforcement of foreign judgments is provided for under Section 13 of Civil Code on a statutory basis. Section 13 of the Civil Code provides that foreign judgments shall be conclusive regarding any matter directly adjudicated upon, except: (i) where the judgment has not been pronounced by a court of competent jurisdiction; (ii) where the judgment has not been given on the merits of the case; (iii) where it appears on the face of the proceedings that the judgment is founded on an incorrect view of international law or a refusal to recognize the law of India in cases to which such law is applicable; (iv) where the proceedings in which the judgment was obtained were opposed to natural justice; (v) where the judgment has been obtained by fraud; and (vi) where the judgment sustains a claim founded on a breach of any law then in force in India. Under the Civil Code, a court in India shall, upon the production of any document purporting to be a certified copy of a foreign judgment, presume that the judgment was pronounced by a court of competent jurisdiction, unless the contrary appears on record. However, under the Civil Code, such presumption may be displaced by proving that the court did not have jurisdiction.

India is not a party to any international treaty in relation to the recognition or enforcement of foreign judgments. Section 44A of the Civil Code provides that where a foreign judgment has been rendered by a superior court, within the meaning of that Section, in any country or territory outside of India which the Central Government has by notification declared to be in a reciprocating territory, it may be enforced in India by proceedings in execution as if the judgment had been rendered by the relevant court in India. However, Section 44A of the Civil Code is applicable only to monetary decrees not being of the same nature as amounts payable in respect of taxes, other charges of a like nature or of a fine or other penalties.

We have been advised by our Indian counsel that the United States and India do not currently have a treaty providing for reciprocal recognition and enforcement of judgments, other than arbitration awards, in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the United States on civil liability, whether or not predicated solely upon the federal securities laws of the United States, would not be enforceable in India. However, the party in whose favour such final judgment is rendered may bring a new suit in a competent court in India based on a final judgment that has been obtained in the United States. The suit must be brought in India within three years from the date of the judgment in the same manner as any other suit filed to enforce a civil liability in India.

It is unlikely that a court in India would award damages on the same basis as a foreign court if an action was brought in India. Furthermore, it is unlikely that an Indian court would enforce a foreign judgment if that court were of the view that the amount of damages awarded was excessive or inconsistent with public policy or Indian practice. It is uncertain as to whether an Indian court would enforce foreign judgments that would contravene or violate Indian law. However, a party seeking to enforce a foreign judgment in India is required to obtain approval from the RBI under the Indian Foreign Exchange Management Act, 1999, to execute such a judgment or to repatriate any amount recovered.

***55. Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.***

Our Restated Financial Statements as of and for the Financial Years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 included in this Draft Red Herring Prospectus have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Financial Statements have been compiled from the audited standalone and consolidated financial statements of our Company for the respective years under the previous generally accepted accounting principles followed in India ("**Indian GAAP**").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, we have presented reconciliation from Indian GAAP to Ind AS. Please refer to the Restated Financial Statements beginning on page 209. Except as otherwise provided in the Restated Financial Statements with respect to Indian GAAP, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

In addition, our Restated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

***56. We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could in turn adversely affect our business.***

The Competition Act was enacted for the purpose of preventing practices that have or are likely to have an adverse effect on competition in India and has mandated the CCI to separate such practices. Under the Competition Act, any arrangement, understanding or action, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition is void and attracts substantial penalties.

Further, any agreement among competitors which, directly or indirectly, involves determination of purchase or sale prices, limits or controls production, or shares the market by way of geographical area or number of subscribers in the relevant market is presumed to have an appreciable adverse effect in the relevant market in India and shall be void. The Competition Act also prohibits abuse of a dominant position by any enterprise. On March 4, 2011, the Central Government notified and brought into force the combination regulation (merger control) provisions under the Competition Act with effect from June 1, 2011. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to, and pre-approved by, the CCI. Additionally, on May 11, 2011, the CCI issued the Competition Commission of India (Procedure for Transaction of Business Relating to Combinations) Regulations, 2011, as amended, which sets out the mechanism for implementation of the merger control regime in India. The Competition Act aims to, among other things, prohibit all agreements and transactions which may have an appreciable adverse effect in India. Consequently, all agreements entered into by us could be within the purview of the Competition Act. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside of India if such agreement, conduct or combination has an appreciable adverse effect in India. However, the impact of the provisions of the Competition Act on the agreements entered into by us cannot be predicted with certainty at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us.

However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, financial condition, results of operations and prospects.

***57. Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.***

Indian legal principles related to corporate procedures, directors' fiduciary duties and liabilities, and shareholders' rights may differ from those that would apply to a company in another jurisdiction. Shareholders' rights including in relation to class actions, under Indian law may not be as extensive as shareholders' rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

***Risks Related to the Equity Shares and the Issue***

***58. The Equity Shares have never been publicly traded, and, after the Issue, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Issue Price, or at all.***

Prior to the Issue, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Issue. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Issue Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in securities markets in jurisdictions other than India, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

59. ***Fluctuation in the exchange rate between the Indian Rupee and foreign currencies may have an adverse effect on the value of our Equity Shares, independent of our operating results.***

On listing, our Equity Shares will be quoted in Indian Rupees on the Stock Exchanges. Any dividends in respect of our Equity Shares will also be paid in Indian Rupees and subsequently converted into the relevant foreign currency for repatriation, if required. Any adverse movement in currency exchange rates during the time that it takes to undertake such conversion may reduce the net dividend to foreign investors. In addition, any adverse movement in currency exchange rates during a delay in repatriating outside India the proceeds from a sale of Equity Shares, for example, because of a delay in regulatory approvals that may be required for the sale of Equity Shares may reduce the proceeds received by Equity Shareholders. For example, the exchange rate between the Rupee and the U.S. dollar has fluctuated substantially in recent years and may continue to fluctuate substantially in the future, which may have an adverse effect on the trading price of our Equity Shares and returns on our Equity Shares, independent of our operating results.

60. ***The Issue Price of the Equity Shares may not be indicative of the market price of the Equity Shares after the Offer.***

The Issue Price of the Equity Shares will be determined by our Company in consultation with the Selling Shareholders and the BRLMs, and through the Book Building Process. This price will be based on numerous factors, as described under "Basis for Issue Price" on page 91 and may not be indicative of the market price for the Equity Shares after the Issue. The market price of the Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Issue Price.

61. ***Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Promoters or Promoter Group may dilute your shareholding and adversely affect the trading price of the Equity Shares.***

Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us, including through exercise of employee stock options may dilute your shareholding in our Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. We cannot assure you that we will not issue additional Equity Shares. The disposal of Equity Shares by any of our Promoters and Promoter Group, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in "Capital Structure" beginning on page 71, we cannot assure you that our Promoters and Promoter Group will not dispose of, pledge or encumber their Equity Shares in the future.

62. ***Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.***

Under the Companies Act, a company incorporated in India must offer its equity shareholders preemptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your proportional interests in our Company may be reduced.

63. ***QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Investors can revise their Bids during the Bid/Issue Period and withdraw their Bids until Bid/Issue Closing Date. While our Company is required to complete Allotment pursuant to the Issue within six Working Days from the Bid/Issue Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Issue or cause the trading price of the Equity Shares to decline on listing.

***64. You may be subject to Indian taxes arising out of capital gains on the sale of our Equity Shares.***

Under the Income Tax Act, capital gains arising from the sale of equity shares in an Indian company within 12 months of purchase are generally taxable in India. Any gain realized on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the STT has been paid on the sale transaction. The STT is collected by the Indian stock exchange on which equity shares are sold. Any gain realized on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a recognized stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India.

The recent Finance Act 2017 amendments provided that where the shares have been acquired on or after October 1, 2004 and on which STT has not been paid at the time of acquisition, then the exemption of long term capital gains under section 10(38) of the Income Tax Act would not be available. This amendment further provides that the Government will notify certain modes of acquisition to which the recent amendment made by Finance Act 2017 would not be applicable and the shares acquired by such modes of acquisition would continue to get the benefit of section 10(38) of the Income Tax Act. The Government has issued a notification dated June 5, 2017 listing out certain modes of acquisition where the benefit of section 10(38) will not be applicable, subject to certain exceptions. For further details, see "*Statement of Tax Benefits*" on page 94.

Capital gains arising from the sale of shares will be exempt from taxation in India in cases where an exemption is provided under a tax treaty between India and the country of which the seller is a resident. Generally, Indian tax treaties do not limit India's ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdictions on gains arising from a sale of the shares subject to relief that may be available under the applicable tax treaty or under the laws of their own jurisdiction.

***65. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of our Equity Shares.***

Foreign ownership of Indian securities is subject to Government regulation. In accordance with foreign exchange regulations currently in effect in India, under certain circumstances the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India or vice-versa if the sale does not meet certain requirements specified by the RBI. Additionally, any person who seeks to convert the Rupee proceeds from any such sale into foreign currency and repatriate that foreign currency from India is required to obtain a no-objection or a tax clearance certificate from the Indian income tax authorities. As provided in the foreign exchange controls currently in effect in India, the RBI has provided that the price at which the Equity Shares are transferred be calculated in accordance with internationally accepted pricing methodology for the valuation of shares at an arm's length basis, and a higher (or lower, as applicable) price per share may not be permitted. We cannot assure investors that any required approval from the RBI or any other government agency can be obtained on terms favorable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increase or limiting losses during periods of price decline. See "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 563.

**Prominent Notes:**

1. Our Company has not changed its name in the last three years.

2. Issue of up to [●] Equity Shares for cash at price of ₹[●] (including a share premium of ₹[●]) aggregating up to ₹ [●] million, comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,000 million and an offer for sale of (i) up to [●] Equity Shares by Godrej Industries Limited aggregating up to ₹ 3,000 million and up to (ii) 12,300,000 Equity Shares by V-Sciences aggregating up to ₹ [●] million, respectively. The Issue will constitute [●]% of the post-Issue paid-up Equity Share capital of our Company (after considering allotment to identified employees to ESPS).

3. As of March 31, 2017, the net worth of our Company was ₹ 9,005.17 million and ₹ 10,104.62 million as per standalone Restated Financial Statements and consolidated Restated Financial Statements, respectively.

4. As of March 31, 2017, the net asset value per equity share was ₹ 48.76 and ₹ 54.49 as per the standalone Restated Financial Statements and consolidated Restated Financial Statements, respectively.

5. For details of related party transactions entered into by our Company with our Subsidiaries and our Group Companies in the last Financial Year, including the nature and cumulative value of the transactions, see "*Related Party Transactions*" beginning on page 207.

6. There has been no financing arrangement whereby our Promoter Group, directors of our Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of this Draft Red Herring Prospectus.

7. Except as disclosed in "*Our Group Companies*" and "*Related Party Transactions*" beginning on pages 182 and 207, respectively, our Group Companies do not have business interests or other interests in our Company.

8. The details of average cost of acquisition of Equity Shares acquired by our Promoters is set out below.

| Name of our Promoters | Average cost of acquisition per Equity Share (in ₹) |
|---|---|
| GIL | 30.64 |
| Nadir B. Godrej | 0.33 |
| Adi B. Godrej | 5.85 |

** The cost of acquisition of Equity Shares has been arrived at before accounting for transfer by way of sale.*

For details, see "Capital Structure - History of the Equity Share Capital held by our Promoters" on page 74.

9. For any complaints, information or clarifications pertaining to the Issue, investors may contact the BRLMs who have submitted the due diligence certificate to SEBI.

## SECTION III: INTRODUCTION

## SUMMARY OF INDUSTRY

*The information contained in this section is derived from the CRISIL research report titled "Animal Feed Sector in India" published in June 2017, ("**CRISIL Animal Feed Report**"), the CRISIL research report titled "A study of the Indian crop protection industry" published in June 2017 ("**CRISIL Crop Protection Report")**, "Oil Palm – A Critical Study of its Role in Contributing the Vegetable Oil Economy in India" by Dr. P Rethinam ("**Oil Palm Report**"), the iMarc report titled "Dairy Industry in India: 2017 Edition" published in 2017 ("**IMARC Report**"), the Nielsen report titled "Sizing of the Processed Poultry Market in India and Estimating the Share of Godrej Agrovet's Offering" published in July 2017 ("**Poultry Report**"), the LightCastle Partners report titled "Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh" ("**Bangladesh Report**") and other publicly available sources. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

### The Indian Economy

India has the fourth largest economy in the world by purchasing power parity (*Source: https://www.cia.gov/library/publications/the-world-factbook/geos/in.html).* Against a background of global instability, India registered a growth of 7.6% during the financial year 2016, becoming the fastest growing major economy in the world. During the same period, macroeconomic parameters such as inflation, fiscal deficit and current account balance all exhibited signs of improvement. The financial year 2016 has also witnessed the launch of several government programs and initiatives designed to boost manufacturing, industrial growth, foreign direct investment and ease of doing business. At the sectoral level, growth of agriculture and allied sectors improved significantly in the financial year 2017, following the normal monsoon in the current year. Favourable weather and moisture conditions suggest an increase in production of wheat and pulses. The growth rate for agriculture and allied sectors is estimated to be 4.1% for the financial year 2017. (*Source: Economic Survey 2015-16, available at indiabudget.nic.in*)

### Animal Feed

#### *Current market size of global animal feed*

In terms of sales volume, the size of the compound animal feed industry has been estimated to be approximately 1 billion million tons ("**MT**") in the calendar year 2015. In terms of sales value, the feed industry has been valued at an estimated $400 billion as of the calendar year 2015. In the calendar year 2015, China was the largest producer of animal feed, contributing 19% of sales volume, followed by the United States of America at 17% and the European Union at 16%. Of the total one billion tons of animal feed produced globally, poultry feed accounts for the largest share at 45%, followed by the pig feed segment at 26% and cattle and other ruminants at 20%. Aquaculture, which includes shrimp and fish feed, accounts for 4%, while others account for approximately 5%.

#### *Overview of the animal compound feed industry in India*

CRISIL Research estimates the animal compound feed industry in India to be valued at approximately ₹ 715 to ₹ 725 billion as of the financial year 2017. In terms of sales volume, India is one of the largest global producer of animal feed with an annual production of between 25 million MT and 27 million MT. Going forward, the industry is expected to grow at a CAGR of 13% to 14%, reaching a market size of between ₹ 1,060 and ₹ 1,070 billion by the financial year 2020. Among the three segments, aqua feed is expected to grow the fastest at a CAGR of between 15% and 16%, followed by poultry feed at a CAGR of between 14% to 15% and cattle feed at a CAGR of between 10% to 11% by the financial year 2020.

#### *Poultry industry in India*

The poultry industry can be broadly divided into broiler and layer, of which, the broiler segment represents chicken for meat consumption and the layer segment represents egg laying chickens.

The total poultry feed requirement in India has been estimated at between 21 million MT and 22 million MT, based on the overall poultry population and typical feed conversion ratios. Of this, approximately 16 million MT to 17 million MT is contributed by compound feed as of the financial year 2017. In terms of sales value, the poultry feed industry, comprising broiler and layer feeds, has been estimated at between ₹ 480 and ₹ 490 billion as of the financial year 2017. The poultry feed sector is expected to grow at a CAGR of 14% to 15% in the next three years to reach between ₹ 730 and ₹ 740 billion by the financial year 2020. Broiler feed comprised 85% of the industry, or between 13.5 million MT and 14.5 million MT in the financial year 2017. The total feed production for the layer segment was between 2 million MT and 3 million MT during the financial year 2017.

Compound feed is mix of raw materials and additives formulated according to the specific requirements of the target animal.

Concentrates are used with another feed to improve the nutritive balance of the total, which is intended to be further diluted and mixed to produce a supplement or a complete feed. Balanced animal nutrition allows feed manufacturers to help livestock farmers keep their animals healthy and improve animal product quality and safety. Non-compound feed generally includes compressed and pelleted feeds, oils and mixed rations, and sprouted grains and legumes. For the broiler segment, 90% to 95% of feed production is in the form of compound feed, while for the layer segment, 25% to 35% of feed production is in the form of compound feed.

The organized sector contributes between 80% and 85% of the poultry feed industry, and the unorganized sector contributes the remaining. The majority of organized feed is manufactured by integrators who produce 70% to 75% of the total manufactured feed. Such integrators typically use the majority of the manufactured feed for captive purposes while balance feeds are sold to individual farmers. In contrast, specialist feed manufacturers are primarily involved with the selling of feed.

***Cattle feed industry***

Cattle feed forms the second major segment of the animal feed industry in India. A major share of this industry is still unorganized as small scale farmers do not use compound cattle feed and large scale dairy farms who use compound feed are few. However, feed manufacturers have increasingly started to adopt modern and sophisticated methods to improve feed quality, in a bid to match best global practices.

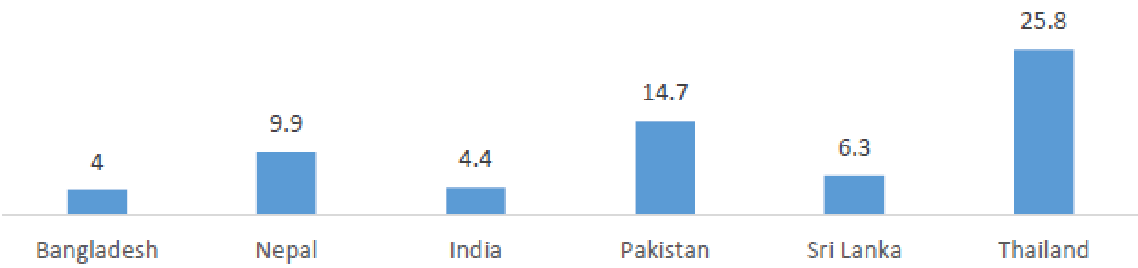
Until the financial year 2013, the share of organized players manufacturing compound feed stood at 7% to 8%. This has now improved to 12%, indicating high market potential. Within the organized sector, co-operative dairy societies comprise 70%, and private players comprise the rest. There are 17 dairy co-operative societies in the country with integrated plants for manufacturing cattle feed.

The market size of compound cattle feed manufactured by organized players was estimated at between 7.5 million MT and 8.5 million MT in the financial year 2017. In terms of sales volume, the market grew at a CAGR of 6% to 7% between the financial year 2014 and the financial year 2017. For the same period, in terms of sales value, the market grew at a CAGR of 12% to 13% and was estimated to be between ₹ 148 billion and ₹ 150 billion.

***Overview of the animal feed industry in Bangladesh***

Bangladesh’s current annual average consumption of meat per person is lower than regional peers, but is expected to grow in tandem with per capita income.

The following chart sets forth average annual meat consumption in kilograms across countries:




*(Source: Bangladesh Report)*

The major players in the feed industry in Bangladesh are large business conglomerates with integrated forward and backward linkages. Some of the large national conglomerates in this sector that have these links and invest their own capital in the market include Nourish Poultry Feeds Limited, Kazi Farm Group, Paragon Group, Aftab Hatcheries Limited and Quality Feed Limited. CP Foods (Thai Group) and New Hope Group (Chinese Group) are international conglomerates who are operating in Bangladesh. Most major players have vertically integrated operations in order to take advantage of economies of scale.

**Crop Protection**

Herbicides form the largest share of the global crop protection market, accounting for 45% of the pesticides consumed worldwide in the calendar year 2015. This is majorly owed to sizeable land holdings, adoption of advanced farming techniques, and unavailability of cheap labour in developed and developing countries. Fungicides and insecticides make up for rest of the pesticide consumption, with a 26% and 25% share, respectively.

Similar to the pharmaceuticals industry, the global crop protection market consists of on-patent and off-patent generic molecules. However, unlike pharmaceuticals, the manufacturing of generics is still dominated by the original "innovators”.

Therefore, France, Germany and the United States continue to be leaders in world exports. However, in the past decade, India, and other low-cost destinations such as China, have entered the generics market, which met the same quality standards required for registration and use in global markets, at much more competitive price points. While generic manufacturers have significantly lower realisations as compared with on-patent producers, China and India have gained shares in the past ten years as a number of molecules went off-patent.

The total crop protection market catered to by the Indian players is sized at ₹ 296 billion in the financial year 2017 and has seen a steady growth over the last few years. During the five-year period from the financial year 2013 to the financial year 2017, total crop protection market size, comprising domestic consumption and exports, is estimated to have increased at a CAGR of 9.7% to ₹ 296 billion in the financial year 2017, from ₹ 205 billion in the financial year 2013. During the corresponding period, share of exports in the overall market size have improved marginally.

The domestic crop protection demand is currently sized at between ₹ 145 billion and ₹ 155 billion. The industry grew at a healthy CAGR of 8.5% in sales value between the financial year 2013 and the financial year 2017, driven by higher pesticide use per hectare to boost agricultural production, and an increased penetration of pesticides. In addition, plant growth regulators have been used for the cultivation of cotton and rice crops in India, and also find application in horticulture and floriculture.

**Oil Palm**

***Global vegetable oil production and consumption***

Palm oil and soya bean oil shared 64.0% of the total vegetable oils with 36.0% and 28.1% respectively. Amongst the lauric oil sources, palm kernel oil dominated with 4.0% share followed by coconut oil at 1.7%.

In the global vegetables oil production, palm oil remains to be the highest followed by soya bean oil. The next important oils are rape seed and mustard and sunflower oil. These four oils play a vital role in the vegetable oil, in the economy of oils and fats.

***Future world demand for vegetable oils***

Global demand for oils and fats is growing fast and in the past 15 years has almost doubled from 92.4 million MT in the financial year 2000 to 180.0 million MT in the financial year 2015. The four major vegetable oils: palm (30%), soya bean (24%), rape seed and mustard (13%) and sunflower (7%) totally contributed to 74% of world production. The growing demand will continue in the coming decades. By the financial year 2050, global demand will rise to 250 million MT.

***Oil Palm in India***

Oil palm gives the highest oil yield of 4 to 6 tons per hectare per year with a global average of 3.80 tons per hectare per year which no other known oilseed crop produces. The highest theoretical oil yield of this crop is projected to 18 tons per hectare per year. In India itself the best farmers have obtained 6 to 8 tons and highest being 10 tons of oil per hectare per year. Oil palm is an eco-friendly crop, and soil fertility is improved through the proper recycling of organic bio mass in oil palm plantations. In addition, palm oil is a source of nutrition and health due to its high calorific value and vitamin content, and a major source of biofuel.

**Dairy**

**The Indian Dairy Industry**

*Overview*

India is the world‘s biggest producer and consumer of milk on a country-wise basis. However, the per capita consumption of milk at 97 litres per year is well below that of other major milk markets, except for China.

Milk production volumes in India have grown at a rapid pace from 17 million MT during the financial year 1952 to 162 million MT during the financial year 2017, enabling India to become the world‘s biggest milk producer. Similarly, driven by a steady population growth and rising incomes, milk consumption continues to rise in India. During the financial year 2017, India with a total consumption of 154 million MT represented the world’s largest consumer of milk.

In the financial year 2016, India‘s dairy industry was worth approximately ₹6,911 billion, growing at a CAGR of 13.0% during the financial years 2010 to 2016. Total production of milk and dairy products in India is expected to increase from 162 million MT in the financial year 2017 to 209 million MT in the financial year 2023, and total consumption of milk and dairy products is expected to increase from 154 million MT in the financial year 2017 to 205 million MT in the financial year 2023. In the financial year 2022, India’s dairy industry is projected to be worth approximately ₹16,368 billion, maintaining a CAGR of 15.6% during the financial years 2017 to 2022.

In India, milk consumption mainly consists of cow milk at 49.9% for the financial year 2017. On a state level, Uttar Pradesh, Rajasthan and Gujarat were the largest milk producers accounting for 17.0%, 12.1% and 8.0% of total milk production in the financial year 2017, respectively. Further, of the 35 states and union territories in India, cow milk is dominant in 24 states and union territories. The top 5 cow milk producing states in India are currently Tamil Nadu, Uttar Pradesh, Rajasthan, Maharashtra and West Bengal.

**Poultry and Processed Foods**

***Meat Industry Overview***

Poultry meat is the fastest growing component of the global meat demand. As of the calendar year 2017 (forecast), the USA is the largest producer of broiler meat, followed by Brazil and China. India's production of broiler meat at 4.5 million MT is led largely by domestic demand. In the financial year 2016, India's per capita consumption of poultry meat was an estimated 3.7 kg per year, compared to the world average of approximately 17.0 kg per year. While India currently has a lower share in consumption as compared to its global peers, overall poultry consumption has been increasing at a healthy pace at a CAGR of 15% to 20% over the last decade. This growth has been led primarily by an increase in average household incomes, increase in popularity and number of fast food restaurants and quick service restaurants, as well as a shift in preference of white meat over red meat.

***Poultry Meat Industry in India***

For the financial year 2017, poultry meat production in India was estimated at 3.5 million MT. The poultry market, currently valued at ₹ 5.65 billion, contributes to approximately 47.86% of total meat output. Out of the total poultry meat market, the live poultry market constitutes 98% of total sales since most consumers prefer freshly culled chicken meat. Processed chicken meat production comprises 2% of total production, out of which only an estimated one per cent undergoes processing into value-added products that are ready-to-eat or ready-to-cook. The recent emergence of supermarkets and shopping malls has been supporting the growth in the retailing of chilled and frozen poultry products.

In addition to five modern integrated poultry processing plants producing dressed chicken, chicken cut parts and other chicken products, there are number of small poultry dressing plants in the country. The organized sector produces an estimated 70% of the total chicken meat production, and is mainly concentrated in Tamil Nadu, Andhra Pradesh, Maharashtra, Karnataka, and West Bengal.

Within the last ten years, many broiler enterprises have vertically integrated their operations (also called integrators), especially in southern and western India. Integrators own all the hatcheries, feed mills, and slaughter facilities, and contract with multiple smaller farmers who raise the chicks to slaughter weight primarily in open air sheds.

## SUMMARY OF OUR BUSINESS

### Overview

We are a diversified, research and development focused agri-business company with operations across five business verticals: animal feed, crop protection, oil palm, dairy, and poultry and processed foods. We were the leading compound animal feed company in India, on the basis of installed capacity for the financial year 2016. *(Source: CRISIL Animal Feed Report)* In Bangladesh, our joint venture, ACI Godrej was the fourth largest feed producer, in terms of sales volume, during the financial year 2016. *(Source: Bangladesh Report)* We were also the largest crude palm oil producer in India, in terms of market share, as of March 31, 2017. *(Source: Oil Palm Report)*

***Our Business Verticals:***

- In our animal feed business, our portfolio of products comprises cattle feed, poultry feed (broiler and layer), aqua feed (fish and shrimp) and specialty feed. Our animal feed products are manufactured at 35 facilities, of which 10 facilities are owned by us, and seven are operated by us, located near major consumption centers across India, with an aggregate production capacity of 2.36 million MT per annum, as of March 31, 2017. Our pan-India distribution network for animal feed products includes approximately 4,000 distributors, as of March 31, 2017. Our 50:50 joint venture, ACI Godrej, was incorporated in 2004 and produces cattle, poultry and fish feed in Bangladesh. ACI Godrej operates two manufacturing facilities with an aggregate production capacity of 0.57 million MT per annum, as of March 31, 2017.

- In our crop protection business, we manufacture a wide range of products that cater to the entire crop lifecycle including plant growth regulators, organic manures, generic agrochemicals and specialized herbicides. In October 2015, we acquired a majority equity interest in Astec LifeSciences and we currently own 55.7% of the outstanding equity shares of Astec LifeSciences. Astec LifeSciences manufactures agrochemical active ingredients (technical), bulk and formulations as well as intermediate products and sells its products in India as well as exports them to approximately 24 countries, including the United States and countries across Europe, West Asia, South East Asia and Latin America. Astec LifeSciences also undertakes contract development and manufacturing services for other agro chemical companies. Astec LifeSciences sells all its products to institutional customers, while our Company sells its products primarily to retail consumers. The distribution network of our Company's crop protection business in India includes approximately 6,000 distributors, as of March 31, 2017.

- In our oil palm business, we produce a range of products including crude palm oil, crude palm kernel oil and palm kernel cake. We purchase fresh fruit bunches ("**FFBs**") from palm oil farmers and work closely with them by providing planting material, agricultural inputs and technical guidance. We have entered into memoranda of understanding with nine state governments, which provides us with access to approximately 61,700 hectares under oil palm plantation, which is equivalent to approximately one-fifth of India's area suitable for oil palm cultivation, as of March 31, 2017. *(Source: Oil Palm Report)*. This public-private partnership model, which, has been promoted by the Government of India, allows us to maintain an asset-light business model. We work closely with farmers in our designated area to plant oil palm on their farmland and provide technical guidance and assistance. We have set up five palm oil mills in India with an aggregate FFB processing capacity of 125 MT per hour and a palm kernel processing capacity of seven MT per hour, as of March 31, 2017. We were recognized as the 'Highest Crude Palm Oil Producer in the Country' at the GLOBOIL conference in 2015.

- In our dairy business, which we operate through our Subsidiary, Creamline Dairy, we sell a majority of our milk and milk based products under the 'Jersey' brand across the states of Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra. As of March 31, 2017, we owned and operated nine milk processing units. For our dairy business, our supply chain network includes procurement from six states through a network of 121 chilling centers, as of March 31, 2017. As of March 31, 2017, our dairy distribution network included approximately 4,000 milk distributors, approximately 2,500 milk product distributors and 50 retail parlors, as well as direct sales to institutional customers.

- We manufacture and market processed poultry and vegetarian products through our brands 'Real Good Chicken' and 'Yummiez'. In 1994, our Company ventured into the poultry business by launching the 'Real Good Chicken' brand and in 2008, with an objective to grow our poultry and processed foods business, we entered into a joint venture with Tyson India Holding Limited, a subsidiary of Tyson Foods Inc., U.S.A. We believe that our joint venture with Tyson India Holding Limited provides us with the technical and operational expertise to compete successfully in India. Tyson Foods Inc., U.S.A. has approximately 75 years of experience producing, distributing and marketing poultry and other animal protein related products. We have set up two processing plants with integrated breeding and hatchery operations and we have a diverse customer base comprising of retail customers as well as institutional clients such as quick service restaurants, fine dining restaurants, food service companies and hotels.

We are focused on improving productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development in Nashik. We have two dedicated R&D centres for our crop protection business at Mumbai and Thane, which has enabled our Company to launch new products. Our oil palm business has a dedicated R&D center at Andhra Pradesh, which is focused on improving the yield performance of oil palm crop and exploring new avenues of value creation from oil palm biomass.

Our total Income were ₹ 49,832.98 million, ₹ 38,176.69 million and ₹ 33,254.88 million and our profit for the period was ₹ 2,735.30 million, ₹ 2,609.75 million and ₹ 2,100.45 million for the financial years 2017, 2016 and 2015, respectively. The revenue contribution from four business verticals of our Company is set forth below:

**(₹ in million)**

| Business vertical | For the financial year | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Animal feed | 26,208.22 | 25,442.02 | 25,429.88 |
| Crop protection | 7,647.25 | 4,959.38 | 3,352.48 |
| Oil palm | 5,066.42 | 4,041.92 | 3,937.98 |
| Dairy* | 10,099.17 | 2,728.90 | N.A. |

* *The results of our dairy business have been consolidated with effect from December 21, 2015 when Creamline Dairy became our Subsidiary.*

Further, our share of revenues of our joint venture entities, which are not consolidated with our total revenues (our share of profit for the period of such entities is consolidated with our profit for the period) in accordance with relevant accounting standards, is shown for comparative purposes only and is set forth below:

**(₹ in million)**

| Business vertical | For the Financial Year | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Animal feed* | 3,020.24 | 2,676.34 | 1,985.53 |
| Poultry and processed foods# | 2,184.76 | 2,206.68 | 1,918.88 |

**Represents 50% of revenues of ACI Godrej*
*#Represents 49% of revenues of Godrej Tyson*

Our Promoters include Mr. Adi Godrej and Mr. Nadir B. Godrej, each of whom have over 40 years of experience in successfully creating shareholder value across businesses in a diverse range of industries. Further, Mr. Balram S. Yadav, our Managing Director, has been with the Godrej group since 1991 and has experience of approximately 27 years in agri-businesses. Our shareholders include marquee investors such as V-Sciences Investments Pte Ltd (an indirect wholly owned subsidiary of Temasek Holdings (Private) Limited). We have received several awards over the years and were recognized by Aon Hewitt in the 'Best Employers' category for 2015 and 2017 and we were also recognized among one of the best 100 companies to work for by Great Place to Work Institute India for the years 2013 and 2014.

**Our Competitive Strengths**

We believe that the following are our principal strengths:

***Pan-India Presence with Extensive Supply and Distribution Network***

We have a pan-India presence and operations spanning across five business verticals: animal feed, crop protection, oil palm, dairy, and poultry and processed foods. Our animal feed and crop protection businesses were commenced by erstwhile Godrej Soaps Limited and later acquired by our Company. We have since set up our processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform across key agriculture verticals in which we operate. As a result of our widespread network and significant operational experience, we believe that we have been able to identify market trends and introduce a range of innovative and value added products in the market to cater to the evolving needs of our customers. In addition, since several of our facilities are located near major consumption centers, we are able to ensure product freshness by reducing delivery time to customers as well as reduce our transportation costs. Our nationwide footprint also allows us to leverage the competitive advantages of each location to enhance our competitiveness and reduce geographic and political risks in our businesses.

We believe that our business model with a strong procurement base, diversified product portfolio and large-scale operations enables us to achieve economies of scale in sourcing of raw materials and the distribution of our products. For our animal feed business, our distribution network comprises approximately 4,000 distributors, as of March 31, 2017. Our distribution network in India for crop protection products comprises approximately 6,000 distributors, as of March 31, 2017. As part of our sales network for crop protection business, we have employed sales representatives and we have the ability to deploy them at short notice in an area where we intend to sell our products based on advent of monsoon and consequent increase in demand for our products. In our oil palm business, we had access to approximately 61,700 hectares under oil palm plantations across nine states, or approximately one-fifth of India's oil palm plantations, as of March 31, 2017. *(Source: Oil Palm Report)* For our dairy business, our supply chain network includes procurement from six states through a network of 121 chilling centers as of March 31, 2017. As of March 31, 2017, our dairy distribution network included approximately 4,000 milk distributors, approximately 2,500 milk product distributors and 50 retail parlors, as well as direct sales to institutional customers.

***Diversified Businesses with Synergies in Operations***

We believe that our presence across five business verticals has enabled us to grow our revenues over the last five years. We also believe that our diversified businesses along with our geographic diversification provides a hedge against the risks associated with any particular industry segment or geography while benefiting from the synergies of operating in diverse but related businesses. Our synergies across diverse businesses provide us with the ability to drive growth, optimize capital efficiency and maintain our competitive advantage. We also derive operational efficiencies by centralizing and sharing certain key functions across our businesses such as finance, legal, information technology, strategy, procurement and human resources.

We invest significant management resources to ensure that we leverage existing inter-linkages between our businesses and are able to maximize the potential synergies amongst them. For example, the animal feed team frequently collaborates with dairy, and poultry and processed foods businesses for sale of compound feed to the farmers. Additionally, some of the biomass produced from the oil palm business is used as an animal feed ingredient, which provides additional source of revenue to our oil palm business as well as strengthens the cost competitiveness of the animal feed business.

***Strong R&D Capabilities***

We believe that our emphasis on R&D has been critical to our success and a differentiating factor from our competitors. We undertake dedicated R&D in our existing products primarily with a focus to improve yields and process efficiencies. We offer a variety of cattle feed for the entire lifecycle of the cattle. For instance, we have developed 'Prepwell' for pregnant cows, 'Calf Starter' and 'Calf Grower' for calves and 'Milk More', 'Bypro' and Bovino' for lactating cows. 'Milk More', our innovative cattle feed contains proteins, energy, minerals and vitamins in adequate quantity and proportion to meet the nutritional requirements of dairy cattle. For our crop protection business, we have developed products in-house such as 'Vipul', 'Double' and 'Combine' and 'Hitweed', which is an indigenously developed selective cotton herbicide targeting broad-leaf weeds, and works with both, indigenous and genetically modified varieties of cotton. We have also developed layer concentrate for egg laying hens in crumb form, which is an important input in automated feeding systems.

We focus our R&D efforts in areas where we believe there is significant growth potential. Our acquisition of Astec LifeSciences provided us access to strong R&D capabilities in the agrochemical active ingredients category, which we have leveraged to introduce new fungicide products such as 'Kemplar' and 'Casper' as part of our Company's offerings..

We are also investing in developing innovative technologies to further grow our product portfolio. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development in Nashik, Maharashtra and we are focused on leveraging our R&D capabilities to develop cost effective solutions to improve animal productivity. For our oil palm business, we have set up an R&D facility at Chintampalli, Andhra Pradesh, which is focused on improving FFB yields. One of our current R&D initiatives is to analyze the soil and leaf samples of our farmers' land and provide customized suggestions to improve the productivity of the farm, thereby improving FFB yields and synchronous flowering, fruiting and harvesting. We spent ₹ 18.25 million, ₹ 16.88 million and ₹ 29.35 million towards our R&D activities (which does not include salaries and benefits of our R&D employees and capital expenditure) during the financial years 2017, 2016 and 2015, respectively.

***Strong Parentage and Established Brands***

We are a part of the Godrej group, which is among India's oldest and most prominent corporate groups. We believe that the 'Godrej' brand is recognizable in India due to its long established presence in the Indian market, the diversified businesses in which the Godrej group operates and the trust we believe it has developed over the course of its operating history.

We believe that the strength of the 'Godrej' brand and its association with trust, quality and reliability helps us in many aspects of our various businesses, particularly our businesses that involve direct sales to retail consumers. Our association with the 'Godrej' brand provides us with a competitive advantage in attracting talent, benefiting from its global network, exploring potential business opportunities, corporate governance practices and acquiring direct access to senior decision makers.

We believe that having strong recognizable brands is a key attribute in our business, which increases consumer confidence and influences purchase decisions. We believe that we have built strong brands across businesses over several years of our operations and our appreciation and understanding of consumer preferences and spending patterns has allowed us to foster loyalty from our customers. In our animal feed business, we believe that our brands are known for consistency in feed quality. Our crop protection products are sold under 'Vipul', 'Double' and 'Combine' brands. We developed a selective cotton herbicide, which we sell under the brand 'Hitweed'. We sell milk and milk based products under the brand name 'Jersey' and processed poultry and vegetarian products through our brands 'Real Good Chicken' and 'Yummiez'. We believe that the strong recall of our brands has allowed us to maintain a large and diverse customer base and facilitated our ability to develop and market new products, as we believe that customers are more likely to rely on a trusted brand while experimenting with new products.

***Experienced Promoters and Management Team***

We have a strong management team with significant industry experience. Our Promoters include Mr. Adi Godrej and Mr. Nadir Godrej, each of whom have approximately 40 years of experience in successfully creating shareholder value across businesses in a diverse range of industries. Further, Mr. Balram S. Yadav, our Managing Director, has been with the Godrej group since 1991 and has approximately 27 years of experience in the agri-related businesses. He played an instrumental role in setting up our poultry and processed foods business. In addition, our Board of Directors includes independent directors who bring significant business expertise. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities. We believe that we have created a distinct entrepreneurial structure within our organization, with each of our business divisions being managed as an independent profit center with separate management.

We believe that our experienced management has demonstrated the ability to successfully build and integrate our various operating activities through their years of experience. In particular, they have led the process through which we have developed a complementary mix of products, created value through inorganic growth, built brand recognition and loyalty, managed price volatilities and identified new business opportunities. They have also helped us in developing an optimized procurement model, an extensive marketing and sales network and long-term relationships with our key vendors.

**Our Strategies**

The primary elements of our business strategy are to continue to grow our existing businesses, leverage synergies between our businesses and opportunistically evaluate inorganic opportunities. Our specific growth strategies for each of our business verticals are as follows:

*Our Animal Feed Business*

The animal feed industry in India is largely unorganized and we compete with multiple players in each geography in which we operate. Our strategy for our animal feed business is to focus on achieving cost leadership by improving the operational efficiency of our animal feed business through R&D as well as cost rationalization initiatives. Our R&D efforts are also focused on developing innovative livestock nutrition products that give us the product differentiation, which we believe will help us in improving our profit margins and market share. For example, we are carrying out R&D on use of biotechnology and enzymes to enhance the performance of our products while also developing low-cost unconventional raw materials for manufacturing animal feed. In addition, we have undertaken several initiatives to improve the efficiency of our operations by introducing cost saving measures such as use of biomass generated from the oil palm business for production of electricity and as an input ingredient in the animal feed business.

*Our Crop Protection Business*

Our strategy for growing our crop protection business is primarily focused on expanding our product portfolio. We have introduced new products in our crop protection business and we intend to continue our focus on introducing new products. Our R&D initiatives have increasingly focused on off patented chemistry synthesis, which we believe will help us in expanding our product portfolio.

We also intend to continue to leverage Astec LifeSciences portfolio of agro chemical technical (active ingredients) and formulations, such as triazoles, and sell them under the 'Godrej' brand through our strong distribution network. We have entered into an in-licensing arrangement with a major multi-national company to commercialize certain molecules and products in India. Further, as part of Astec LifeSciences' synthesis business, we perform contract development and manufacturing services for other agro chemical companies.

We also plan to focus on increasing the market share of our existing core products by developing products for additional crops and increasing our geographic presence. For example, we intend to achieve deeper market penetration and extend our target crop segment with our niche plant growth regulators ('Vipul', 'Double', 'Combine', 'Bountee', 'Zymegold') and cotton herbicide ('Hitweed') which we believe bring innovation over existing substitutes.

*Our Oil Palm Business*

Our strategy for oil palm business is to grow our presence in certain regions, create additional revenue streams from oil palm biomass and continue to focus on R&D to improve FFB yield. The GoI regulates the oil palm business in India and we participate in the Oil Palm Development Programme ("**OPDP**") for accessing the FFB produce from farmers in areas designated to us. We will opportunistically evaluate tenders issued under the OPDP and apply for additional areas to increase the area under oil palm cultivation that is accessible to us. We intend to diversify our oil palm business and create additional revenue streams and lower operational costs, including through the use of oil palm biomass in our animal feed business, which we believe will reduce our dependence on the prices of crude palm oil and crude palm kernel oil. We also intend to grow our presence in certain districts of Andhra Pradesh and Tamil Nadu, both organically and inorganically, and increase the area under oil palm, which is accessible to us.

We plan to continue to focus on R&D to improve FFB yields per hectare at our laboratory in Chintampalli, Andhra Pradesh. We also plan to continue providing targeted interventions for farmers whose farms are experiencing slow growth or low yields.

*Our Dairy Business*

Our growth strategy for dairy business is to: (i) increase our market share by growing our brand in southern states of India; (ii) increase the salience of our value-added product portfolio; (iii) automate a majority of our operations; and (iv) increase our procurement base.

We have undertaken several marketing initiatives to increase our market shares in existing markets by leveraging upon the strong marketing network as well as in-house expertise of the Godrej group. We focus on innovation to grow our value-added product portfolio and on developing new products to distinguish ourselves from our competitors as well as to introduce new products based on consumer preferences and demand. We intend to increase the share of our value-added product portfolio to cater to evolving consumer trends and are currently evaluating introducing new products in the UHT milk and flavored yogurt segments. We believe that we can increase our margins by focusing on increasing the sales of our value-added products in our current sales mix.

We currently procure milk from 37 districts across six states and propose to increase our milk procurement by setting up new collection centers to deepen our presence in existing areas as well as access new areas to procure milk. We also seek to strengthen our existing relationships with milk farmers and vendors through methods including providing farmers with cattle feed, assisting with veterinary health-care and vaccinations.

*Our Poultry and Processed Foods Business*

Our strategy for our poultry and processed foods business is to introduce new products and increase our product reach. We sell poultry and processed foods products and have a diverse customer base comprising retail customers, QSRs, fine dining restaurants, food service companies and hotels. We intend to continue to provide variants of existing, and new, value-added poultry products.

We believe that value-added products will continue to be one of the fastest growing and most profitable segments of the processed foods industry in India. We intend to produce value-added products that are tailored to market demand. We also expect considerable growth in demand from QSRs and modern retail stores. We believe the QSR market has been growing rapidly and provides a market for processed and value-added ready-to-eat and ready-to-cook products. Modern retail stores, which include super markets and hyper markets, are expected to increase demand for hygienically processed food products.

While we currently have a diverse distribution network to cater to our retail and institutional customers, we constantly seek to grow our product reach to under-penetrated geographies. We intend to appoint additional distributors to increase the availability of our products in certain regions in India.

***Continue to Grow our Overall Market Share by Leveraging our Presence in Existing Business Verticals***

We will continue to focus on improving our market share across all our business verticals. Since several sectors in which we operate are largely unorganized, we believe that cost leadership will be a key enabler for us to increase the market share of our products. We believe that our ability to increase our sales will be strengthened by our continued focus on offering a wide range of innovative products across all our business verticals.

We believe that our presence in key-agricultural verticals provides us with significant business inter-linkages and we intend to improve our overall operating efficiencies by leveraging strengths from our different businesses as well as benefit from the economies of scale. We believe that we can leverage our experience of operating in diverse agri-verticals to compete more effectively and improve our market share in each of our business verticals.

We also intend to improve our cost efficiency and productivity by implementing effective and efficient operational techniques. Our operations team, comprising experienced veterinarians, agronomists, plant engineers and senior management, adopts best practices in line with industry standards across our production facilities. We will continue to leverage our in-house technological and R&D capabilities to effectively manage our operations, maintain strict operational controls and enhance customer service levels.

***Inorganically Grow our Business Offerings***

We will evaluate inorganic growth opportunities, in keeping with our strategy to grow and develop our market share or to add new product categories. We may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, among other things, they

- consolidate our market position in existing business verticals;
- achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits;
- strengthen and expand our product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our sales and distribution network.

We have demonstrated the capability to operate joint ventures in and outside India with partners in our animal feed business in Bangladesh and poultry and processed foods business in India.

## SUMMARY OF FINANCIAL INFORMATION

*The following tables set forth the summary financial information derived from:*

*a.* *The consolidated Restated Financial Statements as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013; and*

*b.* *The standalone Restated Financial Statements as at and for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.*

*The Restated Financial Statements referred to above are presented under "Financial Statements" beginning on page 209. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 209 and 443, respectively.*

*[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]*

**Annexure I: Restated Consolidated Statement of Assets and Liabilities**

**(₹ in million)**

| **Particulars** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Property, Plant and Equipment | 12,220.52 | 10,987.26 | 5,224.59 | 4,395.86 | 2,872.76 |
| Capital work in progress | 502.08 | 620.23 | 1,380.49 | 1,491.57 | 1,245.83 |
| Goodwill | 1,948.67 | 1,948.67 | - | - | 10.14 |
| Other Intangible assets | 558.78 | 588.39 | 217.99 | 259.47 | 317.57 |
| Intangible assets under development | 2.34 | 18.05 | - | 0.73 | - |
| Biological assets other than bearer plants | 46.70 | 88.68 | 123.36 | 184.29 | 178.79 |
| Equity accounted investees | 1,754.50 | 1,547.05 | 1,492.14 | 1,287.60 | 1,102.16 |
| Financial Assets | | | | | |
| (i) Investments | 0.09 | 0.13 | 0.08 | 0.08 | 2.58 |
| (i) Trade receivables | - | - | - | - | - |
| (ii) Loans | 149.78 | 130.51 | 100.84 | 88.99 | 219.14 |
| (iii) Others | 49.19 | 58.02 | 17.71 | 17.46 | 16.59 |
| Deferred tax assets (net) | 67.81 | 117.09 | 110.33 | 24.78 | 23.32 |
| Other tax assets | 138.54 | 86.43 | 118.18 | 104.18 | 111.94 |
| Other non-current assets | 484.11 | 362.90 | 174.27 | 118.89 | 242.77 |
| **Total non current assets** | **17,923.11** | **16,553.41** | **8,959.98** | **7,973.90** | **6,343.59** |
| | | | | | |
| **Current Assets** | | | | | |
| Inventories | 7,380.68 | 6,665.39 | 3,887.79 | 3,192.82 | 2,781.93 |
| Financial Assets | | | | | |
| (i) Investments | - | 592.56 | 366.11 | - | - |
| (ii) Trade receivables | 5,219.50 | 4,545.12 | 2,692.49 | 2,258.53 | 1,817.74 |
| (iii) Cash and cash equivalents | 538.19 | 314.30 | 130.39 | 1,138.59 | 212.51 |
| (iv) Bank balance other than (iii) above | 84.78 | 105.34 | 44.53 | 6.42 | 6.41 |
| (v) Loans | 255.35 | 1,389.26 | 958.92 | 851.50 | 778.21 |
| (vi) Others | 112.14 | 544.87 | 132.84 | 129.31 | 45.12 |
| Current Tax assets (Net) | 4.13 | - | - | - | - |
| Other current assets | 626.45 | 519.00 | 353.12 | 207.48 | 155.45 |
| **Total current assets** | **14,221.22** | **14,675.84** | **8,566.19** | **7,784.65** | **5,797.37** |
| **I. TOTAL ASSETS** | **32,144.33** | **31,229.25** | **17,526.17** | **15,758.55** | **12,140.96** |

**Annexure I: Restated Consolidated Statement of Assets and Liabilities**

**(₹ in million)**

| **Particulars** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| | | | **INR million** | | |
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| Equity share capital | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| Other equity | 8,236.55 | 6,902.70 | 5,475.53 | 5,052.38 | 4,003.21 |
| (i) Retained earnings | 6,910.25 | 5,428.02 | 4,173.57 | 3,707.05 | 2,726.76 |
| (ii) Other reserves | 1,326.30 | 1,474.68 | 1,301.96 | 1,345.33 | 1,276.45 |
| **Equity attributable to equity holders of the parent** | 10,087.86 | 7,828.35 | 6,401.18 | 5,184.62 | 4,135.45 |
| Non-controlling interests | 2,540.68 | 2,322.50 | - | - | - |
| **Total equity** | **12,628.54** | **10,150.85** | **6,401.18** | **5,184.62** | **4,135.45** |
| | | | | | |
| **Liabilities** | | | | | |
| **Non current liabilities** | | | | | |
| Financial liabilities | | | | | |
| (i) Borrowings | 205.58 | 207.78 | 719.34 | 1,642.44 | 1,046.40 |
| (ii) Others | - | 65.37 | 44.60 | 11.15 | - |
| Long term provisions | 50.15 | 28.77 | 15.87 | 17.16 | 20.66 |
| Deferred tax liabilities(net) | 1,663.36 | 1,455.89 | 563.92 | 433.38 | 257.99 |
| Other non-current liabilities | 505.63 | 471.01 | 72.04 | 70.86 | 7.82 |
| **Total non current liabilities** | 2,424.72 | 2,228.82 | 1,415.77 | 2,174.99 | 1,332.87 |
| | | | | | |
| **Current liabilities** | | | | | |
| Financial liabilities | | | | | |
| (i) Borrowings | 6,392.53 | 12,604.94 | 6,123.61 | 4,552.91 | 3,704.63 |
| (ii) Trade Payables | 8,408.47 | 3,352.75 | 2,142.73 | 2,297.07 | 1,827.42 |
| (iii) Others | 1,692.66 | 2,218.52 | 1,047.59 | 1,120.26 | 840.35 |
| Other current liabilities | 382.10 | 500.50 | 275.35 | 326.32 | 229.06 |
| Short term provisions | 215.31 | 172.87 | 119.94 | 102.38 | 71.18 |
| Liabilities for current tax (net) | - | - | - | - | - |
| **Total current liabilities** | **17,091.07** | **18,849.58** | **9,709.22** | **8,398.94** | **6,672.64** |
| | | | | | |
| **Total liabilities** | **19,519.79** | **21,078.40** | **11,124.99** | **10,573.93** | **8,005.51** |
| | | | | | |
| **II. TOTAL EQUITY AND LIABILITIES** | **32,144.33** | **31,229.25** | **17,526.17** | **15,758.55** | **12,140.96** |

**Annexure II: Restated Consolidated Statement of Profit and Loss**

(₹ in million)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| I. Revenue from Operations | 49,264.02 | 37,549.55 | 33,118.24 | 31,024.73 | 27,608.75 |
| II. Other income | 568.96 | 627.14 | 136.64 | 149.41 | 106.96 |
| **III. Total Revenue** | **49,832.98** | **38,176.69** | **33,254.88** | **31,174.14** | **27,715.71** |
| | | | | | |
| **IV. Expenses** | | | | | |
| Cost of materials consumed | 36,171.24 | 28,571.49 | 25,062.48 | 23,370.56 | 21,550.29 |
| Purchases of Stock-in-Trade | 1,836.28 | 1,735.13 | 1,464.01 | 1,908.76 | 1,172.67 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | (46.05) | (855.40) | (369.61) | (238.13) | (290.52) |
| Excise duty | 153.15 | 47.98 | - | - | 3.64 |
| Employee Benefits Expenses | 2,327.49 | 1,556.82 | 1,334.01 | 1,297.56 | 1,042.49 |
| Finance costs | 863.42 | 976.70 | 654.64 | 402.89 | 485.12 |
| Depreciation and Amortisation Expenses | 746.65 | 523.75 | 369.76 | 275.74 | 193.20 |
| Other Expenses | 4,441.50 | 3,528.63 | 2,568.01 | 2,271.47 | 2,184.46 |
| **Total Expenses** | **46,493.68** | **36,085.10** | **31,083.30** | **29,288.85** | **26,341.35** |
| **V. Profit before share of net profits of investments accounted for using equity method and tax** | **3,339.30** | **2,091.59** | **2,171.58** | **1,885.29** | **1,374.36** |
| Share of equity-accounted investees, net of tax | 187.46 | 326.58 | 169.66 | 186.02 | (7.36) |
| **VI. Profit Before exceptional items and tax** | 3,526.76 | 2,418.17 | 2,341.24 | 2,071.31 | 1,367.00 |
| VII. Exceptional Items | 200.00 | 945.93 | 364.48 | - | - |
| **VIII. Profit before tax** | 3,726.76 | 3,364.10 | 2,705.72 | 2,071.31 | 1,367.00 |
| **IX. Tax expense:** | | | | | |
| Current Tax | 743.75 | 484.95 | 550.62 | 430.98 | 273.98 |
| Deferred Tax | 247.71 | 269.40 | 54.65 | 75.19 | 127.22 |
| **X. Profit for the period** | **2,735.30** | **2,609.75** | **2,100.45** | **1,565.14** | **965.80** |

**Annexure II: Restated Consolidated Statement of Profit and Loss**

**(₹ in million)**

| **Particulars** | **For the year ended March 31, 2017** | **For the year ended March 31, 2016** | **For the year ended March 31, 2015** | **For the year ended March 31, 2014** | **For the year ended March 31, 2013** |
|---|---|---|---|---|---|
| | | | | | |
| **X. Other comprehensive income** | | | | | |
| | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | |
| Remeasurements of defined benefit liability | (39.36) | (20.17) | (22.82) | (1.43) | (17.28) |
| Equity accounted investee's share of other comprehensive income | (2.37) | 1.53 | 1.72 | (0.65) | 0.86 |
| Income tax related to items that will not be reclassifed to profit or loss | 14.44 | 8.92 | 7.17 | 0.70 | 5.58 |
| | | | | | |
| **Items that will be reclassified to profit or loss** | | | | | |
| Foreign operations – foreign currency translation differences | 0.57 | (11.98) | (10.50) | (26.42) | (19.33) |
| Deferred gains/(losses) on cash flow hedges | 31.52 | - | - | - | - |
| Income tax related to items that will be reclassifed to profit or loss | (10.91) | - | - | - | - |
| | | | | | |
| **Other comprehensive income (net of tax)** | **(6.11)** | **(21.70)** | **(24.43)** | **(27.80)** | **(30.17)** |
| | | | | | |
| **XII. Total comprehensive income for the year** | **2,729.19** | **2,588.05** | **2,076.02** | **1,537.34** | **935.63** |
| | | | | | |
| **Profit attributable to:** | | | | | |
| Equity holders of the Company | 2,487.70 | 2,639.25 | 2,100.45 | 1,565.14 | 965.80 |
| Non-controlling interest | 247.60 | (29.50) | - | - | - |
| | | | | | |
| **XIII. Total comprehensive income attributable to:** | | | | | |
| Total other comprehensive income attributable to Equity holders of the Company | (2.58) | (22.70) | (24.43) | (27.80) | (30.17) |
| Non-controlling interest | (3.53) | 1.00 | - | - | - |
| | | | | | |
| Equity holders of the Company | 2,485.12 | 2,616.55 | 2,076.02 | 1,537.34 | 935.63 |
| Non-controlling interest | 244.07 | (28.50) | - | - | - |
| | | | | | |
| | | | | | |
| **XIV. Earnings per equity share** | | | | | |
| Basic | 11.42 | 9.78 | 8.98 | 7.13 | 1.20 |
| Diluted | 10.92 | 9.35 | 8.58 | 6.81 | 1.19 |

**Annexure IV: Restated Consolidated Statement of Cash flows**

(₹ in million)

| | Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| A. | **Cash Flow from Operating Activities :** | | | | | |
| | Net Profit Before Taxes | **3,726.76** | **3,364.10** | **2,705.72** | **2,071.31** | **1,367.00** |
| | Adjustment for: | | | - | - | - |
| | Depreciation | 746.65 | 523.75 | 369.76 | 275.74 | 193.20 |
| | (Profit)/loss on sale of fixed assets | 23.81 | (49.27) | (5.27) | (19.57) | 1.47 |
| | (Profit)/loss on sale of investments | (279.90) | (257.19) | - | - | (0.08) |
| | Unrealised foreign exchange and MTM gain/loss | (11.04) | 5.79 | 11.32 | (5.87) | (7.71) |
| | Dividend income | (0.00) | (0.17) | - | - | - |
| | Grant amortization | (11.62) | (12.14) | (4.73) | (0.95) | (0.45) |
| | Interest income | (148.01) | (91.61) | (34.26) | (28.39) | (25.71) |
| | Employee share based compensation cost | 8.77 | 9.24 | - | - | - |
| | Share of equity-accounted investees, net of tax | (187.46) | (326.58) | (169.66) | (186.02) | 7.36 |
| | Acturial gains and losses | (39.36) | (20.17) | (22.82) | (1.43) | (17.28) |
| | Guarantee commission | - | (0.95) | (1.07) | (1.05) | (0.85) |
| | Finance Cost | 863.42 | 976.70 | 654.64 | 402.89 | 485.12 |
| | Provision for Doubtful Debts and Advances | 53.77 | 24.42 | (9.47) | (7.79) | (3.61) |
| | Exceptional /Other Income | (198.37) | (945.93) | (364.48) | (2.72) | - |
| | Fair value of investment | - | (85.54) | 24.89 | (7.40) | 6.09 |
| | Employee Cost (Issue of Sweat equity Shares) | - | - | - | - | - |
| | Bad Debts Written off | 80.07 | 48.97 | 42.71 | 60.53 | 59.98 |
| | | **900.73** | **(200.68)** | **491.56** | **477.97** | **697.53** |
| | | | | | | |
| | **Operating Profit Before Working Capital Changes** | **4,627.49** | **3,163.42** | **3,197.28** | **2,549.28** | **2,064.53** |
| | Adjustments for: | | | | | |
| | Inventories | (752.50) | (1,292.13) | (642.67) | (522.58) | (878.02) |
| | Biological assets other than bearer plants | 41.98 | 34.68 | 8.64 | 17.41 | (36.59) |
| | Trade Receivables | (820.35) | (1,217.14) | (465.22) | (499.48) | (630.90) |
| | Long Term Loans and Advances and Other Non-current Assets | 2,299.38 | 45.66 | 9.10 | 143.66 | 260.12 |
| | Short Term Loans and Advances and Other Current Assets | (101.00) | 825.39 | (52.19) | 56.96 | 137.26 |
| | Trade Payables & Other Current Liabilities | 5,099.40 | 525.58 | (131.00) | 482.29 | 292.43 |
| | Long Term Provisions and Other Long Term Liabilities | (32.62) | 10.64 | (2.23) | 9.13 | (16.38) |
| | Short Term Provisions and Other Short Term Liabilities | (589.17) | 42.98 | (276.64) | 283.38 | (416.31) |
| | | **5,145.12** | **(1,024.34)** | **(1,551.21)** | **(29.23)** | **(1,288.39)** |
| | | | | | | |
| | **Cash Generated from Operations** | **9,772.61** | **2,139.08** | **1,645.07** | **2,520.05** | **776.14** |
| | Direct Taxes paid (net of refunds received) | (799.58) | (455.89) | (556.79) | (421.18) | (330.99) |
| | **Net Cash Flow from Operating Activities** | **8,973.03** | **1,683.19** | **1,088.28** | **2,098.87** | **445.15** |
| B. | **Cash Flow from Investing Activities :** | | | | | |
| | Capital subsidy received | - | 30.00 | 5.00 | 20.58 | - |
| | Acquisition of fixed assets | (2,048.98) | (1,331.81) | (1,118.48) | (1,878.81) | (1,594.28) |
| | Proceeds from sale of fixed assets | 99.84 | 78.95 | 19.81 | 40.75 | 7.89 |
| | Intercorporate Deposits Given | 300.00 | (715.30) | (110.03) | (64.00) | (120.00) |
| | Purchase of Investments | (258.99) | (47.49) | (130.75) | (67.74) | (7.52) |
| | Acquisition of subsidiaries, net of cash acquired (Refer note xx) | - | (3,013.73) | - | - | - |
| | Proceeds from sale of investments | 868.57 | 628.50 | - | - | 0.46 |
| | Deposits Redeemed | 24.13 | - | - | - | - |
| | Other Income | - | 4.98 | - | - | - |
| | Interest Received | 147.24 | 87.77 | 27.83 | 46.64 | 43.03 |
| | Dividend Received | 0.00 | 0.17 | - | - | - |

| | Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| | Adjustments on Merger/Demerger of Business | - | - | - | (5.42) | - |
| | **Net Cash Flow from Investing Activities** | **(868.19)** | **(4,277.96)** | **(1,306.62)** | **(1,908.00)** | **(1,670.42)** |
| | | | | | | |
| **C.** | **Cash Flow from Financing Activities :** | | | | | |
| | Proceeds from Issue of Equity Shares | 7.83 | 39.00 | - | - | 1,093.29 |
| | Merger Expenses charged directly to Reserves | - | (1.94) | - | - | - |
| | Share Issue Expenses charged directly to Reserves | - | - | - | (5.43) | (62.61) |
| | Redemption of Preference Share Capital | - | (35.00) | - | - | - |
| | Repayment of Short Term Borrowings | (11,406.59) | (6,192.16) | (4,478.93) | (3,605.64) | (4,190.08) |
| | Proceeds from Short Term Borrowings | 4,806.10 | 10,955.97 | 6,087.58 | 4,457.33 | 3,705.64 |
| | Repayment of Long Term Borrowings | (60.18) | (823.31) | (1,602.70) | (501.53) | - |
| | Proceeds from Long Term Borrowings | (366.41) | 807.00 | 680.00 | 1,100.00 | 1,202.30 |
| | Finance Cost | (861.42) | (971.62) | (650.28) | (421.40) | (502.63) |
| | Transactions with non-controlling interests | - | (452.78) | - | - | - |
| | Dividend Paid | - | (451.88) | (705.61) | (251.25) | - |
| | Dividend Tax Paid | - | (89.42) | (119.92) | (42.70) | - |
| | **Net Cash Flow from Financing Activities** | **(7,880.67)** | **2,783.86** | **(789.86)** | **729.38** | **1,245.91** |
| | | | | | | |
| | **Net increase in Cash and Cash equivalents** | **224.17** | **189.09** | **(1,008.20)** | **920.25** | **20.64** |
| | **Cash and Cash equivalents (Opening balance)** | 314.30 | 130.39 | 1,138.59 | 212.51 | 191.87 |
| | **Less: Opening Cash & Cash equivalents removed** | (0.28) | - | - | - | - |
| | **Add: Cash & Cash equivalents Acquired during the year** | - | - | - | - | - |
| | **Cash and Cash equivalents (Opening balance taken over)** | - | - | - | - | - |
| | Seeds business of Godrej Seeds and Genetics Limited | - | - | - | - | - |
| | Goldmuhor Agrochem & Feeds Limited | - | - | - | 4.51 | - |
| | Golden Feed Products Limited | - | - | - | 1.32 | - |
| | Cash & Cash Equivalent removed of subsidiary disposed off | - | (5.18) | - | - | - |
| | **Cash and Cash equivalents (Closing balance)** | 538.19 | 314.30 | 130.39 | 1,138.59 | 212.51 |

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Cash Flow Statement notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards) Rules 2015 and the relevant provisions of the Act.

2. During the previous year the group has acquired Creamline Dairy Product Limited and Astec Lifescience Limited (Refer Note No.XX).The figures of the previous year to that extent are not comparable with those of current year.

3. Figures in bracket indicate cash outflow.

**Annexure I: Restated Standalone Statement of Assets and Liabilities**

**(₹ in million)**

| **Particulars** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| **ASSETS** | | | | | |
| **Non-current assets** | | | | | |
| Property, Plant and Equipment | 6,880.78 | 6,653.51 | 5,093.78 | 4,270.76 | 2,823.22 |
| Capital work-in-progress | 300.91 | 369.52 | 1,380.49 | 1,491.57 | 1,245.83 |
| Investment Property | - | - | - | - | - |
| Goodwill | - | - | - | - | - |
| Other Intangible assets | 115.98 | 164.58 | 217.99 | 259.47 | 317.57 |
| Intangible assets under development | 2.34 | 1.49 | - | 0.73 | - |
| Biological assets other than bearer plants | 46.70 | 88.68 | 123.36 | 184.29 | 178.79 |
| Financial Assets | | | | | |
| (i) Investments | | | | | |
| Investments in Subsidiary, Associate and Joint Venture | 5,059.84 | 4,801.39 | 1,091.64 | 994.18 | 1,318.85 |
| Other investments | 0.04 | 0.04 | 35.08 | 0.08 | 5.05 |
| (ii) Trade receivables | - | - | - | - | - |
| (ii) Loans | 109.00 | 99.79 | 100.84 | 88.98 | 218.35 |
| (iii) Others | 17.49 | 17.35 | 17.72 | 17.52 | 16.45 |
| Deferred tax assets (net) | 50.93 | 82.31 | 106.97 | 23.97 | 21.43 |
| Other tax assets | 103.75 | 93.63 | 118.44 | 104.18 | 111.53 |
| Other non-current assets | 180.87 | 139.60 | 173.53 | 175.77 | 213.10 |
| **Total non current assets** | **12,868.63** | **12,511.89** | **8,459.84** | **7,611.50** | **6,470.17** |
| | | | | | |
| **Current Assets** | | | | | |
| Inventories | 5,730.44 | 5,228.40 | 3,869.97 | 3,187.11 | 2,634.84 |
| Financial Assets | | | | | |
| (i) Investments | - | 16.28 | 366.11 | - | - |
| (ii) Trade receivables | 4,074.45 | 3,661.70 | 2,667.81 | 2,244.18 | 1,779.68 |
| (iii) Cash and cash equivalents | 373.72 | 194.65 | 118.32 | 1,131.27 | 209.72 |
| (iv) Bank balance other than (iii) above | 70.90 | 67.33 | 44.53 | 6.42 | 6.41 |
| (v) Loans | 343.53 | 1,371.45 | 1,028.05 | 950.48 | 766.77 |
| (vi) Others | 104.75 | 548.90 | 136.81 | 107.39 | 45.11 |
| Current Tax Assets (Net) | - | - | - | - | - |
| Other current assets | 422.05 | 315.52 | 353.12 | 229.40 | 348.91 |
| **Total current assets** | **11,119.84** | **11,404.23** | **8,584.72** | **7,856.25** | **5,791.44** |
| **TOTAL ASSETS** | **23,988.47** | **23,916.12** | **17,044.56** | **15,467.75** | **12,261.61** |

**Annexure I: Restated Standalone Statement of Assets and Liabilities**

**(₹ in million)**

| **Particulars** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | |
| **Equity** | | | | | |
| (a) Equity share capital | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| (b) Other equity | 7,174.86 | 6,052.47 | 4,990.84 | 4,731.15 | 4,055.47 |
| **Total equity** | **9,026.17** | **6,978.12** | **5,916.49** | **4,863.39** | **4,187.71** |
| | | | | | |
| **Liabilities** | | | | | |
| **Non current liabilities** | | | | | |
| Financial liabilities | | | | | |
| (i) Borrowings | 67.07 | 68.91 | 719.34 | 1,642.44 | 1,046.40 |
| (ii) Others | 0.01 | 65.37 | 44.60 | 11.15 | - |
| Provisions | 30.96 | 18.35 | 15.87 | 17.16 | 16.61 |
| Deferred tax liabilities(net) | 729.44 | 609.66 | 589.15 | 466.68 | 392.65 |
| Other non-current liabilities | 132.53 | 123.97 | 72.04 | 70.86 | 7.82 |
| **Total non current liabilities** | 960.01 | 886.26 | 1,441.00 | 2,208.29 | 1,463.48 |
| | | | | | |
| **Current liabilities** | | | | | |
| Financial liabilities | | | | | |
| (i) Borrowings | 4,749.75 | 11,406.59 | 6,123.61 | 4,552.91 | 3,704.63 |
| (ii) Trade payables | 7,462.85 | 2,341.75 | 2,123.23 | 2,294.63 | 1,818.24 |
| (iii) Other financial liabilities | 1,262.37 | 1,797.06 | 1,047.55 | 1,120.29 | 788.92 |
| Other current liabilities | 320.39 | 382.61 | 272.72 | 325.84 | 228.41 |
| Provisions | 206.93 | 123.73 | 119.96 | 102.40 | 70.22 |
| Current Tax Liabilities (Net) | | | | | |
| **Total current liabilities** | **14,002.29** | **16,051.74** | **9,687.07** | **8,396.07** | **6,610.42** |
| | | | | | |
| **Total liabilities** | **14,962.30** | **16,938.00** | **11,128.07** | **10,604.36** | **8,073.90** |
| | | | | | |
| **Total Equity and Liabilities** | **23,988.47** | **23,916.12** | **17,044.56** | **15,467.75** | **12,261.61** |

**Annexure II: Restated Standalone Statement of Profit and Loss**

**(₹ in million)**

| **Particulars** | **For the year ended March 31, 2017** | **For the year ended March 31, 2016** | **For the year ended March 31, 2015** | **For the year ended March 31, 2014** | **For the year ended March 31, 2013** |
|---|---|---|---|---|---|
| | | | | | |
| I. Revenue from Operations | 36,160.54 | 33,659.89 | 33,067.15 | 30,992.41 | 27,609.00 |
| II. Other income | 531.10 | 540.58 | 149.75 | 148.87 | 109.58 |
| **III. Total Income (I+II)** | **36,691.64** | **34,200.47** | **33,216.90** | **31,141.28** | **27,718.58** |
| **Expenses** | | | | | |
| Cost of materials consumed | 26,389.15 | 25,041.64 | 25,058.03 | 23,284.48 | 21,551.88 |
| Purchases of Stock-in-Trade | 1,836.05 | 1,745.22 | 1,420.97 | 2,069.39 | 1,189.66 |
| Changes in inventories of finished goods, Stock-in-trade and work-in-progress | 74.20 | (248.25) | (357.51) | (315.47) | (255.10) |
| Employee Benefits expenses | 1,647.00 | 1,351.17 | 1,328.01 | 1,287.95 | 1,037.04 |
| Finance costs | 680.36 | 910.81 | 654.15 | 397.62 | 482.46 |
| Depreciation and amortisation expenses | 488.37 | 441.62 | 369.75 | 273.66 | 192.18 |
| Other expenses | 2,988.93 | 2,851.52 | 2,563.82 | 2,257.67 | 2,133.28 |
| **IV. Total Expenses** | **34,104.06** | **32,093.73** | **31,037.22** | **29,255.30** | **26,331.40** |
| V. Profit Before Exceptional items and tax | 2,587.58 | 2,106.74 | 2,179.68 | 1,885.98 | 1,387.18 |
| VI. Exceptional Items | 200.00 | - | 346.47 | - | - |
| **VII. Profit Before Tax (V-VI)** | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| **VIII. Tax expense:** | **720.43** | **505.50** | **598.81** | **508.50** | **415.44** |
| 1. Current Tax | 568.44 | 450.17 | 549.47 | 430.36 | 273.83 |
| 2. Deferred Tax | 151.99 | 55.33 | 49.34 | 78.14 | 141.61 |
| **IX. Profit for the year after tax (VII-VIII)** | **2,067.15** | **1,601.24** | **1,927.34** | **1,377.48** | **971.74** |
| **X. Other comprehensive income** | | | | | |
| | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | |
| Remeasurements of defined benefit liability | (27.80) | (23.54) | (22.82) | (1.43) | (17.28) |
| Current tax on remeasurements of defined benefit liability | | | | | |
| Amortization of intangible assets charged to general reserves as per court scheme | | | | | |
| Associate's share of other comprehensive income | | | | | |
| Exchange difference arising on currency translation | | | | | |
| Income tax related to items that will not be reclassifed to profit or loss | 9.62 | 8.15 | 7.76 | 0.49 | 5.87 |
| | (18.18) | (15.39) | (15.06) | (0.94) | (11.41) |
| **Items that will be reclassified to profit or loss** | | | | | |
| Exchange difference arising on currency translation cash flow hedge reserve | 32.11 | - | - | - | - |
| Income tax related to items that will be reclassifed to profit or loss | (11.11) | - | - | - | - |
| | 21.00 | - | - | - | - |
| | | | | | |
| **Other comprehensive income (net of tax)** | 2.82 | (15.39) | (15.06) | (0.94) | (11.41) |
| | | | | | |
| **XI. Total comprehensive income for the year** | **2,069.97** | **1,585.85** | **1,912.28** | **1,376.54** | **960.33** |
| | | | | | |
| **XII. Earnings per equity share** | | | | | |
| Basic | 9.04 | 8.24 | 8.11 | 4.96 | 1.23 |
| Diluted | 8.65 | 7.87 | 7.75 | 4.74 | 1.22 |

**Annexure III: Restated Standalone Statement of Cash flows**

**(₹ in million)**

| | **Particulars** | **For the year ended March 31, 2017** | **For the year ended March 31, 2016** | **For the year ended March 31, 2015** | **For the year ended March 31, 2014** | **For the year ended March 31, 2013** |
|---|---|---|---|---|---|---|
| **A.** | **Cash Flow from Operating Activities :** | | | | | |
| | Net Profit Before Taxes | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| | Adjustment for: | | | - | - | - |
| | Depreciation | 488.37 | 441.62 | 369.75 | 273.66 | 192.18 |
| | (Profit) / Loss on sale of fixed assets | (13.32) | (48.88) | (5.27) | (19.57) | 1.46 |
| | Profit on sale of Investments (net) | (293.76) | (257.19) | - | - | (0.08) |
| | Unrealised foreign exchange gain/loss | 4.50 | (0.47) | 30.83 | (32.08) | (2.74) |
| | Dividend income | (0.00) | (19.02) | (6.25) | (8.93) | (7.50) |
| | Grant amortisation | (8.11) | (8.70) | (4.73) | (0.95) | (0.45) |
| | Interest income | (103.09) | (78.83) | (41.09) | (28.21) | (26.14) |
| | Employee share based compensation cost | - | - | - | - | - |
| | Acturial gains and losses | (27.80) | (23.54) | (22.82) | (1.43) | (17.28) |
| | Guarantee commission | - | (0.95) | (1.07) | (1.05) | (0.85) |
| | MTM Derivative (gain)/ loss | - | - | (20.45) | 26.22 | (4.97) |
| | Finance Cost | 680.36 | 910.81 | 654.15 | 397.62 | 482.46 |
| | Provision for Doubtful Debts and Advances | 40.89 | 20.72 | (9.47) | (7.79) | (3.61) |
| | | | | | | |
| | Claims received | (3.63) | (4.74) | (3.41) | (7.87) | (0.57) |
| | Extraordinary Income | (200.00) | - | (346.47) | - | - |
| | Reversal of Temporary Diminution in Value of Current Investment | - | - | 19.90 | - | - |
| | Bad Debts Written off | 63.01 | 42.91 | 42.28 | 60.53 | 59.98 |
| | | **627.42** | **973.74** | **655.88** | **650.15** | **671.89** |
| | | | | - | - | - |
| | **Operating Profit Before Working Capital Changes** | 3,415.00 | 3,080.48 | 3,182.03 | 2,536.13 | 2,059.07 |
| | Adjustments for: | | | - | - | - |
| | Inventories | (502.03) | (1,358.43) | (630.57) | (520.19) | (858.71) |
| | Biological assets other than bearer plants | 41.98 | 34.68 | 8.64 | 17.41 | (36.59) |
| | Trade Receivables | (518.26) | (1,058.77) | (454.46) | (488.73) | (622.39) |
| | Long Term Loans and Advances and Other Non-current Assets | (30.21) | 14.69 | 7.69 | 86.16 | 263.19 |
| | Short Term Loans and Advances and Other Current Assets | 1,565.60 | (250.17) | (241.66) | (54.89) | 147.35 |
| | Trade Payables | 5,124.35 | 225.59 | (546.69) | 471.37 | 312.59 |
| | Long Term Provisions and Other Long Term Liabilities | (27.75) | 23.27 | 32.16 | 9.13 | (7.99) |
| | Short Term Provisions and Other Short Term Liabilities | (490.26) | 137.05 | (109.28) | 267.47 | (251.35) |
| | | 5,163.42 | (2,232.09) | (1,934.17) | (212.27) | (1,053.90) |
| | | | | | | |
| | **Cash Generated from Operations** | 8,578.42 | 848.39 | 1,247.86 | 2,323.86 | 1,005.17 |
| | Direct Taxes paid (net of refunds received) | (566.18) | (414.76) | (555.88) | (421.18) | (330.65) |
| | **Net Cash Flow from Operating Activities** | **8,012.24** | **433.63** | **691.98** | **1,902.68** | **674.52** |

**Annexure III: Restated Standalone Statement of Cash flows**

**(₹ in million)**

| | **Particulars** | **For the year ended March 31, 2017** | **For the year ended March 31, 2016** | **For the year ended March 31, 2015** | **For the year ended March 31, 2014** | **For the year ended March 31, 2013** |
|---|---|---|---|---|---|---|
| **B.** | **Cash Flow from Investing Activities :** | | | | | |
| | Capital subsidy received | - | 30.00 | 5.00 | 20.58 | - |
| | Acquisition of fixed assets | (743.30) | (992.52) | (1,113.88) | (1,753.72) | (1,593.30) |
| | Proceeds from sale of fixed assets | 92.27 | 77.16 | 19.80 | 40.75 | 7.89 |
| | Intercorporate Deposits Given | - | (357.80) | (110.03) | (64.00) | (120.00) |
| | Purchase of Investments | (258.99) | (3,690.09) | (172.00) | (77.21) | (49.01) |
| | Proceeds from sale of investments | 310.57 | 623.35 | - | - | 0.46 |
| | Interest Received | 103.09 | 78.16 | 40.85 | 36.48 | 34.27 |
| | Dividend Received | 0.00 | 19.03 | 6.26 | 8.93 | 7.50 |
| | **Net Cash Flow from Investing Activities** | **(496.36)** | **(4,212.71)** | **(1,324.00)** | **(1,788.19)** | **(1,712.19)** |
| | | | | | | |
| **C.** | **Cash Flow from Financing Activities :** | | | | | |
| | Proceeds from Issue of Equity Shares | 5.87 | - | - | - | 1,127.29 |
| | Merger Expenses charged directly to Reserves | - | (1.94) | - | (5.43) | - |
| | Share Issue Expenses charged directly to Reserves | - | - | - | - | (62.61) |
| | Repayment of Short Term Borrowings | (11,406.59) | (6,192.16) | (39.13) | (350.00) | (1,402.15) |
| | Proceeds from Short Term Borrowings | 4,749.75 | 11,368.64 | 2,065.82 | 1,258.03 | 892.10 |
| | Repayment of Long Term Borrowings | (37.74) | (683.11) | (1,602.70) | (501.53) | - |
| | Proceeds from Long Term Borrowings | 67.07 | 750.00 | 680.00 | 1,100.00 | 1,000.00 |
| | Finance Cost | (715.17) | (892.48) | (659.39) | (405.89) | (490.61) |
| | Dividend Paid | - | (410.06) | (705.61) | (251.25) | - |
| | Dividend Tax Paid | - | (83.48) | (119.92) | (42.70) | - |
| | **Net Cash Flow from Financing Activities** | (7,336.81) | 3,855.41 | (380.93) | 801.23 | 1,064.02 |
| | | | | | | |
| | **Net increase in Cash and Cash equivalents** | **179.07** | **76.33** | **(1,012.95)** | **915.72** | **26.35** |
| | | | | **-** | **-** | **-** |
| | **Cash and Cash equivalents (Opening balance)** | 194.65 | 118.32 | 1,131.27 | 209.72 | 183.37 |
| | **Less: Opening Cash & Cash equivalents removed** | - | - | - | - | - |
| | | - | - | - | - | - |
| | **Cash and Cash equivalents (Opening balance taken over)** | - | - | - | - | - |
| | Goldmuhor Agrochem & Feeds Limited | - | - | - | 4.51 | - |
| | Golden Feed Products Limited | - | - | - | 1.32 | - |
| | **Cash and Cash equivalents (Closing balance)** | 373.72 | 194.65 | 118.32 | 1,131.27 | 209.72 |

## THE ISSUE

The following table summarises the Issue details:

| | |
|---|---|
| Issue of Equity Shares* | Up to [●] Equity Shares, aggregating up to ₹[●] million |
| *of which* | |
| Fresh Issue(1) | Up to [●] Equity Shares, aggregating up to ₹3,000 million |
| Offer for Sale(2) | Up to [●] Equity Shares, aggregating up to ₹[●] million |
| | |
| *of which* | |
| Employee Reservation Portion | Up to [●] Equity Shares, aggregating up to ₹ 200 million |
| | |
| A) QIB Portion(3)(4) | Not more than [●] Equity Shares |
| *of which:* | |
| Anchor Investor Portion | Not more than [●] Equity Shares |
| Net QIB Portion i.e. balance available for allocation to QIBs other than Anchor Investors (assuming the Anchor Investor Portion is fully subscribed) | [●] Equity Shares |
| *of which:* | |
| Available for allocation to Mutual Funds only (5% of the Net QIB Portion) | [●] Equity Shares |
| Balance for all QIBs including Mutual Funds | [●] Equity Shares |
| | |
| B) Non-Institutional Portion | Not less than [●] Equity Shares |
| C) Retail Portion | Not less than [●] Equity Shares |
| | |
| **Pre and post-Issue Equity Shares** | |
| Equity Shares outstanding prior to the Issue* | 185,130,876 Equity Shares |
| | |
| Equity Shares proposed to be issued under ESPS(5) | Upto 405,500 Equity Shares aggregating up to ₹[●] million |
| | |
| Equity Shares outstanding after the Issue(6) | [●] Equity Shares |
| | |
| **Use of Net Proceeds** | See "*Objects of the Issue*" beginning on page 87 for information about the use of the proceeds from the Fresh Issue.<br>Our Company will not receive any proceeds from the Offer for Sale. |

* *Pursuant to the resolutions passed by the Board and the Shareholders on July 18, 2017, our Company may, in consultation with the BRLMs, may issue and allot up to 560,000 Equity Shares for an amount not exceeding ₹ 252 million through a private placement to the identified employees of certain of our Group Companies, prior to filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post-Issue paid-up Equity Share capital of our Company being offered to the public.*

Allocation to all categories, except the Anchor Investor Portion and the Retail Portion, if any, shall be made on a proportionate basis. For further details, see "*Issue Procedure - Basis of Allotment*" beginning on page 552.

*(1) The Fresh Issue has been authorized by a resolution of our Board dated May 12, 2017 and a resolution of our Shareholders in their EGM dated May 12, 2017.*

*(2) The Offer for Sale has been authorised by the Selling Shareholders as follows:*

| ***Sr. No.*** | ***Selling Shareholder*** | ***Offer for Sale*** | ***Date of consent/authorisation*** |
|---|---|---|---|
| *1.* | *Godrej Industries Limited* | *Up to [●] Equity Shares aggregating up to ₹3,000 million* | *June 28, 2017 and July 12, 2017* |
| *2.* | *V-Sciences Investments Pte Ltd* | *Up to 12,300,000 Equity Shares aggregating up to ₹[●] million* | *July 18, 2017* |
| | ***Total*** | *[●]* | |

(3) *The Promoter Selling Shareholder specifically confirm that the portion of the Equity Shares offered by it are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations. The Investor Selling Shareholder specifically confirms that the V-Sciences' Offered Shares are eligible for being offered in the Offer for Sale, in terms of Regulation 26 (6) of the SEBI ICDR Regulations.*

(4) *Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. In case of non-Allotment in the Anchor Investor Portion, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. However, if the aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For further details, see "Issue Procedure" beginning on page 523.*

(5) *[●] Equity Shares aggregating to ₹ 200 million shall be made available for allocation on a proportionate basis to the Eligible Employees bidding in the Employee Reservation portion, subject to valid Bids being received at or above the Issue Price. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 500,000, shall be added to the Net Issue.*

(6) *The issue of Equity Shares under ESPS has been authorized pursuant to a resolution of our Board dated July 18, 2017 and a resolution of our Shareholders in their EGM dated July 18, 2017.*

(7) *Equity Shares outstanding after the Issue includes the Equity Shares issued in the Fresh Issue, Pre-IPO and Equity Shares issued under the ESPS.*

## GENERAL INFORMATION

Our Company was incorporated as Godrej Agrovet Private Limited on November 25, 1991, in the state of Gujarat as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word "private" was struck off from the name of our Company with effect from April 27, 1992. Pursuant to our Company passing a resolution under Section 21 of the Companies Act, 1956 on March 4, 1994, our Company was registered as a public limited company with effect from August 26, 1994. Subsequently, the Registrar of Companies, Gujarat issued a fresh certificate of incorporation dated February 19, 2002 consequent upon conversion, recording the change of our Company's name to 'Godrej Agrovet Limited'. For details of changes in the name and Registered Office, see "*History and Certain Corporate Matters*" beginning on page 143. For details of the business of our Company, see "*Our Business*" beginning on page 122.

**Registered and Corporate Office**

Godrej Agrovet Limited
Godrej One
3rd Floor, Pirojshanagar
Eastern Express Highway
Vikhroli (East), Mumbai 400 079
Tel: (91 22) 2519 4416
Fax: (91 22) 2519 5124
Email: gavlinvestors@godrejagrovet.com
Website: www.godrejagrovet.com
Corporate Identity Number: U15410MH1991PLC135359
Registration Number: 135359

**Address of the RoC**

Our Company is registered with the Registrar of Companies located at 100, Everest, Marine Drive, Mumbai - 400 002.

**Board of Directors**

The following table sets forth the details relating to our Board as on the date of this Draft Red Herring Prospectus:

| Name | Designation | DIN | Address |
|---|---|---|---|
| Nadir B. Godrej | Chairman and Non Executive Director | 00066195 | 40-D, 2nd Floor, B.G. Kher Marg, Malabar Hill, Mumbai 400 006 |
| Adi B. Godrej | Non Executive Director | 00065964 | 67-H, Aasharaye Godrej House, Walkeshwar Road, Mumbai 400 006 |
| Jamshyd N. Godrej | Non Executive Director | 00076250 | 40-D, Ridge Road, Mumbai 400 006 |
| Vijay M. Crishna | Non Executive Director | 00066267 | A-261, Grand Paradi Apartments, August Kranti Marg, Mumbai 400 036 |
| Tanya A. Dubash | Non Executive Director | 00026028 | 89-B, Hasman Bunglow, Bhulabhai Desai Road, Mumbai 400 026 |
| Nisaba Godrej | Non Executive Director | 00591503 | 4501, Strata, Planet Godrej, K.K. Marg, Mahalaxmi East, Mumbai 400 011 |
| Kavas N. Petigara | Independent Director | 00066162 | 801, Citadel, 18-B, Ruparel Marg, Malabar Hill, Mumbai 400 006 |
| Sudhir L. Anaokar | Independent Director | 00236819 | A-204, Panchpakhadi, Center Point, Opposite Thane Municipal Corporation, Thane 400 602 |
| Amit B. Choudhury | Independent Director | 00557547 | C-304, Wing C, Golden Oak CHS, Hiranandani Gardens, Powai, Mumbai 400 076 |
| Balram S. Yadav | Managing Director | 00294803 | A 3703, Vivarea, Sane Guruji Marg, Mahalaxmi, Near Jocobs Circle, Mumbai – 400 011 |
| Raghunath A. Mashelkar | Independent Director | 00074119 | 'Raghunath' Bunglow, D-4, Varsha Park, Baner, Pune – 411 045 |
| Roopa Purushothaman | Independent Director | 02846868 | 19, Goodwill Co-operative Housing Society Ltd, S. No.126/1+2, ITI Road, Aundh, Pune – 411 007 |
| Aditi Kothari Desai | Independent Director | 00426799 | 57, Sea View, Worli Sea Face, Mumbai – 400 025 |
| Ritu Anand | Independent Director | 00363699 | 11, Brindaban, 65 Linking Road, Santacruz– West, Mumbai – 400 054 |

For further details of our Directors, see "*Our Management*" beginning on page 153.

**Chief Financial Officer**
S. Varadaraj
Godrej Agrovet Limited
Godrej One
3rd Floor, Pirojshanagar
Eastern Express Highway, Vikhroli (East)
Mumbai 400 079
Tel: (91 22) 2519 4416
Fax: (91 22) 2519 5124
E-mail: cfo@godrejagrovet.com

**Company Secretary and Compliance Officer**
Vivek Raizada
Godrej Agrovet Limited
Godrej One,
3rd Floor, Pirojshanagar
Eastern Express Highway, Vikhroli (East)
Mumbai 400 079
Tel: (91 22) 2519 4416
Fax: (91 22) 2519 5124
E-mail: gavlinvestors@godrejagrovet.com

**Investors can contact our Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of Allotment Advice, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and funds by electronic mode.**

All Issue related grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the Bidders shall also enclose a copy of the Acknowledgement Slip duly received from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

**Book Running Lead Managers**

**Kotak Mahindra Capital Company Limited**
1st Floor, 27 BKC, Plot No. 27
"G" Block, Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Tel: (91 22) 4336 0000
Fax: (91 22) 6713 2445
E-mail: gavl.ipo@kotak.com
Investor Grievance E-mail: kmccredressal@kotak.com
Website: www.investmentbank.kotak.com
Contact Person: Ganesh Rane
SEBI Registration No.: INM000008704

**Axis Capital Limited**
1st Floor, Axis House
C 2, Wadia International Centre
Pandurang Budhkar Marg, Worli
Mumbai 400 025
Tel: (91 22) 4325 2183
Fax: (91 22) 4325 3000
E-mail: godrej.agrovet@axiscap.in
Investor Grievance E-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Ankit Bhatia
SEBI Registration No.: INM000012029

**Credit Suisse Securities (India) Private Limited**
10th Floor, Ceejay House
Plot F, Shivsagar Estate
Dr. Annie Besant Road
Worli, Mumbai 400 018
Tel: (91 22) 6777 3885
Fax: (91 22) 6777 3820
E-mail: list.godrejagrovetipo@credit-suisse.com
Investor Grievance E-mail:
list.igcellmerbnkg@creditsuisse.com
Website: https://www.credit-suisse.com/in/en/investment-banking/regional-presence/asia-pacific/india/ipo.html
Contact Person: Abhay Agarwal

SEBI Registration No.: INM000011161

**Syndicate Members**

[●]

**Legal Counsel to our Company as to Indian law**

**Cyril Amarchand Mangaldas**
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

**Legal Counsel to the BRLMs as to Indian law**

**Luthra & Luthra Law Offices**
Indiabulls Finance Centre
Tower 2, Unit A2, 20th Floor
Elphinstone Road, Senapati Bapat Marg
Mumbai 400 013
Tel: (91 22) 6630 3600
Fax: (91 22) 6630 3700

**International Legal Counsel to the BRLMs**

**Sidley Austin LLP**
Level 31, Six Battery Road
Singapore 049909
Tel: (65) 6230 3900
Fax: (65) 6230 3939

**Legal counsel to Godrej Industries as to Indian law**

**Cyril Amarchand Mangaldas**
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg, Lower Parel
Mumbai 400 013
Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

**Legal Counsel to V-Sciences as to Indian law**

**J. Sagar Associates**
Vakils House
18, Sprott Road, Ballard Estate
Mumbai 400 001
Maharashtra, India
Tel: (91 22) 4341 8600
Fax: (91 22) 4341 8617

**Statutory Auditors to our Company**

**Kalyaniwalla & Mistry LLP, Chartered Accountants***
Kalpataru Heritage, 127
Mahatma Gandhi Road, Fort
Mumbai 400 001
Tel: (91 22) 6158 7200
Fax: (91 22) 2267 3964
E-mail: eirani@mazars.in
Firm Registration No.: 104607W /W100166
Peer Review No.: 009490

* *The term of Kalyaniwalla & Mistry LLP, Chartered Accountants will be expiring at the ensuing AGM and they will be replaced by new statutory auditors.*

**Bankers to the Issue**

**Escrow Collection Bank(s)**

[●]

**Public Issue Account Bank(s)**

[●]

**Refund Bank(s)**

[●]

**Bankers to our Company**

**Central Bank of India**
Corporate Finance Branch
1st Floor
MMO Building, Fort
Mumbai - 400 023
Tel: (91 22) 4078 5801
Fax: (91 22) 4078 5838
E-mail: dgmcfb@centralbank.co.in
Contact Person: K S N V Subba Rao

**Union Bank of India**
Vikhroli Branch
Mumbai - 400 079
Tel: (91 22) 2578 1460
Fax: (91 22) 2578 1813
E-mail: cbsvikhroli@unionbankofindia.com
Contact Person: A.T. Bachrani

**State Bank of India**
Corporate Accounts Group Branch
3rd Floor, Neville House
J. N. Heredia Marg
Ballard Estate
Mumbai - 400 001
Tel: (91 22) 6154 2811
Fax: (91 22) 6154 2819
E-mail: amt2.09995@sbi.co.in

**Registrar to the Issue**

**Karvy Computershare Private Limited**

Karvy Selenium, Tower B
Plot number 31 & 32 Gachibowli
Financial District, Nanakramguda
Hyderabad - 500 032
Tel: (91 40) 6716 2222
Fax: (91 40) 2343 1551
E-mail: godrej.agrovet@karvy.com
Investor Grievance E-mail: einward.ris@karvy.com
Website: https://karisma.karvy.com
Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

**Designated Intermediaries**

**Self Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above-mentioned link.

**Registered Brokers**

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.htm, respectively, as updated from time to time.

**Registrar to an Issue and Share Transfer Agents**

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

**Collecting Depository Participants**

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the websites of BSE and NSE at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, as updated from time to time.

**Experts**

Except as stated below, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, namely, Kalyaniwalla & Mistry LLP, Chartered Accountants to include its name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an expert under Section 2(38) of the Companies Act, 2013 in relation to their reports dated July 18, 2017, on the standalone Restated Financial Statements and consolidated Restated Financial Statements and the statement of tax benefits dated July 14, 2017, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

Our Company has also received a written consent to be named as expert from the following industry consultants and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Dr. P. Rethinam dated 8th May, 2017 in relation to Oil Palm – A Critical Study of its Role in Contributing the Vegetable Oil Economy in India;

(ii) LightCastle Partners dated June 21, 2017 in relation to the industry report - Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh;

(iii) A.C. Nielson dated July 18, 2017 in relation to "Sizing of the Processed Poultry Market in India and Estimating the Share of Godrej Agrovet's Offering", published in July 2017; and

(iv) IMARC Services Private Limited dated June 6, 2017 in relation to the Indian Dairy Market Report, 2017, Edition May 2017.

Our Company has also received a written consent to be named as expert from the following chartered engineers and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Astral Associates dated July 5, 2017;

(ii) Sundar Associates dated June 6, 2017;

(iii) Keni & D'Souza dated June 6, 2017;

(iv) Engr. Mohammad Anisur Rahman dated June 12, 2017;

(v) Tijare Engineers & Consultants Private Limited dated June 14, 2017;

(vi) Joshi & Associates dated June 26, 2017;

(vii) Mukesh M. Purdhan dated June 29, 2017; and

(viii) Er. Y. Ravindra Babu dated June 30, 2017.

**Monitoring Agency**

[●] has been appointed as the Monitoring Agency for monitoring the utilization of net proceeds, as our Issue size (excluding the offer for sale by the Selling Shareholders) exceeds ₹ 1,000 million in accordance with Regulation 16 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds.

**Appraising Entity**

None of the objects of the Issue for which the Net Proceeds will be utilised have been appraised by any agency.

**Inter-se allocation of Responsibilities**

The following table sets forth the inter-se allocation of responsibilities for various activities among the BRLMs for the Issue:

| Sr. No. | Activity | Responsibility | Co-ordinating BRLM |
|---|---|---|---|
| 1. | Capital structuring with the relative components and formalities such as composition of debt and equity | Kotak, Axis Capital and Credit Suisse | Kotak |
| 2. | Due diligence of our Company including its operations/ management/business plans/legal etc. Drafting and design of this Draft Red Herring Prospectus including a memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of Prospectus and RoC filing. | Kotak, Axis Capital and Credit Suisse | Kotak |
| 3. | Drafting and approval of all statutory advertisements | Kotak, Axis Capital and Credit Suisse | Kotak |
| 4. | Drafting and approval of all publicity material other than statutory advertisement as mentioned above including corporate advertising, brochure, media compliance report, etc. | Kotak, Axis Capital and Credit Suisse | Credit Suisse |
| 5. | Appointment of Intermediaries (including co-ordinating all agreements to be entered with such parties) – Registrar to the Issue, Bankers to the Issue, Advertising Agency, Printers and Monitoring Agency | Kotak, Axis Capital and Credit Suisse | Axis Capital |
| 6. | Non-Institutional and retail marketing of the Issue, which will cover, inter alia,<br>• Finalising media, marketing and public relations strategy;<br>• Finalising centres for holding conferences for brokers, etc;<br>• Follow-up on distribution of publicity and Issue material including form, the Prospectus and deciding on the quantum of the Issue material; and<br>Finalising collection centres | Kotak, Axis Capital and Credit Suisse | Axis Capital |
| 7. | Domestic Institutional marketing of the Issue, which will cover, inter alia:<br>• Institutional marketing strategy<br>• Finalizing the list and division of domestic investors for one-to-one meetings<br>Finalizing domestic road show and investor meeting schedule | Kotak, Axis Capital and Credit Suisse | Kotak |
| 8. | Marketing and road-show presentation and preparation of frequently asked questions for the road show team | Kotak, Axis Capital and Credit | Credit Suisse |

| Sr. No. | Activity | Responsibility | Co-ordinating BRLM |
|---|---|---|---|
| | | Suisse | |
| 9. | International Institutional marketing of the Issue, which will cover, inter alia:<br>• Institutional marketing strategy<br>• Finalizing the list and division of international investors for one-to-one meetings<br>Finalizing international road show and investor meeting schedule | Kotak, Axis Capital and Credit Suisse | Credit Suisse |
| 10. | Coordination with Stock-Exchanges for book building software, bidding terminals and mock trading | Kotak, Axis Capital and Credit Suisse | Axis Capital |
| 11. | Managing the book and finalization of pricing in consultation with our Company | Kotak, Axis Capital and Credit Suisse | Credit Suisse |
| 12. | Post-Issue activities, which shall involve essential follow-up steps including anchor coordination, follow-up with bankers to the Issue and SCSBs to get estimates of collection and advising the Company about the closure of the Issue based on correct figures, finalisation of the basis of allotment, listing of instruments, dispatch of certificates or demat credit and refunds, payment of STT on behalf of the Selling Shareholders and coordination with various agencies connected with the post-Issue activity such as Registrar to the Issue, Bankers to the Issue, SCSBs including responsibility for underwriting arrangements, as applicable.<br>Coordinating with Stock Exchanges and SEBI for release of 1% security deposit post closure of the Issue. | Kotak, Axis Capital and Credit Suisse | Axis Capital |

**Credit Rating**

As this is an offer of Equity Shares, there is no credit rating for the Issue.

**Trustees**

As this is an issue of Equity Shares, the appointment of trustees is not required.

**Book Building Process**

The book building process, in the context of the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus, the Bid cum Application Form and the Revision Form. The Price Band for the Issue will be decided by our Companyy seeking and ensuring alignment with the Selling Shareholders, in consultation with the BRLMs, in the manner as agreed upon in the Issue Agreement. The minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and will be advertised in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/ Issue Opening Date. The Issue Price shall be determined by our Company, in consultation with the BRLMs, after the Bid/ Issue Closing Date.

**All Bidders, except Anchor Investors, are mandatorily required to use the ASBA process for participating in the Issue.**

**In accordance with the SEBI ICDR Regulations, QIBs bidding in the QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion are not allowed to withdraw or lower the size of their Bids (in terms of the quantity of the Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders and Eligible Employees bidding under the Employee Reservation Portion can revise their Bids during the Bid/Issue Period and withdraw their Bids until the Bid/Issue Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Issue Period. Allocation to the Anchor Investors will be on a discretionary basis.**

For further details on the method and procedure for Bidding, see "*Issue Procedure*" beginning on page 523.

**Illustration of Book Building Process and Price Discovery Process**

For an illustration of the Book Building Process and the price discovery process, see "*Issue Procedure - Part B - Basis of Allocation - Illustration of the Book Building and Price Discovery Process*" beginning on page 551.

**Underwriting Agreement**

After the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company proposes to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.).*

| Name, address, telephone number, fax number and e-mail address of the Underwriters | Indicative number of Equity Shares to be underwritten | Amount underwritten (₹in million) |
|---|---|---|
| [●] | [●] | [●] |

The above-mentioned is the indicative underwriting amount and will be finalised after pricing and actual allocation and subject to the provisions of the SEBI ICDR Regulations.

In the opinion of our Board (based on certificates provided by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment.

Notwithstanding the above, the Underwriters shall be severally responsible for ensuring payment with respect to the Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure purchases for or purchase of the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and our Company intends to enter into an Underwriting Agreement with the Underwriters after the determination of the Issue Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC.

## CAPITAL STRUCTURE

The share capital of our Company as at the date of this Draft Red Herring Prospectus is set forth below:

*(in ₹, except share data)*

| | | Aggregate value at face value | Aggregate value at Issue Price |
|---|---|---|---|
| **A** | **Authorised Share Capital** | | |
| | 224,994,000 Equity Shares | 2,249,940,000 | |
| | 6,000 Preference Shares | 60,000 | |
| | **Total** | **2,250,000,000** | |
| | | | |
| **B** | **Issued, Subscribed and Paid-up Capital before the Issue** | | |
| | 185,130,876 Equity Shares(2) | 1,851,308,760 | |
| | | | |
| **C** | **Present Issue of [●] Equity Shares** | | |
| | Fresh Issue of up to [●] Equity Shares aggregating upto ₹3,000 million (1)(2) | 300,000,000 | [●] |
| | Offer for Sale of up to [●] Equity Shares(3) | [●] | [●] |
| | Employee Reservation Portion of up to [●] Equity Shares aggregating up to ₹200 million | 20,000,000 | [●] |
| | | | |
| | Issue of upto 405,500 Equity Shares under ESPS(4) | [●] | [●] |
| | | | |
| **D** | **Issued, Subscribed and Paid-up Capital after the Issue** | | |
| | [●] Equity Shares(5) | [●] | [●] |
| | | | |
| **E** | **Securities Premium Account** | | |
| | Before the Issue | 1,298,989,000 | |
| | After the Issue | | [●] |

(1) *The Fresh Issue has been authorised by the Board and the Shareholders pursuant to the resolutions passed at their respective meetings, each dated May 12, 2017.*

(2) *Pursuant to the resolutions passed by the Board and the Shareholders, each dated July 18, 2017, our Company may, in consultation with the BRLMs, issue and allot up to 560,000 Equity Shares for an amount not exceeding ₹ 252 million through a private placement to the identified employees of certain of our Group Companies, prior to filing of the Red Herring Prospectus with the RoC, at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post-Issue paid-up Equity Share capital of our Company being offered to the public.*

(3) *The Promoter Selling Shareholder specifically confirm that the portion of the Equity Shares offered by it are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations. The Investor Selling Shareholder specifically confirms that the V-Sciences' Offered Shares are eligible for being offered in the Offer for Sale, in terms of Regulation 26 (6) of the SEBI ICDR Regulations. The Offer for Sale has been authorised by the Selling Shareholders by way of resolutions passed by the respective board of directors of GIL and V-Sciences Investments Pte Ltd dated June 28, 2017 and July 12, 2017, and July 18, 2017, respectively.*

(4) *The issue of Equity Shares under the ESPS has been authorized pursuant to a resolution of our Board dated July 18, 2017 and a resolution of our Shareholders in their EGM dated July 18, 2017.*

(5) *To include Equity Shares issued pursuant to the ESPS.*

### Changes in the Authorised Share Capital of our Company

1. The initial authorised share capital of our Company was increased from ₹50,000,000 comprising 5,000,000 Equity Shares to ₹100,000,000 comprising 10,000,000 Equity Shares pursuant to a resolution passed by our Shareholders on February 4, 1994.

2. The authorised share capital of our Company was increased from ₹100,000,000 comprising 10,000,000 Equity Shares to ₹150,000,000 comprising 15,000,000 Equity Shares pursuant to a resolution passed by our Shareholders on December 29, 2006.

3. The authorised share capital of our Company was increased from ₹150,000,000 comprising 15,000,000 Equity Shares to ₹ 350,000,000 comprising 35,000,000 Equity Shares pursuant to a scheme of arrangement approved by High Court of Bombay by its order dated January 5, 2011. For further details, see "*History and Certain Corporate Matters*" beginning on page 143.

4. The authorised share capital of our Company was increased from ₹350,000,000 comprising 35,000,000 Equity Shares to ₹501,500,000 comprising 50,150,000 Equity Shares pursuant to a scheme of arrangement approved by High Court of Bombay by its order dated March 16, 2012. For further details, see "*History and Certain Corporate Matters*" beginning on page 143.

5. The authorised share capital of our Company was increased from ₹501,500,000 comprising 50,150,000 Equity Shares to ₹1,000,000,000 comprising 100,000,000 Equity Shares pursuant to a resolution passed by our Shareholders on March 2, 2015.

6. The authorised share capital of our Company was reclassified from ₹1,000,000,000 comprising 100,000,000 Equity Shares to ₹1,000,000,000 comprising 99,994,000 Equity Shares and 6,000 Preference Shares pursuant to a scheme of arrangement approved by High Court of Bombay by its order dated January 8, 2016. For further details, see "*History and Certain Corporate Matters*" beginning on page 143.

7. The authorised share capital of our Company was increased from ₹1,000,000,000 comprising 99,994,000 Equity Shares and 6,000 Preference Shares to ₹2,250,000,000 comprising 224,994,000 Equity Shares and 6,000 Preference Shares pursuant to a resolution passed by our Shareholders on March 3, 2017. For further details, see "*History and Certain Corporate Matters*" beginning on page 143.

**Notes to the Capital Structure**

1. **Share Capital History of our Company**

(a) The history of the equity share capital of our Company is provided in the following table:

| Date of Allotment of the Equity Shares | No. of Equity Shares | Face value (₹) | Issue Price (₹) | Nature/reason of allotment | Nature of Consideration | Cumulative No. of Equity Shares | Cumulative paid-up Equity Share Capital (₹) |
|---|---|---|---|---|---|---|---|
| December 10, 1991 | 20 | 10 | 10 | Subscription to the MoA[(1)] | Cash | 20 | 200 |
| January 29, 1992 | 99,980 | 10 | 10 | Further issue[(2)] | Cash | 100,000 | 1,000,000 |
| March 27, 1992 | 890,000 | 10 | 10 | Rights issue[(3)] | Cash | 990,000 | 9,900,000 |
| February 25, 1994 | 759,200 | 10 | 350 | Rights issue[(4)] | Cash | 1,749,200 | 17,492,000 |
| March 8, 1994 | 5,247,600 | 10 | N.A. | Bonus issue[(5)] | N.A. | 6,996,800 | 69,968,000 |
| March 28, 2002 | 121,952 | 10 | 82 | Rights issue[(6)] | Cash | 7,118,752 | 71,187,520 |
| January 30, 2007 | 3,000,000 | 10 | 100 | Preferential Allotment[(7)] | Cash | 10,118,752 | 101,187,520 |
| January 18, 2008 | 2,000,000 | 10 | 500 | Rights issue[(8)] | Cash | 12,118,752 | 121,187,520 |
| December 5, 2012 | 586,764 | 10 | 10 | Allotment of Equity Shares under the ESOP Scheme I and ESOP Scheme II[(9)] | Cash | 12,705,516 | 127,055,160 |
| December 24, 2012 | 518,118 | 10 | 2,164.41 | Preferential Allotment[(10)] | Cash | 13,223,634 | 132,236,340 |
| March 26, 2015 | 79,341,804 | 10 | N.A. | Bonus issue[(11)] | N.A. | 92,565,438 | 925,654,380 |
| March 10, 2017 | 92,565,438 | 10 | N.A. | Bonus issue[(12)] | N.A. | 185,130,876 | 1,851,308,760 |

(1) *Subscription to 10 Equity Shares each by two subscribers.*

(2) *Further issue of 99,980 Equity Shares to 10 allottees.*

(3) *Rights issue of 890,000 Equity Shares to 11 allottees.*

(4) *Rights issue of 759,200 Equity Shares to one allottee.*

(5) *Bonus issue of 5,247,600 Equity Shares to 13 allottees.*

(6) *Rights issue of 121,952 Equity Shares to one allottee.*

(7) *Preferential allotment of 3,000,000 Equity Shares to one allottee*

(8) *Rights issue of 2,000,000 Equity Shares to one allottee.*

(9) *An aggregate of 586,764 Equity Shares have been allotted by our Company under the ESOP Scheme I and ESOP Scheme II. The allotment was made to the ESOP Trust.*

(10) *Preferential allotment of 518,118 Equity Shares to one allottee.*

(11) *Bonus issue of 79,341,804 Equity Shares to 20 allottees.*

(12) *Bonus issue of 92,565,438 Equity Shares to 20 allottees.*

*(b)* *The history of the preference share capital of our Company is provided in the following table:*

| Date of allotment of the Preference Shares | Reasons for allotment | No. of Preference Shares | Face value (₹) | Issue Price (₹) | Nature of Consideration (cash, other than cash) | Cumulative No. of Preference Shares | Cumulative paid-up Preference Share capital (₹) |
|---|---|---|---|---|---|---|---|
| February 3, 2016 | Pursuant to the scheme of arrangement [(1)] | 6,000[(2)] | 10 | 10 | Other than cash | 6,000 | 60,000 |

(1) *Allotment of 8% redeemable, non-convertible Preference Shares for a tenure of five years, pursuant to a scheme of demerger of seeds business of GSGL into our Company approved by High Court of Bombay by its order dated January 8, 2016, to one allottee. The Preference Shares can be redeemed at any time before the end of the tenure at the option of the Board. Redemption value is 10% of the value of seeds business of GSGL. For further details, see "History and Certain Corporate Matters" beginning on page 143.*

(2) *The Preference Shares have been redeemed by our Company pursuant to Board resolution dated July 18, 2017.*

*(c)* *Issue of Equity Shares in the preceding two years*

For details of issue of Equity Shares by our Company in the last two preceding years, see "*Capital Structure – Notes to the Capital Structure – Share Capital History of our Company*" on page 72.

*(d)* *Issue of Equity Shares and Preference Shares through bonus issue or for consideration other than cash*

Except as set out below, we have not issued Equity Shares and Preference Shares for consideration other than cash, or through bonus issue:

| Date of Allotment | Name of the Allottees | No. of Equity/ Preference Shares Allotted | Face Value (₹) | Issue price per Equity/ Preference Share (₹) | Reason for allotment | Benefits accrued to our Company |
|---|---|---|---|---|---|---|
| March 8, 1994 | Allotment to the Shareholders of our Company as of the record date, being March 4, 1994 | 5,247,600 | 10 | N.A. | Bonus issue in the ratio 3:1 authorised by our shareholders through a resolution dated March 4, 1994 and allotment was made by the Allotment Committee through a resolution dated March 8, 1994. | - |
| March 26, 2015 | Allotment to the Shareholders of our Company as of the record date, being February 27, 2015 | 79,341,804 | 10 | N.A. | Bonus issue in the ratio 6:1 authorised by our shareholders through a resolution dated March 2, 2015 and allotment was made by the Managing Committee of the Board through a resolution dated | - |

| Date of Allotment | Name of the Allottees | No. of Equity/ Preference Shares Allotted | Face Value (₹) | Issue price per Equity/ Preference Share (₹) | Reason for allotment | Benefits accrued to our Company |
|---|---|---|---|---|---|---|
| | | | | | March 26, 2015. | |
| February 3, 2016 | Dharmender Kumar | 6,000[(1)] | 10 | 10 | Allotment pursuant to a scheme of demerger of seeds business of GSGL into our Company approved by High Court of Bombay by its order dated January 8, 2016. For further details, see "*History and Certain Corporate Matters*" beginning on page 143. | - |
| March 10, 2017 | Allotment to the Shareholders of our Company as of the record date, being February 28, 2017 | 92,565,438 | 10 | N.A. | Bonus issue in the ratio 1:1 authorised by our shareholders through a resolution dated March 3, 2017 and allotment was made by the Managing Committee of the Board through a resolution dated March 10, 2017. | - |

(1) *The Preference Shares have been redeemed by our Company pursuant to Board resolution dated July 18, 2017.*

*(e)* *Issue of Equity Shares in the last one year below the Issue Price*

Other than the bonus issue made by our Company on March 10, 2017, our Company has not issued any Equity Shares at a price that may be lower than the Issue Price during the last one year. For details in relation to the bonus issuance, see "*Capital Structure – Notes to Capital Structure – Issue of Equity Shares and Preference Shares through bonus issue or for consideration other than cash*" on page 73.

2. **History of the Equity Share Capital held by our Promoters**

As on the date of this Draft Red Herring Prospectus, our Promoters hold 122,030,216 Equity Shares, constituting 65.92% of the issued, subscribed and paid-up Equity Share capital of our Company. The details regarding our Promoters' shareholding is set out below.

*Build-up of our Promoters' shareholding in our Company*

Set forth below is the build-up of the shareholding of our Promoters since incorporation of our Company:

| Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares allotted/ transferred | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%) |
|---|---|---|---|---|---|---|---|
| ***Godrej Industries Limited*** | | | | | | | |
| January 29, 1992 | Preferential allotment | 9,500 | Cash | 10 | 10 | 0.01 | [●] |
| March 27, 1992 | Rights Issue | 84,550 | Cash | 10 | 10 | 0.05 | [●] |
| March 31, 1993 | Transfer from Godrej Foods | 12,750 | Cash | 10 | 390 | 0.01 | [●] |

| Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares allotted/ transferred | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%) |
|---|---|---|---|---|---|---|---|
| | Limited | | | | | | |
| February 10, 1994 | Transfer from Vora Soaps Limited | 10,000 | Cash | 10 | 375 | 0.01 | [●] |
| February 25, 1994 | Rights Issue | 759,200 | Cash | 10 | 350 | 0.41 | [●] |
| March 8, 1994 | Bonus Issue | 2,628,000 | N.A. | 10 | N.A. | 1.42 | [●] |
| February 15, 1995 | Transfer from Godrej Foods Limited | 183,200 | Cash | 10 | 120 | 0.10 | [●] |
| March 29, 1995 | Transfer from Wadala Investments Limited | 112,000 | Cash | 10 | 130 | 0.06 | [●] |
| June 20, 1995 | Transfer from GIL (Transferor) to GIL jointly with its Nominees (Transferees) | (5) | N.A. | 10 | Nil | Negligible | [●] |
| November 25, 1996 | Transfer from Swadeshi Detergents Limited | 105,004 | Cash | 10 | 75 | 0.06 | [●] |
| March 11, 1997 | Transfer from Swadeshi Detergents Limited | 8,000 | Cash | 10 | 75 | Negligible | [●] |
| March 11, 1997 | Transfer from Puran Plastics & Chemicals Limited | 30,000 | Cash | 10 | 97.99 | 0.02 | [●] |
| June 4, 1997 | Transfer from Swadeshi Detergents Limited | 34,800 | Cash | 10 | 75 | 0.02 | [●] |
| December 1, 1997 | Transfer from Swadeshi Detergents Limited | 8,000 | Cash | 10 | 75 | Negligible | [●] |
| March 28, 2002 | Rights Issue | 121,952 | Cash | 10 | 82 | 0.07 | [●] |
| January 24, 2005 | Transfer from Swadeshi Detergents Limited | 6,000 | Cash | 10 | 170 | Negligible | [●] |
| January 30, 2007 | Preferential allotment | 3,000,000 | Cash | 10 | 100 | 1.62 | [●] |
| January 18, 2008 | Rights Issue | 2,000,000 | Cash | 10 | 500 | 1.08 | [●] |
| December 24, 2012 | Transfer to V-Sciences Investments Pte Ltd | (693,030) | Cash | 10 | 2,164.41 | (0.37) | [●] |
| February 21, 2014 | Transfer to Godrej & Boyce | (379,000) | Cash | 10 | 2,269.00 | (0.20) | [●] |

| Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares allotted/ transferred | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%) |
|---|---|---|---|---|---|---|---|
| | Manufacturing Company Limited | | | | | | |
| March 26, 2015 | Bonus Issue | 48,245,526* | N.A. | 10 | N.A. | 26.06 | [●] |
| March 10, 2017 | Bonus Issue | 56,286,447** | N.A. | 10 | N.A. | 30.40 | [●] |
| March 27, 2017 | Transfer from Godrej And Boyce Manufacturing Company Limited | 5,306,000 | Cash | 10 | 378.30 | 2.87 | [●] |
| May 30, 2017 | Transfer from GIL jointly with its Nominees (Transferors) to GIL (Transferee) | 70 | N.A. | 10 | Nil | Negligible | [●] |
| **Total** | | **117,878,964** | | | | **63.67** | **[●]** |
| * *Excludes 30 shares allotted to GIL jointly with its nominees*<br>** *Excludes 35 shares allotted jointly with its nominees* | | | | | | | |
| ***Nadir B. Godrej*** | | | | | | | |
| December 10, 1991 | Subscription to the MoA | 10 | Cash | 10 | 10 | Negligible | [●] |
| January 29, 1992 | Preferential allotment | 14,790 | Cash | 10 | 10 | 0.01 | [●] |
| March 27, 1992 | Right issue | 131,720 | Cash | 10 | 10 | 0.07 | [●] |
| March 8, 1994 | Bonus issue | 439,560 | N.A. | 10 | N.A. | 0.24 | [●] |
| December 10, 2012 | Transfer to Mrs. Upassna B. Singh | (67,452) | N.A. | 10 | 10 | (0.04) | [●] |
| December 24, 2012 | Transfer to V-Sciences Investments Pte Ltd | (222,474) | Cash | 10 | 2164.41 | (0.12) | [●] |
| March 26, 2015 | Bonus issue | 1,776,924 | N.A. | 10 | N.A. | 0.96 | [●] |
| March 10, 2017 | Bonus issue | 2,073,078 | N.A. | 10 | N.A. | 1.12 | [●] |
| **Total** | | **4,146,156** | | | | **2.24** | **[●]** |
| ***Adi B. Godrej*** | | | | | | | |
| December 10, 1991 | Subscription to the MoA | 10 | Cash | 10 | 10 | Negligible | [●] |
| January 29, 1992 | Preferential allotment | 6,990 | Cash | 10 | 10 | Negligible | [●] |
| February 25, 1992 | Transfer to Swadeshi Detergents Limited | (6,990) | Cash | 10 | 10 | Negligible | [●] |
| March 27, 1992 | Right issue | 89 | Cash | 10 | 10 | Negligible | [●] |
| March 8, 1994 | Bonus issue | 297 | N.A. | 10 | N.A. | Negligible | [●] |
| December 10, 2012 | Transfer to Mrs. Sheila V. | (14) | N.A. | 10 | 10 | Negligible | [●] |

| Date of allotment/ Transfer | Nature of transaction | No. of Equity Shares allotted/ transferred | Nature of consideration | Face value per Equity Share (₹) | Issue Price /Transfer Price per Equity Share (₹) | Percentage of the pre-Issue capital (%) | Percentage of the post-Issue capital (%) |
|---|---|---|---|---|---|---|---|
| December 24, 2012 | Transfer to V-Sciences Investments Pte Ltd | (18) | Cash | 10 | 2,164.41 | Negligible | [●] |
| March 26, 2015 | Bonus issue | 2,184* | N.A. | 10 | N.A. | Negligible | [●] |
| March 10, 2017 | Bonus issue | 2,548* | N.A. | 10 | N.A. | Negligible | [●] |
| **Total** | | **5,096** | | | | **Negligible** | **[●]** |
| * *All shares jointly held with Late Parmeshwar A. Godrej.* | | | | | | | |

All the Equity Shares held by the Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares.

As of the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

3. **Details of Promoter's contribution and lock-in:**

Pursuant to the SEBI ICDR Regulations, an aggregate of 20% of the fully diluted post-Issue Equity Share capital of our Company held by our Promoters shall be locked-in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked-in for a period of one year from the date of Allotment.

The details of the Equity Shares held by our Promoters, which shall be locked-in for a period of three years from the date of Allotment, are set out in the following table:

| Name of Promoter | Date of allotment/ transfer | Nature of Transaction | Consideration | No. of Equity Shares | Face Value (₹) | Issue/acquisition price per Equity Share (₹) | No. of Equity Shares locked-in(1)(2) | Percentage of post-Issue paid-up Equity Share capital (%) |
|---|---|---|---|---|---|---|---|---|
| [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] | [●] |
| **Total** | | | | [●] | [●] | | | |

(1) *For a period of three years from the date of Allotment*

(2) *All Equity Shares were fully paid-up at the time of allotment*

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'Promoter' under the SEBI ICDR Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI ICDR Regulations. Our Promoters have confirmed to our Company and the BRLMs that the Equity Shares held by our Promoters which shall be locked-in for a period of three years as Promoters' contribution have been financed from their internal accruals and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.

In this connection, we confirm the following:

(i) The Equity Shares offered for Promoters' contribution have not been acquired in the last three years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) have resulted from bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or resulted from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

(ii) The Promoters' contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;

(iii) Our Company has not been formed by the conversion of a partnership firm into a Company;

(iv) The Equity Shares held by the Promoters and offered for Promoters' contribution are not subject to any pledge; and

(v) All the Equity Shares of our Company held by the Promoters are held in dematerialised form.

*Other requirements in respect of lock-in:*

In addition to 20% of the fully diluted post-Issue shareholding of our Company held by our Promoters and locked-in for three years as specified above, except for the Equity Shares allotted to the employees of our Company who are employees as on date of Allotment, under the ESOP Scheme I and ESOP Scheme II, the ESPS, the entire pre-Issue Equity Share capital of our Company will be locked-in for a period of one year from the date of Allotment.

The Equity Shares held by our Promoters which are locked-in for three years may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions for the purpose of financing one or more objects of the Issue, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

The Equity Shares held by our Promoters which are locked-in for one year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

The Equity Shares held by our Promoters which are locked-in may be transferred to and amongst the Promoters Group entities or to any new promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

The Equity Shares held by persons other than our Promoters and locked-in for a period of one year from the date of Allotment in the Issue may be transferred to any other person holding the Equity Shares which are locked-in, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Regulations.

The lock-in would be created as per applicable laws and procedures and details of the same shall also be provided to the Stock Exchanges before the listing of the Equity Shares.

*Lock-in of the Equity Shares to be Allotted, if any, to the Anchor Investors*

Any Equity Shares allotted to Anchor Investors shall be locked-in for a period of 30 days from the date of Allotment.

*Lock-in of the Equity Shares to be Allotted to Eligible Employees under the ESPS:*

Equity Shares issued under the ESPS shall not be subject to any lock-in in terms of Regulation 22(3) of the SEBI ESOP Regulation

4. **Shareholding of our Promoters, Directors of Promoters and Promoter Group**

Our Promoters, GIL, Nadir B. Godrej and Adi B. Godrej, hold 122,030,216 Equity Shares in our Company which is equivalent to 65.92% of the total Equity Share capital of our Company. The directors of our corporate Promoter, Nadir B. Godrej, Adi B. Godrej and Tanya A. Dubash hold 5,533,304 Equity Shares in our Company which is equivalent to 2.99% of the total Equity Share capital of our Company.

Our Promoter Group holds 4,146,156 Equity Shares in our Company which is equivalent to 2.24% of the total Equity Share capital of our Company.

5. **Selling Shareholders' Shareholding in our Company**

The total number of Equity Shares held by the Selling Shareholders in our Company as on the date of this Draft Red Herring Prospectus is as follows:

| Name of Shareholder | Number of Equity Shares | Percentage of the pre-Issue paid-up Equity Share capital |
|---|---|---|
| Godrej Industries Limited | 117,878,964 | 63.67% |
| V-Sciences Investments Pte Ltd | 37,007,698 | 19.99% |

6. **Shareholding Pattern of our Company**

The table below presents the shareholding pattern of our Company as on as on July 14, 2017:

| Category (I) | Category of shareholder (II) | Nos. of shareholders (III) | No. of fully paid up equity shares held (IV) | No. of Partly paid-up equity shares held (V) | No. of shares underlying Depository Receipts (VI) | Total nos. shares held (VII) =(IV)+(V)+ (VI) | Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2) | Number of Voting Rights held in each class of securities (IX) | | | | No. of Shares Underlying Outstanding convertible securities (including Warrants) (X) | Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2) | Number of Locked in shares (XII) | | Number of Shares pledged or otherwise encumbered (XIII) | | Number of equity shares held in dematerialized form (XIV) |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | No of Voting Rights | | | Total as a % of (A+B+ C) | | | No. (a) | As a % of total Shares held (b) | No. (a) | As a % of total Share s held (b) | |
| | | | | | | | | Class eg: Equity Shares | Class eg: Others (including Preference Shares) | Total | | | | | | | | |
| **(A)** | **Promoter & Promoter Group** | 11 | 126,176,372 | Nil | Nil | 126,176,372 | 68.16 | 126,176,372 | Nil | 126,176,372 | 68.16 | -Nil | 68.16 | | [●] | | Nil | 126,176,372 |
| **(B)** | **Public** | 79 | 58,954,504 | Nil | Nil | 58,954,504 | 31.84 | 58,954,504 | Nil | 58,954,504 | 31.84 | - Nil | 31.84 | | [●] | | [●] | 58,954,504 |
| **(C)** | **Non Promoter-Non Public** | Nil | [●] | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | - Nil | Nil | | Nil | | Nil | Nil |
| **(C1)** | **Shares underlying DRs** | Nil | [●] | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | - Nil | Nil | | Nil | | Nil | Nil |
| **(C2)** | **Shares held by Employee Trusts** | Nil | [●] | Nil | Nil | Nil | Nil | Nil | Nil | Nil | Nil | - Nil | Nil | | Nil | | Nil | Nil |
| | **Total** | **90** | **185,130,876** | **Nil** | **Nil** | **185,130,876** | **100.00** | **185,130,876** | **Nil** | **185,130,876** | **100** | **- Nil** | **100** | | **[●]** | | **[●]** | **185,130,876** |

7. The list of top 10 Shareholders and the number of Equity Shares held by them are set forth below:

- The top 10 Shareholders as of the date of filing of this Draft Red Herring Prospectus are as follows:

| | Name of the Shareholder | Pre-Issue | |
|---|---|---|---|
| | | No. of Equity Shares | Percentage (%) |
| 1. | Godrej Industries Limited | 117,878,964 | 63.67 |
| 2. | V-Sciences Investments Pte Ltd | 37,007,698 | 19.99 |
| 3. | Balram S. Yadav | 4,406,676 | 2.38 |
| 4. | Nadir B. Godrej | 4,146,156 | 2.24 |
| 5. | Rishad K. Naoroji jointly with Nadir B. Godrej and Nyrika Holkar | 4,146,156 | 2.24 |
| 6. | Jamshyd N. Godrej jointly with Pheroza J. Godrej and Navroze J. Godrej (holding shares in trust as the trustees of the Raika Godrej Family Trust wherein Raika Godrej is the beneficial owner) | 2,073,078 | 1.12 |
| 7. | Navroze J. Godrej | 2,073,078 | 1.12 |
| 8. | Nyrika Holkar | 2,073,078 | 1.12 |
| 9. | Freyan V. Crishna | 2,073,078 | 1.12 |
| 10. | Nisaba Godrej | 1,382,052 | 0.75 |
| | Pirojsha A. Godrej | 1,382,052 | 0.75 |
| | Tanya A. Dubash | 1,382,052 | 0.75 |
| | **Total** | **180,024,118** | **97.25** |

- The top 10 Shareholders as of 10 days prior to the date of filing of this Draft Red Herring Prospectus are as follows:

| | Name of the Shareholder | Pre-Issue | |
|---|---|---|---|
| | | No. of Equity Shares | Percentage (%) |
| 1. | Godrej Industries Limited | 117,878,964 | 63.67 |
| 2. | V-Sciences Investments Pte Ltd | 37,007,698 | 19.99 |
| 3. | Balram S. Yadav | 4,406,676 | 2.38 |
| 4. | Nadir B. Godrej | 4,146,156 | 2.24 |
| 5. | Rishad K. Naoroji jointly with. Nadir B. Godrej and Nyrika Holkar | 4,146,156 | 2.24 |
| 6. | Jamshyd N. Godrej jointly with Pheroza J. Godrej and Navroze J. Godrej (holding shares in trust as the trustees of the Raika Godrej Family Trust wherein Raika Godrej is the beneficial owner) | 2,073,078 | 1.12 |
| 7. | Navroze J. Godrej | 2,073,078 | 1.12 |
| 8. | Nyrika Holkar | 2,073,078 | 1.12 |
| 9. | Freyan V. Crishna | 2,073,078 | 1.12 |
| 10. | Nisaba Godrej | 1,382,052 | 0.75 |
| | Pirojsha A. Godrej | 1,382,052 | 0.75 |
| | Tanya A. Dubash | 1,382,052 | 0.75 |
| | **Total** | **180,024,118** | **97.25** |

- The top 10 Shareholders as of two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

| | Name of the Shareholder | Pre-Issue | |
|---|---|---|---|
| | | No. of Equity Shares | Percentage (%) |
| 1. | Godrej Industries Limited | 56,286,482* | 60.81 |
| 2. | V-Sciences Investments Pte Ltd | 18,503,849 | 19.99 |
| 3. | Godrej Agrovet Limited Employees Stock Option Trust | 4,107,348 | 4.44 |
| 4. | Godrej And Boyce Manufacturing Company Limited | 2,653,000 | 2.87 |
| 5. | Nadir B. Godrej | 2,073,078 | 2.24 |
| 6. | Rishad K. Naoroji | 2,073,078 | 2.24 |
| 7. | Navroze J. Godrej | 1,036,539 | 1.12 |
| 8. | Jamshyd N. Godrej jointly with Pheroza J. Godrej Navroze J. Godrej (holding shares in trust as the trustees of the Raika Godrej Family Trust wherein Raika Godrej is the beneficial owner) | 1,036,539 | 1.12 |
| 9. | Nyrika V. Crishna | 1,036,539 | 1.12 |

| | Name of the Shareholder | Pre-Issue | |
|---|---|---|---|
| | | No. of Equity Shares | Percentage (%) |
| 10. | Freyan V. Crishna | 1,036,539 | 1.12 |
| | **Total** | 89,842,991 | 97.06 |

* *35 Equity Shares held jointly with Rakesh Dogra, S. Varadaraj, P.J. Bhat, Balram S. Yadav and P.N. Narkhede.*

8. **ESOP Scheme I and ESOP Scheme II**

Pursuant to the resolution passed by our Board on October 30, 2012 and by our Shareholders on November 21, 2012, our Company had instituted the ESOP Scheme I and ESOP Scheme II (collectively the "**ESOP Schemes**") for issue of options to eligible employees. All the options granted pursuant to the ESOP Schemes were administered through the ESOP Trust which was settled by our Company pursuant to a trust deed dated November 27, 2012. On December 5, 2012, 586,764 Equity Shares of the Company were allotted to the ESOP Trust. Subsequently, 3,520,584 and 4,107,348 Equity Shares were further allotted to the ESOP Trust pursuant to the bonus issue on March 26, 2015 and March 10, 2017, respectively. The objective of the ESOP Schemes include: (i) to motivate employees to better our Company's performance continuously; (ii) to keep long association with our Company; (iii) to have employee participation in shareholding of our Company; and (iv) bring long term value to the shareholders. In terms of the ESOP Schemes, the Equity Shares would be transferred by the ESOP Trust to the option holder on exercise of the options.

**i. ESOP Scheme I**

The following table sets forth the particulars of the options granted under the ESOP Scheme I as on the date of this Draft Red Herring Prospectus:

| | |
|---|---|
| Options granted | Cumulative options granted: 3,686,914 |
| The pricing formula | At face value |
| Exercise price of options | ₹ 10 |
| Options vested (excluding options that have been exercised) | Nil |
| Options exercised | 3,686,914 |
| Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options) | 3,686,914 |
| Options forfeited/lapsed/cancelled | 148,463 (These shares were forfeited and reallotted) |
| Variation in terms of options | Nil |
| Money realised by exercise of options | ₹ 2,633,510 |
| Total number of options in force | Nil |
| Employee wise details of options granted to | |
| (i) Senior managerial personnel, i.e. Directors and key management personnel | **Name of employee** / **Total number of options granted**:<br>Balram S. Yadav – 202,336<br>S. Varadaraj – 201,890<br>P.N. Narkhede – 201,890<br>Prafulla Bhat – 121,131<br>Rakesh Dogra – 96,902<br>Vinaykumar V. Mishra – 117,096<br>Nasim Ali – 92,866<br>Dhrubajyoti Banerjee – 72,673<br>Sandeep Singh – 33,656 |
| (ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year | Nil |
| (iii) Identified employees who are granted options, during any | Nil |

| Name of employee | Total number of options granted |
|---|---|
| Balram S. Yadav | 202,336 |
| S. Varadaraj | 201,890 |
| P.N. Narkhede | 201,890 |
| Prafulla Bhat | 121,131 |
| Rakesh Dogra | 96,902 |
| Vinaykumar V. Mishra | 117,096 |
| Nasim Ali | 92,866 |
| Dhrubajyoti Banerjee | 72,673 |
| Sandeep Singh | 33,656 |

<table>
<tr><td>one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td></td></tr>
<tr><td>Fully diluted EPS on a pre-Issue basis on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’</td><td>Not applicable as all the options has been vested, exercised and transferred to employees by March 2017.</td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company</td><td>Not applicable as Company has computed employee cost at fair value</td></tr>
<tr><td>Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock</td><td>Weighted-average exercise price: ₹ 10<br>Weighted-average fair values of options: ₹ 10</td></tr>
<tr><td>Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option</td><td>Black Scholes method
<table>
<tr><td>Fair value</td><td>154.14</td></tr>
<tr><td>Share price</td><td>154.60</td></tr>
<tr><td>Exercise price</td><td>10.00</td></tr>
<tr><td>Expected volatility (weighted-average)</td><td>0.00%</td></tr>
<tr><td>Expected life (weighted-average)</td><td>5</td></tr>
<tr><td>Expected dividends</td><td>0.00%</td></tr>
<tr><td>Risk-free interest rate (based on government bonds)</td><td>9.00%</td></tr>
</table></td></tr>
<tr><td>Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years</td><td>
<table>
<tr><th>Fiscal</th><th>Impact on profit (₹ million)</th><th>Impact on EPS</th></tr>
<tr><td>2017</td><td>106.63</td><td>Nil</td></tr>
<tr><td>2016</td><td>51.01</td><td>Nil</td></tr>
<tr><td>2015</td><td>51.11</td><td>Nil</td></tr>
</table></td></tr>
<tr><td>Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue</td><td>Nil</td></tr>
<tr><td>Intention to sell Equity Shares arising out of ESOP Scheme I within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme I, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)</td><td>Nil</td></tr>
</table>

**ii. ESOP Scheme II**

The following table sets forth the particulars of the options granted under the ESOP Scheme II as on the date of this Draft Red Herring Prospectus:

<table>
<tr><td>Options granted</td><td>Cumulative options granted: 4,527,782</td></tr>
<tr><td>The pricing formula</td><td>At face value</td></tr>
<tr><td>Exercise price of options</td><td>₹10</td></tr>
<tr><td>Options vested (excluding options that have been exercised)</td><td>Nil</td></tr>
<tr><td>Options exercised</td><td>4,527,782</td></tr>
<tr><td>Total number of Equity Shares that would arise as a result of full exercise of options granted (net of cancelled options)</td><td>4,527,782</td></tr>
<tr><td>Options forfeited/lapsed/cancelled</td><td>Nil</td></tr>
<tr><td>Variation in terms of options</td><td>Nil</td></tr>
<tr><td>Money realised by exercise of options</td><td>₹3,234,130</td></tr>
<tr><td>Total number of options in force</td><td>Nil</td></tr>
<tr><td>Employee wise details of options granted to</td><td></td></tr>
<tr><td>(i) Senior managerial personnel, i.e. Directors and key management personnel</td><td><table><tr><th>Name of senior managerial personnel</th><th>Total number of options granted</th></tr><tr><td>Balram S. Yadav</td><td>2,910,698</td></tr></table></td></tr>
<tr><td>(ii) Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year</td><td><table><tr><th>Name of employee</th><th>Total number of options granted</th></tr><tr><td>Mark Kahn</td><td>1,617,084<br>(19.68% of total options)</td></tr><tr><td>Balram S. Yadav</td><td>2,910,698<br>(35.43% of total options)</td></tr></table></td></tr>
<tr><td>(iii) Identified employees who are granted options, during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant</td><td><table><tr><th>Name of employee</th><th>Total number of options granted</th></tr><tr><td>Balram S. Yadav</td><td>2,910,698<br>(1.57% of issued capital)</td></tr></table></td></tr>
<tr><td>Fully diluted EPS on a pre-Issue basis on exercise of options calculated in accordance with Accounting Standard (AS) 20 ‘Earning Per Share’</td><td>Not applicable as all the options has been vested, exercised and transferred to employees by March 2017.</td></tr>
<tr><td>Difference between employee compensation cost calculated using the intrinsic value of stock options and the employee compensation cost that shall have</td><td>Not applicable as Company has computed employee cost at fair value.</td></tr>
</table>

| | |
|---|---|
| been recognised if our Company had used fair value of options and impact of this difference on profits and EPS of our Company | |
| Weighted-average exercise prices and weighted-average fair values of options shall be disclosed separately for options whose exercise price either equals or exceeds or is less than the market price of the stock | Weighted-average exercise price : ₹10<br>Weighted-average fair values of options : ₹10 |
| Description of the method and significant assumptions used during the year to estimate the fair values of options, including weighted-average information, namely, risk-free interest rate, expected life, expected volatility, expected dividends and the price of the underlying share in market at the time of grant of the option | Black Scholes method<br><br>Fair value: 154.14<br>Share price: 154.60<br>Exercise price: 10.00<br>Expected volatility (weighted-average): 0.00%<br>Expected life (weighted-average): 5<br>Expected dividends: 0.00%<br>Risk-free interest rate (based on government bonds): 9.00% |
| Impact on profits and EPS of the last three years if our Company had followed the accounting policies specified in Regulation 15 of the SEBI ESOP Regulations in respect of options granted in the last three years | **Fiscal** / **Impact on profit (₹million)** / **Impact on EPS**<br>2017 / 130.94 / Nil<br>2016 / 62.65 / Nil<br>2015 / 62.77 / Nil |
| Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue | Nil |
| Intention to sell Equity Shares arising out of ESOP Scheme II within three months after the listing of Equity Shares, by Directors, senior management personnel and employees having Equity Shares arising out of the ESOP Scheme II, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions) | Nil |

9. **Employee Share Purchase Scheme ("ESPS")**

Pursuant to the resolution passed by our Board and our Shareholders, each dated July 18, 2017, our Company has instituted the ESPS for issue of Equity Shares of up to 405,500 Equity Shares. The objectives of the ESPS include: (i) reward past performance of the employees; (ii) attract new talent; (iii) motivate the existing employees; (iv) provide the employees with a wealth creation opportunity; and (v) reward the loyalty of employees. The identified employees include permanent employees, being Indian residents, (including executive directors and non-executive directors but excluding the independent directors) of our Company and Subsidiaries and our holding company. The Nomination and Remuneration Committee shall determine the list of employees which are eligible to participate in the ESPS based on the eligibility criteria set out in the ESPS and the grant letters will be issued by the Nomination and Remuneration Committee prior to the filing of the Red Herring Prospectus. Further, the exercise period will be indicated in the grant letters to be issued to the respective identified employees. The mechanism in relation to exercise and payment of an exercise price shall be decided by our Nomination and Remuneration Committee. Our Company currently proposes to have an escrow mechanism for ESPS. By the Bid/Issue Opening Date, the eligible employees may be required to deposit the relevant amount towards the purchase of Equity Shares under the ESPS in an escrow account ("**ESPS Escrow Account**") to be opened by our Company. The amount per Equity Share ("**Purchase Price**") to be paid by the eligible employees shall be the cap price fixed in the Issue. In the event the Issue Price is lower than the Purchase Price, the difference between the Purchase Price and the Issue Price shall be refunded to the respective eligible employees within 15 days of Allotment under the ESPS. Further, in the event of failure of the Issue, the Purchase Price deposited in the ESPS Escrow Account shall be refunded to the eligible Employees. The proposed issue of Equity Shares under ESPS will be part of the Issue and at the Issue Price in accordance with the SEBI ESOP Regulations. Further, Equity Shares issued under the ESPS shall not be subject to any lock-in in terms of Regulation 22(3) of the SEBI ESOP Regulation.

10. Except as disclosed in "*Our Management*" beginning on page 153, none of our Directors or Key Management Personnel holds any Equity Shares in our Company.

11. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (in accordance with the definition of "associate company" as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.

12. Other than the allotment of 6,000 Preference Shares by our Company pursuant to a scheme of demerger approved by High Court of Bombay by its order dated January 8, 2016 under Sections 391 to 394 of the Companies Act, 1956, our Company has not allotted any Equity Shares or Preference Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230 to 232 of the Companies Act, 2013. For further details with respect to allotment of Preference Shares, see "*Capital Structure – Notes to Capital Structure – Share Capital History of our Company"* on page 72 and "*History and Certain Corporate Matters*" beginning on page 143.

13. Except as disclosed below, none of the members of the Promoter Group, the Promoters, the directors of the Promoters or our Directors and their immediate relatives have purchased or sold any Equity Shares of our Company or the equity shares of any of our Subsidiaries, during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with the SEBI.

| Date of Transaction | Name of Transferor | Name of Transferee | Promoter / Promoter Group / Directors of Promoter / Directors | Total number of Equity Shares transferred | Percentage of pre-Issue capital |
|---|---|---|---|---|---|
| March 23, 2017 | ESOP Trust | Balram S. Yadav | Transferee - Director | 3,105,116 | 2.87 |
| March 24, 2017 | ESOP Trust | Balram S. Yadav | Transferee - Director | 7,918 | 1.68 |
| March 30, 2017 | Godrej And Boyce Manufacturing Company Limited | GIL | Transferor - Promoter Group Transferee - Promoter | 53,306,000 | 0.87 |
| June 13, 2017 | Kotak Mahindra Prime Limited | Anamudi Real Estates LLP | Transferee - Promoter Group | 800,000 | 0.43 |
| June 13, 2017 | Anamudi Real Estates LLP | DSP HMK Holdings Private Limited | Transferor - Promoter Group | 800,000 | 0.43 |
| June 19, 2017 | Anamudi Real Estates LLP | Dinyar Shavakshaw Mota | Transferor - Promoter Group | 500 | Negligible |
| June 20, 2017 | Anamudi Real Estates LLP | Kayzad Kararia | Transferor - Promoter Group | 5,000 | Negligible |
| June 21, 2017 | Anamudi Real Estates LLP | Kaikhushru Minocher Kavarana | Transferor - Promoter Group | 5,000 | Negligible |
| June 27, 2017 | Open Market (Astec LifeSciences Limited) | Balram S. Yadav | Transferee - Director | 5,367 | Negligible |

14. As of July 14, 2017, the total number of Shareholders is 94.

15. Neither our Company nor any of our Directors or the Selling Shareholders have entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person. Further, the BRLMs have not made any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

16. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares as on the date of this Draft Red Herring Prospectus which would entitle any person the right to acquire or receive any Equity Shares after the Issue.

17. Our Company has not issued any Equity Shares out of revaluation reserves or unrealised profits.

18. All Equity Shares Allotted pursuant to the Issue will be fully paid-up at the time of Allotment and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

19. Any over-subscription to the extent of 10% of the Net Issue can be retained for the purposes of rounding off to the nearer multiple of minimum allotment lot.

20. There have been no financial arrangements whereby our Promoter Group, the directors of our Promoters, our Directors and their relatives have financed the purchase by any other person of securities of our Company, during a period of six months preceding the date of this Draft Red Herring Prospectus, other than in the normal course of business of the financing entity.

21. No person connected with the Issue, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, Directors, Promoters, members of our Promoter Group , Group Companies and Selling Shareholders shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.

22. Other than as disclosed in this Draft Red Herring Prospectus, our Company presently does not intend or propose to alter its capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.

23. Other than the Pre-IPO Placement and except for the Equity Shares proposed to be allotted to the employees of our Company under the ESPS, if any, and the Issue, there will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.

24. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

25. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

26. In terms of Rule 19(2)(b)(iii) of the SCRR, this is an Issue for at least 10% of the post-Issue paid-up Equity Share capital of our Company. The Issue is being made in accordance with Regulation 26(1) of the SEBI ICDR Regulations through the Book Building Process wherein not more than 50% of the Net Issue shall be allocated on a proportionate basis to QIBs, provided that our Company may allocate upto 60% of the QIB Portion to Anchor Investors on a discretionary basis, out of which one-third shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Issue Price, in accordance with the SEBI ICDR Regulations. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

27. Under-subscription if any, in any category, except in the QIB Category, would be allowed to be met with spill over from any other category or a combination of categories (including the Employee Reservation Portion) at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion.

28. Our Company shall ensure that transactions in the Equity Shares by the Promoters and the Promoter Group during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within 24 hours of the transactions.

## OBJECTS OF THE ISSUE

The Issue comprises a Fresh Issue and an Offer for Sale.

***Offer for Sale***

Each of the Selling Shareholders will be entitled to the respective portion of the proceeds of the Offer for Sale net of their proportion of Issue related expenses. Our Company will not receive any proceeds from the Offer for Sale. Except for listing fees which shall be solely borne by our Company, all Issue expenses will be shared, upon successful completion of the Issue, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholders in the Offer for Sale.

***Fresh Issue***

Our Company proposes to utilise the Net Proceeds from the Fresh Issue towards:

(i) repayment or prepayment of working capital facilities availed by our Company;

(ii) repayment of commercial papers issued by our Company; and

(iii) general corporate purposes, subject to the applicable laws.

***Net Proceeds***

The details of the Net Proceeds are set forth below:

| Particulars | Amount (in ₹ million)* |
|---|---|
| Gross Proceeds of the Fresh Issue# | 3,000 |
| (Less) Issue related expenses in relation to the Fresh Issue* | [●] |
| **Net Proceeds** | **[●]** |

\# *Includes the proceeds, if any, received by our Company pursuant to the Pre-IPO Placement.*

* *To be determined upon finalisation of the Issue Price.*

***Utilisation of Net Proceeds***

The Net Proceeds are proposed to be used in accordance with the details as set forth below:

| Particulars | Amount (in ₹million) |
|---|---|
| Repayment or prepayment of working capital facilities availed by our Company | 1,000 |
| Repayment of commercial papers issued by our Company | 1,500 |
| General corporate purposes* | [●] |
| **Net Proceeds** | **[●]** |

** To be determined upon finalisation of the Issue Price.*

The main objects clause of our Memorandum of Association enables our Company (i) to undertake our existing business activities; and (ii) to undertake activities for which loans were raised or commercial papers were issued and which are proposed to be repaid or prepaid from the Net Proceeds.

***Schedule of Implementation and Deployment of Net Proceeds***

The Net Proceeds are currently expected to be deployed in accordance with the schedule set forth below:

*(In ₹million)*

| Particulars | Total estimated costs | Amount to be funded from the Net Proceeds | Deployment in the Financial Year 2018 |
|---|---|---|---|
| Repayment or prepayment of working capital facilities availed by our Company | 1,000 | 1,000 | 1,000 |
| Repayment of commercial papers issued by our Company | 1,500 | 1,500 | 1,500 |
| General corporate purposes* | [●] | [●] | [●] |
| **Total** | [●] | [●] | [●] |

* *To be determined upon finalisation of the Issue Price.*

*Means of Finance*

The entire requirement of funds towards objects of the Fresh Issue will be met from the Net Proceeds. Accordingly, we confirm that there is no requirement for us to make firm arrangements of finance through verifiable means towards at least 75% of the stated means of finance, in addition to the Net Proceeds.

*Details of the Objects of the Issue*

**1. Repayment or prepayment of working capital facilities availed by our Company**

Our Company has been sanctioned a working capital facility and a FCNRB facility dated October 26, 2016 and May 8, 2017 availed from Citibank N.A., acting through its Bengaluru Branch (the "**Facility**"), aggregating to ₹1,300 million. Our Company has drawn down an amount of ₹1,300 million under this Facility. Our Company intends to utilize ₹1,000 million of the Net Proceeds towards repayment or prepayment of the Facility.

The interest rate for this Facility is mutually agreed between Citibank N.A. and our Company and is charged to our Company's account at the end of each month, subject to RBI guidelines. The Facility is unsecured, and is repayable upon demand at any time by Citibank N.A., within seven days of the notice being issued in this regard. There are no prepayment or repayment penalties under this Facility.

We believe that such repayment or prepayment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of the internal accruals for further investment in business growth and expansion.

The following table provides details of the amounts drawn down under the Facility availed by our Company from Citibank N.A. and proposed to be repaid or prepaid from the Net Proceeds:

| Sr. No. | Amount outstanding as on July 14, 2017 (in ₹ million) | Interest rate (%) p.a. |
|---|---|---|
| 1. | 510.00 | 6.30% |
| 2. | 550.00 | 6.32% |
| **Total** | **1,060.00** | |

Pursuant to certificate dated July 14, 2017, the Statutory Auditors have certified that the amount drawn down under the Facility has been utilized for the purposes for which it was sanctioned.

Given the nature of these borrowing facilities and the terms of repayment/ prepayment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw down funds thereunder. In such cases or in case any of the above loans are repaid/ prepaid or further drawn-down prior to the completion of the Issue, we may utilize Net Proceeds of the Issue towards repayment/ prepayment of such additional indebtedness.

**2. Repayment of commercial papers**

Our Company has issued commercial paper dated July 6, 2017 in favour of the State Bank of India for ₹1,500 million (the "**July 6 Commercial Paper**"), which is due on October 31, 2017. The rate of interest applicable to this commercial paper is 6.55% p.a. As the commercial paper is a tradeable instrument, maturity amount of ₹1,500 million will be payable by our Company to the holder of the commercial paper as on October 31, 2017.

The amount raised by the issue of July 6 Commercial Paper has been used for working capital purposes in accordance with the borrowing arrangements, as certificated by the Statutory Auditors pursuant to their certificate dated July 14, 2017.

In the event the Net Proceeds are not available to make the payment of ₹1,500 million on October 31, 2017, our Company will issue a new commercial paper for ₹1,500 million and repay the July 6 Commercial Paper. Accordingly, the issue proceeds would then be used to repay the new commercial paper issued for ₹1,500 million.

***3. General Corporate Purposes***

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million (net of issue expenses in relation to the Fresh Issue) towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include strategic initiatives and acquisitions, funding initial stages of equity contribution towards our objects, working capital requirements, investments into our Subsidiaries and joint ventures, part or full debt repayment/ prepayment of our Company, strengthening of the marketing capabilities, as may be applicable.

In addition to the above, our Company may utilise the Net Proceeds towards other expenditure considered expedient and as approved periodically by the Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. The quantum of utilisation of funds towards each of the above purposes will be determined by our Board, based on the amount actually available under this head and the business requirements of our Company, from time to time. Our Company's management, in accordance with the policies of the Board, shall have flexibility in utilising surplus amounts, if any.

**Interim use of Net Proceeds**

Our Company, in accordance with the policies formulated by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilization of the Net Proceeds for the purposes described above, our Company will temporarily invest the Net Proceeds in deposits in one or more scheduled commercial banks included in the Second Schedule of Reserve Bank of India Act, 1934 as may be approved by our Board.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in shares of any other listed company or for any investment in the equity markets.

**Bridge Financing Facilities**

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

**Issue Expenses**

The total Issue related expenses are estimated to be approximately ₹ [●] million. The Issue related expenses consist of listing fees, underwriting fees, selling commission and brokerage, fees payable to the BRLMs, legal counsel to the Company and the BRLMs, Registrar to the Issue, Bankers to the Issue including processing fee to the SCSBs for processing ASBA Forms submitted by ASBA Bidders procured by the Syndicate and submitted to SCSBs, brokerage and selling commission payable to Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. Our Company will not receive any proceeds from the Offer for Sale. Except for listing fees which shall be solely borne by our Company, all Issue expenses will be shared, upon successful completion of the Issue, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholders in the Offer for Sale. However, in the event that the Issue is withdrawn by our Company or not completed for any reason whatsoever, all the Issue related expenses will be solely borne by our Company. Any payments by our Company in relation to the Issue expenses on behalf of the Selling Shareholders shall be reimbursed by the Selling Shareholders to our Company inclusive of taxes. The break-up for the estimated Issue expenses are as follows:

| **Activity** | **Amount (1) (₹ in million)** | **As a % of total estimated Issue related expenses(1)** | **As a % of Issue size(1)** |
|---|---|---|---|
| Payment to the BRLMs (including underwriting fees, brokerage and selling commission) | [●] | [●] | [●] |
| Commission and processing fees for SCSBs(2) | [●] | [●] | [●] |
| Brokerage and selling commission for members of the Syndicate, Registered Brokers RTAs and CDPs(3)(4) | [●] | [●] | [●] |
| Fees payable to Registrar to the Issue | [●] | [●] | [●] |
| Printing and stationery expenses | [●] | [●] | [●] |
| Advertising and marketing expenses | [●] | [●] | [●] |
| Others:<br>i. Listing fees;<br>ii. SEBI, BSE and NSE processing fees;<br>iii. Fees payable to Legal Counsels; and<br>iv. Miscellaneous | [●] | [●] | [●] |
| **Total estimated Issue expenses** | [●] | [●] | [●] |

(1) *Will be completed after finalisation of the Issue Price.*

(2) *SCSBs will be entitled to a processing fee of ₹[●] per ASBA Form for processing the ASBA Forms procured by members of the Syndicate, Brokers, sub-syndicate/agents, Registered Brokers, RTAs or CDPs and submitted to the SCSBs*

(3) *Members of the Syndicate, RTAs, CDPs and SCSBs (for the forms directly procured by them) will be entitled to selling commission as below:*

- *Portion for Retail Individual Bidders: [●]% of the Amount Allotted**
- *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted**

(4) *Registered Brokers will be entitled to a commission of ₹[●] per every valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges*

*(All of the above are exclusive of applicable taxes)*

* *Amount Allotted is the product of the number of Equity Shares Allotted and the Issue Price.*

Pursuant to the SEBI Listing Regulations, our Company shall disclose to the Audit Committee the application of the Net Proceeds. The Audit Committee shall make recommendations to our Board for further action, if appropriate. Our Company shall, on an annual basis, prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only till such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement including deviations, if any, in the utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above and details of category wise variation in the actual utilization of the Net Proceeds of the Issue from the objects of the Issue as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchanges, after placing the same before the Audit Committee. We will disclose the utilization of the Net Proceeds under a separate head along with details in our balance sheet(s) until such time as the Net Proceeds remain unutilized clearly specifying the purpose for which such Net Proceeds have been utilized.

**Variation in Objects**

In accordance with Sections 13(8) and 27 of the Companies Act, 2013, our Company shall not vary the objects of the Fresh Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through a postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("**Postal Ballot Notice**") shall specify the prescribed details as required under the Companies Act, 2013. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in Marathi, the vernacular language of the jurisdiction where our Registered Office is situated. Our Promoters will be required to provide an exit opportunity to such shareholders who do not agree to the above stated proposal, at a price and in such manner as may be prescribed by SEBI in Chapter VI-A of the SEBI ICDR Regulations.

**Other Confirmations**

No part of the Net Proceeds will be paid by our Company as consideration to our Promoters, our Board, our Key Management Personnel or our Group Companies. Except in the normal course of business and in compliance with applicable law, there are no existing or anticipated transactions in relation to utilisation of Net Proceeds with our Promoters, our Board, our Key Managerial Personnel, our associate company or our Group Companies.

**Monitoring Agency**

[●] has been appointed as the Monitoring Agency for monitoring the utilization of net proceeds, as our Issue size (excluding the offer for sale by the Selling Shareholders) exceeds ₹ 1,000 million, in accordance with Regulation 16 of the SEBI ICDR Regulations. Our Audit Committee and the Monitoring Agency will monitor the utilization of the Net Proceeds.

## BASIS FOR ISSUE PRICE

The Issue Price will be determined by our Company in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Issue Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band. Investors should also refer to "*Our Business*", "*Risk Factors*", "*Financial Statements*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on pages 122, 15, 209 and 443, respectively, to have an informed view before making an investment decision.

**Qualitative Factors**

Some of the qualitative factors which form the basis for computing the Issue Price are:

1. Pan-India Presence with Extensive Supply and Distribution Network;
2. Diversified businesses with synergies in operations;
3. Strong R&D capabilities;
4. Strong parentage and established brands; and
5. Experienced promoters and management team.

For further details, see "*Our Business – Our Competitive Strengths*" beginning on page 123.

**Quantitative Factors**

The information presented below relating to our Company is based on the standalone and consolidated Restated Financial Statements. For further details, see "*Financial Statements*" beginning on page 209.

Some of the quantitative factors which may form the basis for calculating the Issue Price are as follows:

**I. Basic and Diluted Earnings per Share ("EPS") (Face value of ₹ 10 each), as adjusted for change in capital:**

On a standalone basis:

| Financial Year ended | Basic EPS (₹) | Diluted EPS (₹) | Weight |
|---|---|---|---|
| March 31, 2017 | 9.04 | 8.65 | 3 |
| March 31, 2016 | 8.24 | 7.87 | 2 |
| March 31, 2015 | 8.11 | 7.75 | 1 |
| **Weighted Average** | 8.62 | 8.24 | |

On a consolidated basis:

| Financial Year ended | Basic EPS (₹) | Diluted EPS (₹) | Weight |
|---|---|---|---|
| March 31, 2017 | 11.42 | 10.92 | 3 |
| March 31, 2016 | 9.78 | 9.35 | 2 |
| March 31, 2015 | 8.98 | 8.58 | 1 |
| **Weighted Average** | 10.47 | 10.01 | |

$$\text{Basic earnings per share (₹)} = \frac{\text{Net profit/(loss) after tax, as restated}}{\text{Weighted average number of equity shares outstanding during the year}}$$

$$\text{Diluted earnings per share (₹)} = \frac{\text{Net profit/(loss) after tax, as restated}}{\text{Weighted average number of potential equity shares outstanding during the year}}$$

**NOTES**:

*(1) Basic and diluted earnings per Equity Share are computed in accordance with Indian Accounting Standard 33 'Earnings per Share', notified accounting standard by the Companies (Indian Accounting Standards) Rules of 2015 (as amended).*

*(2) The above statement should be read with significant accounting policies and notes on Restated Financial Statements as appearing in the Financial Statements.*

## II. Price/Earning ("P/E") ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

| Particulars | P/E at the lower end of the Price Band (number of times) | P/E at the higher end of the Price Band (number of times) |
|---|---|---|
| Based on basic EPS for the year ended March 31, 2017 on an standalone basis | [●] | [●] |
| Based on basic EPS for the year ended March 31, 2017 on a consolidated basis | [●] | [●] |
| Diluted EPS for the year ended March 31, 2017 on an standalone basis | [●] | [●] |
| Diluted EPS for the year ended March 31, 2017 on a consolidated basis | [●] | [●] |

## III. Average Return on Net Worth ("RoNW")

As per standalone Restated Financial Statements:

| Financial Year ended | RoNW (%) | Weight |
|---|---|---|
| March 31, 2017 | 20.69 | 3 |
| March 31, 2016 | 22.95 | 2 |
| March 31, 2015 | 26.72 | 1 |
| **Weighted Average** | 22.45 | |

As per consolidated Restated Financial Statements:

| Financial Year ended | RoNW (%) | Weight |
|---|---|---|
| March 31, 2017 | 22.68 | 3 |
| March 31, 2016 | 23.94 | 2 |
| March 31, 2015 | 27.12 | 1 |
| **Weighted Average** | 23.84 | |

*Return on net worth (%) = $\frac{\text{Net profit/(loss) after tax, as restated}}{\text{Net worth as restated as at year end}}$

Consolidated Return on net worth is equal to net profit attributable to Equity Shareholders excluding Exceptional Items.

## IV. Minimum Return on Total Net Worth after Issue and after issue of Equity Shares under ESPS, required for maintaining pre-Issue EPS as at March 31, 2017:

**To maintain pre-Issue basic EPS**:

1. Based on standalone Restated Financial Statements:

   i. At the Floor Price - [●]%

   ii. At the Cap Price - [●]%

2. Based on consolidated Restated Financial Statements:

   i. At the Floor Price - [●]%

   ii. At the Cap Price - [●]%

**To maintain pre-Issue diluted EPS**:

1. Based on standalone Restated Financial Statements:

   i. At the Floor Price - [●]%

   ii. At the Cap Price - [●]%

2. Based on consolidated Restated Financial Statements:

i. At the Floor Price - [●]%

ii. At the Cap Price - [●]%

**V. Net Asset Value per Equity Share (Face value of ₹ 10 each)**

| NAV per Equity Share | Standalone Restated Financial Statements | Consolidated Restated Financial Statements |
|---|---|---|
| As on March 31, 2017 | 48.76 | 54.49 |
| At Floor Price | [●] | [●] |
| At Cap Price | [●] | [●] |
| At Issue Price | [●] | [●] |

*Net Asset Value Per Equity Share =* *Net Worth at the end of the period/year divided by Number of Equity Shares outstanding at the end of year/period*

**VI. Comparison with Listed Industry Peers**

We believe that none of the listed companies in India are engaged in a portfolio of business similar to ours.

**VII. The Issue price is [●] times of the face value of the Equity Shares.**

The Issue Price of ₹ [●] has been determined by our Company in consultation with the BRLMs, on the basis of demand from investors for Equity Shares through the Book Building Process and, is justified in view of the above qualitative and quantitative parameters.

Investors should read the above mentioned information along with "*Risk Factors*", "*Our Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and "*Financial Statements*" on pages 15, 122, 443 and 209, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "*Risk Factors*" and you may lose all or part of your investments.

## STATEMENT OF TAX BENEFITS

To,
The Board of Directors
Godrej Agrovet Limited,
Godrej One, Pirojshanagar,
Eastern Express Highway,
Vikhroli (E),
Mumbai – 400 079.

Dear Sirs,

**Statement of possible special tax benefits available to Godrej Agrovet Limited (the "Company") and its shareholders prepared in accordance with the requirements under Schedule VIII Part A – Clause (VII)(L) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended**

We enclose herewith the statement providing the possible special tax benefits available to the Company and to the shareholders of the Company under the Income- tax Act, 1961 presently in force in India.

The tax benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives the Company faces in the future, the Company or its shareholders may or may not choose to fulfill.

The benefits discussed in the enclosed statement are neither exhaustive nor conclusive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the issue and we shall in no way be liable or responsible to any shareholder or subscriber for placing reliance upon the contents of this statement. While all reasonable care has been taken in the preparation of this statement, we accept no responsibility for any errors or omissions therein or for any loss sustained by any person who relies on it.

We do not express any opinion or provide any assurance as to whether:

(i) Company or its shareholders will continue to obtain these benefits in future; or

(ii) The conditions prescribed for availing the benefits has been / would be met with; or.

(iii) That the revenue authorities / appellate authorities / courts will concur with the views expressed in the enclosed statement.

The contents of the enclosed statement are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company.

This statement is intended solely for information and for inclusion in the offer documents in connection with the proposed public issue of shares of the company and is not to be circulated or referred to for any other purpose without our prior written consent.

**For Kalyaniwalla & Mistry LLP,**
**Chartered Accountants**
**Firm Registration No. 104607W / W100166**
**Akram Khan**
**Partner**
**Membership No. 109065**

**Dated: July 14, 2017**

## STATEMENT OF POSSIBLE SPECIAL TAX BENEFIT AVAILABLE TO THE COMPANY AND TO ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

### I. SPECIAL TAX BENEFITS

### A. SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY

The following special tax benefits are available to the company after fulfilling conditions as per the respective provision of the Income-tax law.

(i) Under Section 35(2AB) of the Income-tax Act (“the Act”), a weighted deduction of 150% in respect of expenditure incurred on scientific research (excluding cost of land or building) in an approved in-house research and development facility is allowable to Companies engaged in the business of bio-technology or in the business of manufacturing articles or things, not being items mentioned in the Eleventh Schedule, subject to certain terms and condition. The company has two approved research and development facilities and has been claiming deduction under this section. The weighted deduction under this section will not be available from assessment year 2021-22 onwards.

(ii) Section 35CCC of the Act provides for weighted deduction of 150% in respect of expenditure incurred by an assessee on agricultural extension project notified by the Board. The company has obtained requisite approval from Central Board of Direct Taxes in respect of agricultural extension projects undertaken by the company and has claimed weighted deduction under section 35CCC in the past assessment years. The weighted deduction under this section will not be available from assessment year 2021-22 onwards.

### B. SPECIAL TAX BENEFITS AVAILABLE TO THE SHAREHOLDERS OF THE COMPANY

There are no special tax benefits available to the shareholders of the Company.

Notes:

1. The above statement covers only certain relevant direct tax law benefits and does not cover any indirect tax law benefits or benefit under any other law. The above statement of possible special tax benefits are as per the current direct tax laws relevant for the assessment year 2018-19. Several of these benefits are dependent on the Company or its shareholder fulfilling the conditions prescribed under the relevant tax laws.

2. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the scheme.

## SECTION IV: ABOUT OUR COMPANY

## INDUSTRY OVERVIEW

*The information contained in this section is derived from the CRISIL research report titled "Animal Feed Sector in India" published in June 2017, ("**CRISIL Animal Feed Report**"), the CRISIL research report titled "A study of the Indian crop protection industry" published in June 2017 ("**CRISIL Crop Protection Report**"), "Oil Palm – A Critical Study of its Role in Contributing the Vegetable Oil Economy in India" by Dr. P Rethinam ("**Oil Palm Report**"), the iMarc report titled "Dairy Industry in India: 2017 Edition" published in 2017 ("**IMARC Report**"), the Nielsen report titled "Sizing of the Processed Poultry Market in India and Estimating the Share of Godrej Agrovet's Offering" published in July 2017 ("**Poultry Report**"), the LightCastle Partners report titled "Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh" ("**Bangladesh Report**") and other publicly available sources. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

### The Indian Economy

India has the fourth largest economy in the world by purchasing power parity (*Source: https://www.cia.gov/library/publications/the-world-factbook/geos/in.html).* Against a background of global instability, India registered a growth of 7.6% during the financial year 2016, becoming the fastest growing major economy in the world. During the same period, macroeconomic parameters such as inflation, fiscal deficit and current account balance all exhibited signs of improvement. The financial year 2016 has also witnessed the launch of several government programs and initiatives designed to boost manufacturing, industrial growth, foreign direct investment and ease of doing business. At the sectoral level, growth of agriculture and allied sectors improved significantly in the financial year 2017, following the normal monsoon in the current year. Favourable weather and moisture conditions suggest an increase in production of wheat and pulses. The growth rate for agriculture and allied sectors is estimated to be 4.1% for the financial year 2017. (*Source: Economic Survey 2015-16, available at indiabudget.nic.in*)

### Animal Feed

***Current market size of global animal feed***

In terms of sales volume, the size of the compound animal feed industry has been estimated to be approximately 1 billion million tons ("**MT**") in the calendar year 2015. In terms of sales value, the feed industry has been valued at an estimated $400 billion as of the calendar year 2015. In the calendar year 2015, China was the largest producer of animal feed, contributing 19% of sales volume, followed by the United States of America at 17% and the European Union at 16%. Of the total one billion tons of animal feed produced globally, poultry feed accounts for the largest share at 45%, followed by the pig feed segment at 26% and cattle and other ruminants at 20%. Aquaculture, which includes shrimp and fish feed, accounts for 4%, while others account for approximately 5%.

***Overview of the animal compound feed industry in India***

CRISIL Research estimates the animal compound feed industry in India to be valued at approximately ₹ 715 to ₹ 725 billion as of the financial year 2017. In terms of sales volume, India is one of the largest global producer of animal feed with an annual production of between 25 million MT and 27 million MT. Going forward, the industry is expected to grow at a CAGR of 13% to 14%, reaching a market size of between ₹ 1,060 and ₹ 1,070 billion by the financial year 2020. Among the three segments, aqua feed is expected to grow the fastest at a CAGR of between 15% and 16%, followed by poultry feed at a CAGR of between 14% to 15% and cattle feed at a CAGR of between 10% to 11% by the financial year 2020.

The following table sets forth the size of the Indian animal compound feed industry:

| **Feed Segment** | **Industry size by volume as of the financial year 2017** | **Industry size by value as of the financial year 2017** | **Industry size by volume as of the financial year 2020** | **Industry size by value as of the financial year 2020** |
|---|---|---|---|---|
| | ***(million tonnes)*** | ***(in ₹ Billion)*** | ***(million tonnes)*** | ***(in ₹ Billion)*** |
| Poultry Feed | 16-17 | 480-490 | 20-21 | 730-740 |
| Cattle Feed | 7.5-8.5 | 148-150 | 9-10 | 197-199 |
| Aqua Feed | 1.6-1.8 | 85-86 | 2.1-2.3 | 131-132 |
| Total | 25.1-27.3 | 715-725 | 31.1-33.3 | 1,060-1,070 |

*(Source: CRISIL Animal Feed Report)*

The poultry feed industry constitutes nearly two-thirds of the total feed industry, due to high penetration of compound feed, especially in the broiler segment. In contrast, the share of cattle feed stands lower at 21%, despite India being the largest milk producer in the world. This is largely due to the fact that farmers continue to rely on grazing as a means of feed and the overall penetration of compound feed has remained low. Aqua feed, which currently enjoys a share of 12%, has been witnessing growth mainly on account of increased usage of shrimp feed. Under aquaculture, shrimp exports have seen a robust growth at a CAGR of 33% between the financial year 2010 and the financial year 2015, and since shrimp cultivation is largely organised, it has had a cascading effect on the consumption of shrimp feed.

***Poultry industry in India***

The poultry industry can be broadly divided into broiler and layer, of which, the broiler segment represents chicken for meat consumption and the layer segment represents egg laying chickens.

The total poultry feed requirement in India has been estimated at between 21 million MT and 22 million MT, based on the overall poultry population and typical feed conversion ratios. Of this, approximately 16 million MT to 17 million MT is contributed by compound feed as of the financial year 2017. In terms of sales value, the poultry feed industry, comprising broiler and layer feeds, has been estimated at between ₹ 480 and ₹ 490 billion as of the financial year 2017. The poultry feed sector is expected to grow at a CAGR of 14% to 15% in the next three years to reach between ₹ 730 and ₹ 740 billion by the financial year 2020. Broiler feed comprised 85% of the industry, or between 13.5 million MT and 14.5 million MT in the financial year 2017. The total feed production for the layer segment was between 2 million MT and 3 million MT during the financial year 2017.

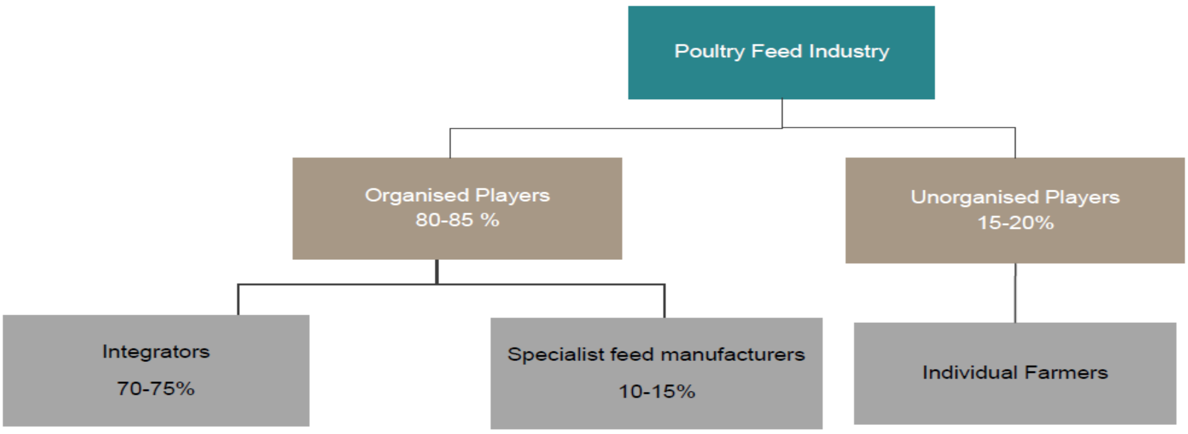
Compound feed is mix of raw materials and additives formulated according to the specific requirements of the target animal. Concentrates are used with another feed to improve the nutritive balance of the total, which is intended to be further diluted and mixed to produce a supplement or a complete feed. Balanced animal nutrition allows feed manufacturers to help livestock farmers keep their animals healthy and improve animal product quality and safety.

Non-compound feed generally includes compressed and pelleted feeds, oils and mixed rations, and sprouted grains and legumes.

For the broiler segment, 90% to 95% of feed production is in the form of compound feed, while for the layer segment, 25% to 35% of feed production is in the form of compound feed.

The organized sector contributes between 80% and 85% of the poultry feed industry, and the unorganized sector contributes the remaining. The majority of organized feed is manufactured by integrators who produce 70% to 75% of the total manufactured feed. Such integrators typically use the majority of the manufactured feed for captive purposes while balance feeds are sold to individual farmers. In contrast, specialist feed manufacturers are primarily involved with the selling of feed.

The following chart sets forth the structure of the poultry feed industry:




*(Source: CRISIL Animal Feed Report)*

***Business model of integrated poultry players***

Integrated poultry players use the contract farming model, rather than indulge in captive farming. In the contract farming model, the integrator provides day-old chicks and hatching eggs from players' parent farms, as well as feed, medications and vaccinations, any implements that may be required, and extension and advisory services to the contract farmer. Contract farmers can be either commercial chicken farmers or commercial egg farmers. The farmer is responsible for the health, feed intake, growth, and mortality levels of these day-old chicks, all of which is monitored by the integrator.

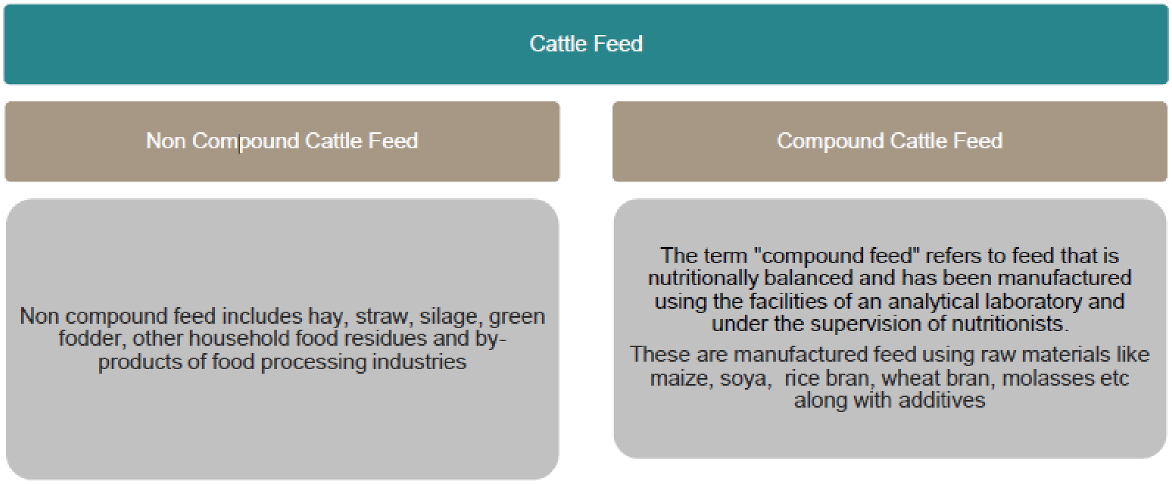
At the end of six weeks, the full grown bird is returned to the integrator in the case of broiler farming. The integrator then sells this bird as live or processed chicken. For egg farming, after 16 weeks, the bird starts laying eggs, which continues for

52 weeks. These eggs are handed to the integrated poultry players, who either pack and sell them, or process them into value-added products such as whole egg powder, yolk powder, and albumen powder. The integrator bears all the expenses involved in the transportation, provision, and marketing of the bird. The contract farmer receives a payment on delivery of the bird, dependent on certain parameters including feed conversion ratio and mortality rate. This model helps in minimizing risks faced by small poultry farmers.

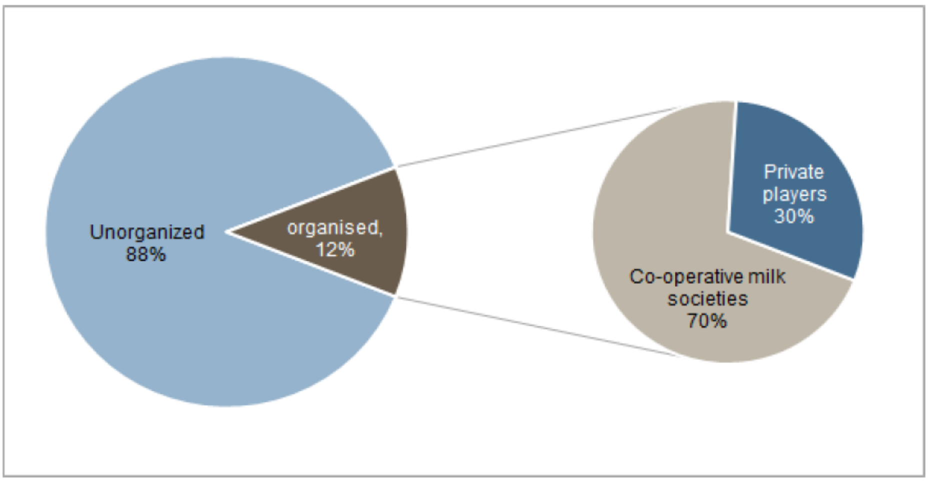
***Cattle feed industry***

Cattle feed forms the second major segment of the animal feed industry in India. A major share of this industry is still unorganized as small scale farmers do not use compound cattle feed and large scale dairy farms who use compound feed are few. However, feed manufacturers have increasingly started to adopt modern and sophisticated methods to improve feed quality, in a bid to match best global practices.

The following chart sets forth the classification of cattle feed:




The following chart sets forth the structure of the cattle feed industry:

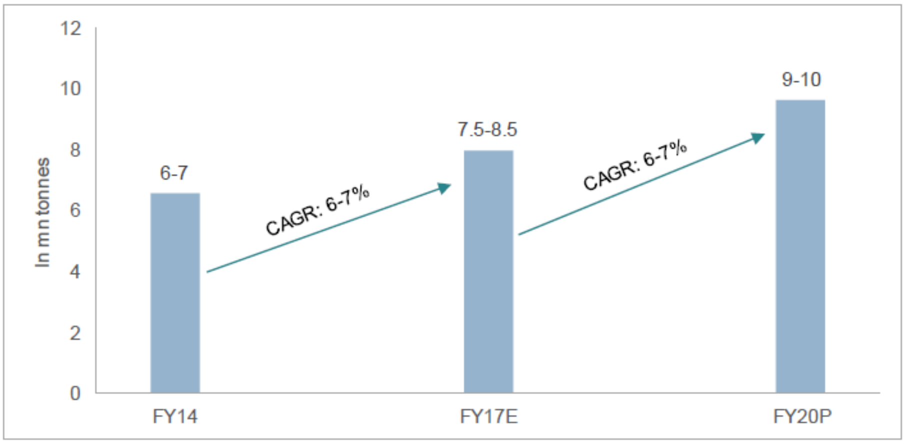



*(Source: CRISIL Animal Feed Report)*

Until the financial year 2013, the share of organized players manufacturing compound feed stood at 7% to 8%. This has now improved to 12%, indicating high market potential. Within the organized sector, co-operative dairy societies comprise 70%, and private players comprise the rest. There are 17 dairy co-operative societies in the country with integrated plants for manufacturing cattle feed.

The market size of compound cattle feed manufactured by organized players was estimated at between 7.5 million MT and 8.5 million MT in the financial year 2017. In terms of sales volume, the market grew at a CAGR of 6% to 7% between the financial year 2014 and the financial year 2017. For the same period, in terms of sales value, the market grew at a CAGR of 12% to 13% and was estimated to be between ₹ 148 billion and ₹ 150 billion.

The following chart sets forth the trend of the cattle feed industry in India in terms of sales value:



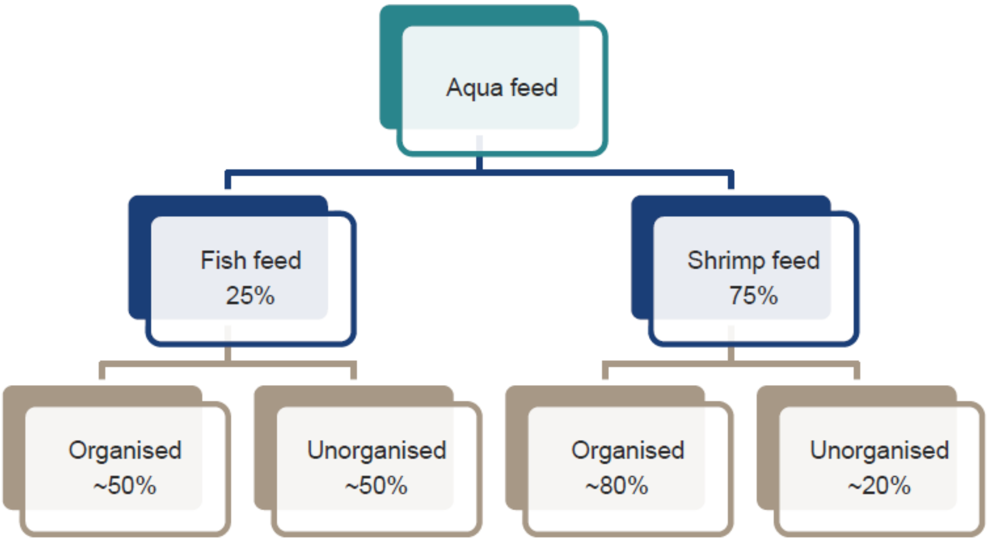

Note: E: Estimated; P: Projected
*(Source: CRISIL Animal Feed Report)*

The cattle feed industry is expected to grow at a CAGR of 6% to 7%, to reach an estimated 9 million MT to 10 million MT by the financial year 2020. In terms of sales value, it is expected to grow at a CAGR of 10% to 11%, to reach approximately ₹ 197 to ₹199 billion by the financial year 2020. This growth can basically be attributed to factors such as increasing awareness among farmers to use compound feed, improvement in realization per litre of milk, increasing consumption of milk and milk products which is due to increased income levels, changing lifestyles and increasing health awareness.

Rapid depletion of green pastures across India, as a fallout of urbanization and frequent droughts owed to inadequate monsoons, coupled with the booming dairy industry, have boosted demand for the cattle feed industry. The falling area under grazing stimulates the compound cattle feed industry directly as depletion of green pastures forces dairy farmers to use compounded cattle feed. Private players and the National Dairy Development Board ("**NDDB**") are continuously training and educating farmers on the importance of using compound feed for cattle. According to NDDB, compound cattle feed is palatable and a good source of nutrients for growing, milk producing and pregnant animals. Through regular use of compound cattle feed in prescribed quantity along with a basal diet, cost of milk production from dairy animals can be optimized and net profitability for farmers can be increased. Private players engage teams which travel across villages and understand the issues faced by dairy farmers, and organize training sessions regarding topics including cattle health and feed. All this has led to greater awareness, and a gradual shift from traditional to compound feed amongst farmers.

***Aqua Feed Industry***

The following chart sets forth the classification and structure of the aqua feed industry:

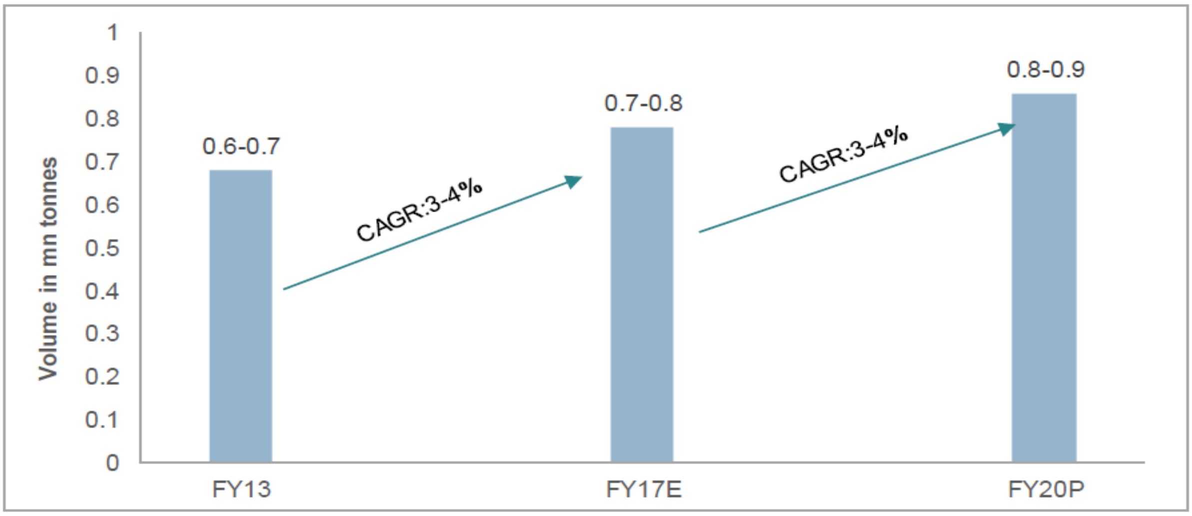



The shrimp feed segment is largely organized as the shrimp industry caters to the export market. Given that a large part of the shrimp exports market is catered to by aquaculture, the usage of shrimp feed has been higher. On the other hand, wild catch still comprises a significant share in case of fisheries, leading to a lower share of organized fish feed segment.

*Fisheries in India*

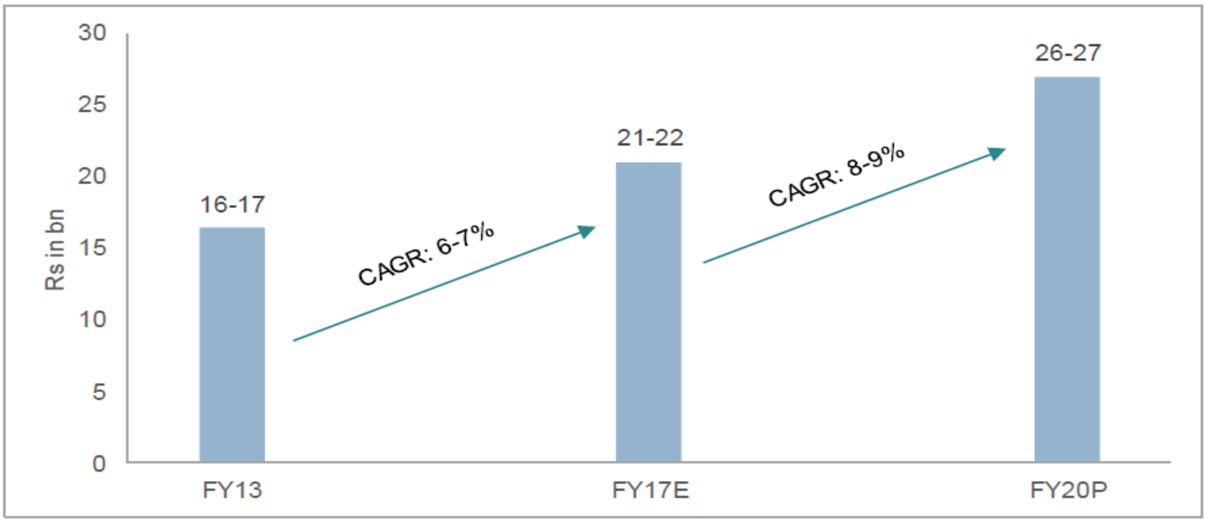
The overall size of the industry (domestic and export) is estimated at ₹ 1,449 billion. The domestic market is unorganized and confined to the wet market. The export market is relatively smaller than the domestic market, but is largely organized. The fisheries industry is concentrated in the southern and eastern regions, along India's long coastline where aquaculture farms are present. In sales volume, the fish feed market has been estimated at around 0.7 million MT to 0.8 million MT for the financial year 2017. In sales value, the industry was estimated at ₹ 21 to ₹ 22 billion in the financial year 2017.

The following chart sets forth the trend of the organised fish feed industry in India (sales volume):




Note: E- Estimated P -Projected
*(Source: CRISIL Animal Feed Report)*

The following chart sets forth the trend of the organised fish feed industry in India (sales value):

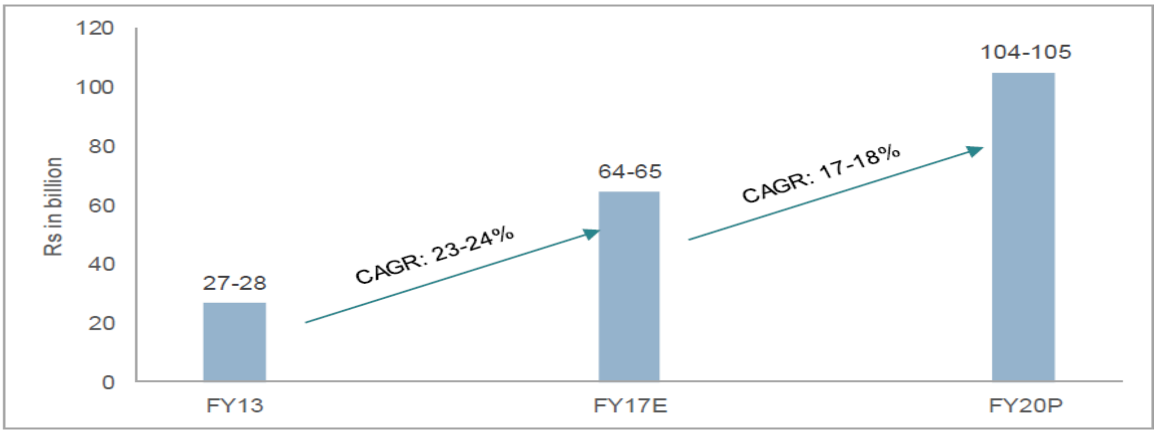



Note: E- Estimated P -Projected
*(Source: CRISIL Animal Feed Report)*

Over the next 3 years, CRISIL Research projects the organized fish feed industry to grow at a CAGR of 3% to 4% to reach 0.8 MT to 0.9 MT and in sales value, it is expected to reach ₹ 26 to ₹ 27 billion, growing at a CAGR of 8% to 9% by the financial year 2020.

More than 80% of the shrimp cultivated in India is for export purposes, and the quality of shrimps farmed and processed has to conform to internationally acceptable standards. As a result, producers of shrimp prefer to use compound shrimp feed which provides the requisite nutritional benefits to the shrimp. The total market size of the shrimp feed industry currently is estimated at around 0.9 MT to 1.0 MT in terms of volume for the financial year 2017, and grew at an annual rate of 13% to 14% between the financial year 2013 and the financial year 2017. In terms of sales value, the industry is currently sized at approximately ₹ 64 to ₹ 65 billion, with an annual growth rate of 23% to 24% between the financial year 2013 and the financial year 2017 due to improved realisations.

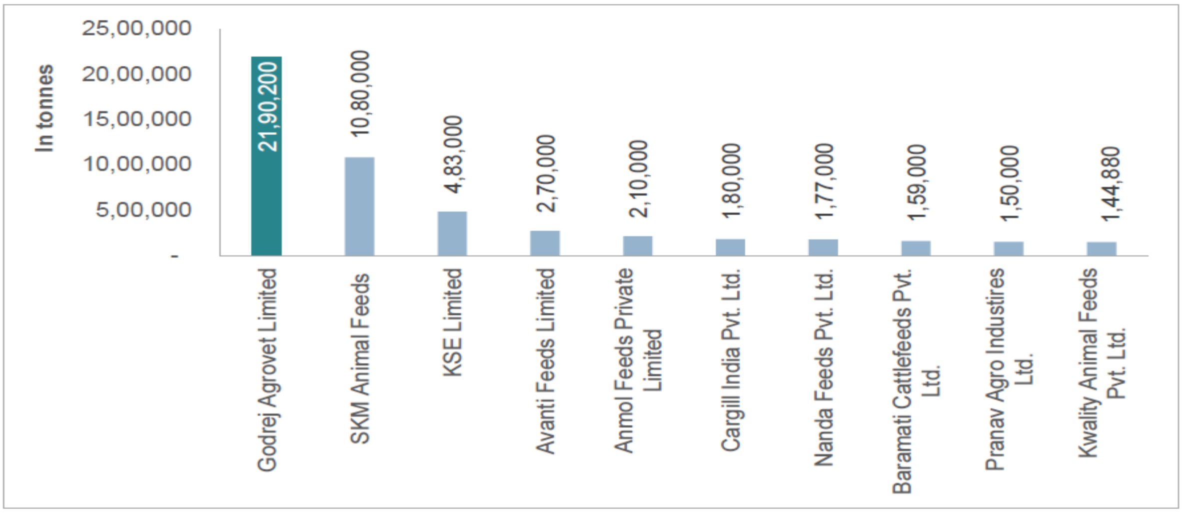
The following chart sets forth trends in the shrimp feed industry in India in terms of sales value:




Note: E- Estimated: P –Projected
*(Source: CRISIL Animal Feed Report)*

CRISIL Research expects the shrimp feed industry to grow at a CAGR of 12% to 13% in terms of sales volume and at a CAGR of 17% to 18% in sales value by the financial year 2020. The growth is primarily driven by an increase in shrimp cultivation. Also, CRISIL Research expects the demand for shrimps to continue from USA and Vietnam. The size of the domestic fish production market in the financial year 2016 was an estimated ₹ 790 billion. Between the financial year 2011 and the financial year 2016, the domestic market grew at a CAGR of 12% in sales value and at a CAGR of 3% in sales volume. Although, close to 80% to 85% of consumption in the domestic market is from capture fisheries, demand for aquaculture products is also on the rise. Over the next three years, CRISIL Research projects the domestic market to grow at a CAGR of 12% to 14% to reach between ₹ 1,100 billion and ₹ 1,200 billion by the financial year 2019.

The following chart sets forth the installed capacity as of specialist compound feed manufacturers for the financial year 2016:



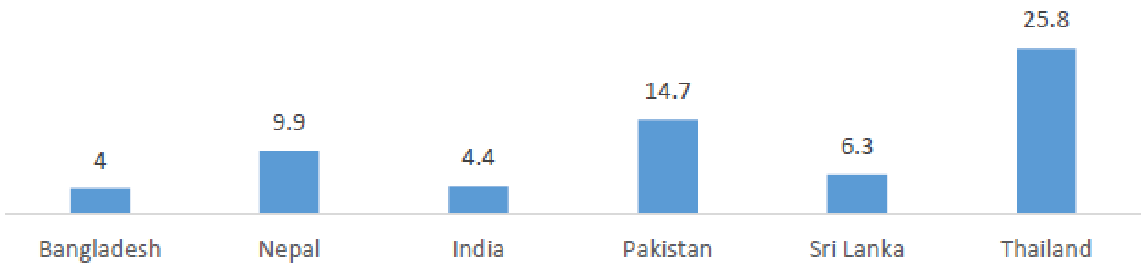

Note: The above list does not include data about poultry integrators and milk co-operative societies.
*(Source: CRISIL Animal Feed Report)*

Based on installed capacity as of the financial year 2016, Godrej Agrovet is the leading player in the compound animal feed industry in India with presence across poultry, cattle and aqua feed segments. Other players such as Anmol Feeds, Cargill India and Pranav Agro also have their presence across all three segments, albeit on a smaller scale.

***Overview of the animal feed industry in Bangladesh***

Bangladesh's current annual average consumption of meat per person is lower than regional peers, but is expected to grow in tandem with per capita income.

The following chart sets forth average annual meat consumption in kilograms across countries:

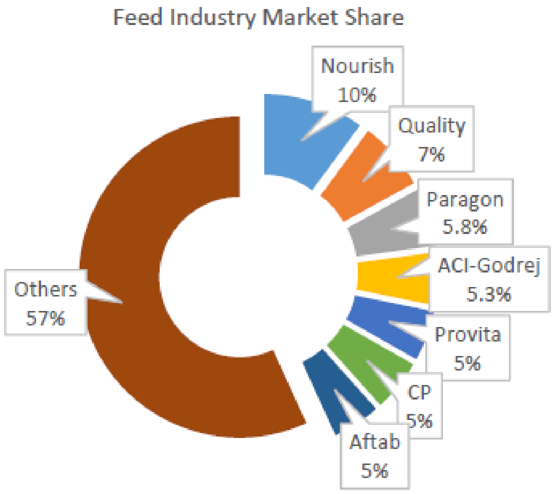



*(Source: Bangladesh Report)*

The major players in the feed industry in Bangladesh are large business conglomerates with integrated forward and backward linkages. Some of the large national conglomerates in this sector that have these links and invest their own capital in the market include Nourish Poultry Feeds Limited, Kazi Farm Group, Paragon Group, Aftab Hatcheries Limited and Quality Feed Limited. CP Foods (Thai Group) and New Hope Group (Chinese Group) are international conglomerates who are operating in Bangladesh. Most major players have vertically integrated operations in order to take advantage of economies of scale.

There are two broad categories of feed used for meeting the demand- commercial feed and local home-made feed. Due to high feed conversion ratio by mechanized feed mills, the higher priced balanced feed manufacturing is used by the producing companies for the commercial returns. The commercial ready-mix segment is also gaining popularity causing the smaller local producers to exit due to lower economics of scale. Due to capital intensive nature of the industry requiring economics of scale in order to maintain competitive pricing, smaller players are slowly getting phased out of the market.

The following chart sets forth market share of major players in the feed industry:




*(Source: Bangladesh Report)*

Although the market has a number of large and medium sized players, over 50% of the market is captured by a large number of informal home-made feed producers. The majority of these top players have integrated forward linkages, enabling them to supply a portion of their produced feed as raw materials.

In terms of market size and growth, the broiler feed market is the largest, followed by the layer feed market. At present, the total volume of feed produced is 7.26 million MT in the livestock sector consisting of poultry feed at 3.61 million MT, cattle feed at 2.22 million MT, and fish feed at 1.43 million MT through a total of 100 fully automated feed mills, and 45 small and medium feed mills.

Market assessment conducted by US Soybean Export Council estimate a current demand gap of 260,000 MT in broiler feed followed by 110,000MT in layer feed, 100,000MT in fish feed, and 1000MT in cattle feed culminating in a combined volume of 480,000 MT.

The following table sets production and demand of feed in Bangladesh:

| Type of Livestock | Current Production (million MT) | Existing Demand (million MT) | Demand Gap (million MT) | Latent Demand (million MT) | Total Demand (million MT) | Real Gap (million MT) |
|---|---|---|---|---|---|---|
| Broiler | 2.14 | 2.40 | 0.26 | 0.30 | 2.70 | 0.56 |

| Type of Livestock | Current Production (million MT) | Existing Demand (million MT) | Demand Gap (million MT) | Latent Demand (million MT) | Total Demand (million MT) | Real Gap (million MT) |
|---|---|---|---|---|---|---|
| Layer | 1.19 | 1.30 | 0.11 | 0.60 | 1.90 | 0.71 |
| Cattle | 0.07 | 0.08 | 0.01 | 0.20 | 0.10 | 0.03 |
| Fish | 1.29 | 1.38 | 0.10 | 1.00 | 2.38 | 1.10 |
| **Total** | **4.69** | **5.16** | **0.48** | **2.10** | **7.08** | **2.40** |

*(Source: Bangladesh Report)*

**Crop Protection**

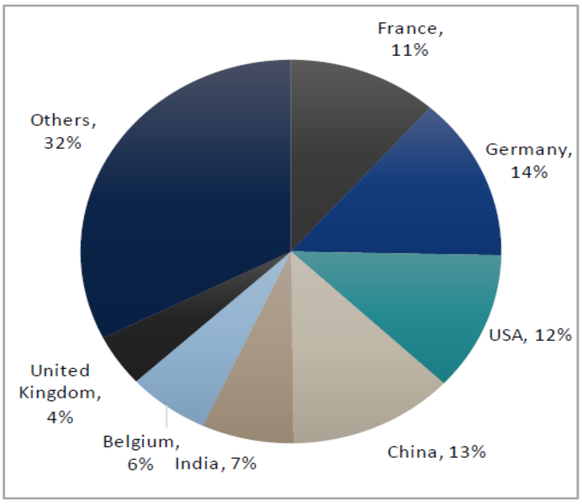
***Herbicides account for a major share of the global crop protection market***

Herbicides form the largest share of the global crop protection market, accounting for 45% of the pesticides consumed worldwide in the calendar year 2015. This is majorly owed to sizeable land holdings, adoption of advanced farming techniques, and unavailability of cheap labour in developed and developing countries. Fungicides and insecticides make up for rest of the pesticide consumption, with a 26% and 25% share, respectively.

Similar to the pharmaceuticals industry, the global crop protection market consists of on-patent and off-patent generic molecules. However, unlike pharmaceuticals, the manufacturing of generics is still dominated by the original "innovators".

Therefore, France, Germany and the United States continue to be leaders in world exports. However, in the past decade, India, and other low-cost destinations such as China, have entered the generics market, which met the same quality standards required for registration and use in global markets, at much more competitive price points. While generic manufacturers have significantly lower realisations as compared with on-patent producers, China and India have gained shares in the past ten years as a number of molecules went off-patent.

The following chart sets forth the share of different countries in world exports for the calendar year 2016:



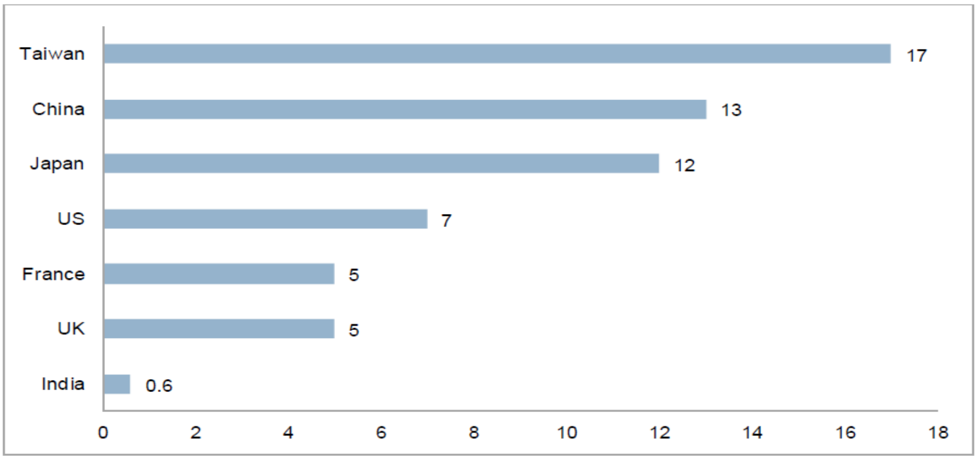

*(Source: CRISIL Crop Protection Report)*

The steep increase in the consumption of pesticides in Brazil over the past five years aided the increase in exports from India and China.

***Comparison of pesticides usage in different countries***

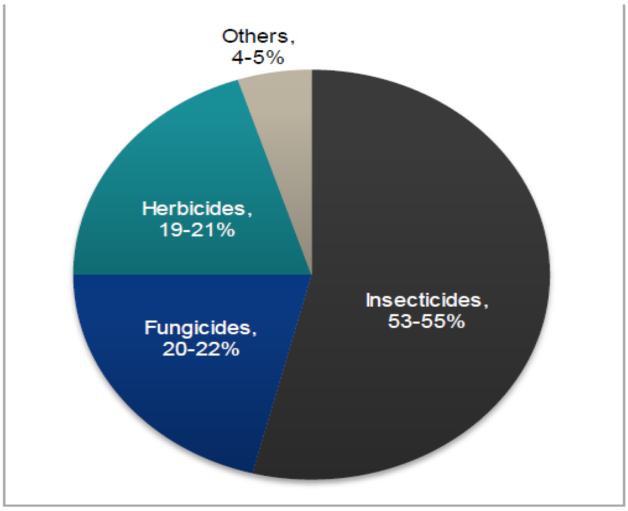
Globally, Taiwan has the highest pesticide consumption rate at 17 kg/hectare, closely followed by China and Japan at 13 kg/hectare and 12 kg/hectare, respectively. India's pesticide consumption is lower than the global average. While pesticide penetration has been increasing in recent years, driven by a rise in penetration and usage per hectare, India's usage is still very low compared with other countries, both developed and developing.

The following chart sets forth the average consumption of pesticides (kg/hectare) for the financial year 2015:




*(Source: CRISIL Crop Protection Report)*

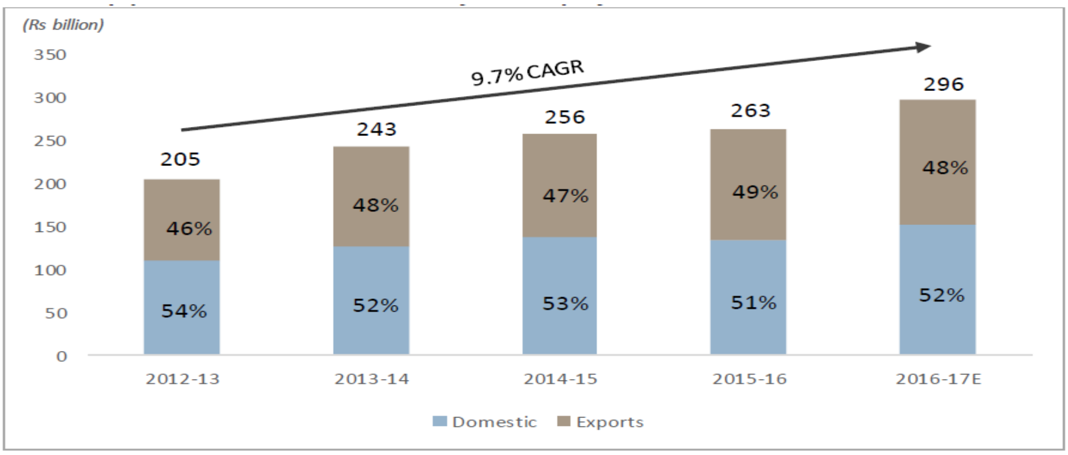
The following chart sets forth the product-category-wise breakup of Indian crop protection industry estimated as of the financial year 2017:




(*Source CRISIL Crop Protection Report)*

***Market size of overall Indian crop protection industry***

The following chart sets forth the total crop protection market catered by Indian players:




*(Source: CRISIL Crop Protection Report)*

The total crop protection market catered to by the Indian players is sized at ₹ 296 billion in the financial year 2017 and has seen a steady growth over the last few years. During the five-year period from the financial year 2013 to the financial year 2017, total crop protection market size, comprising domestic consumption and exports, is estimated to have increased at a

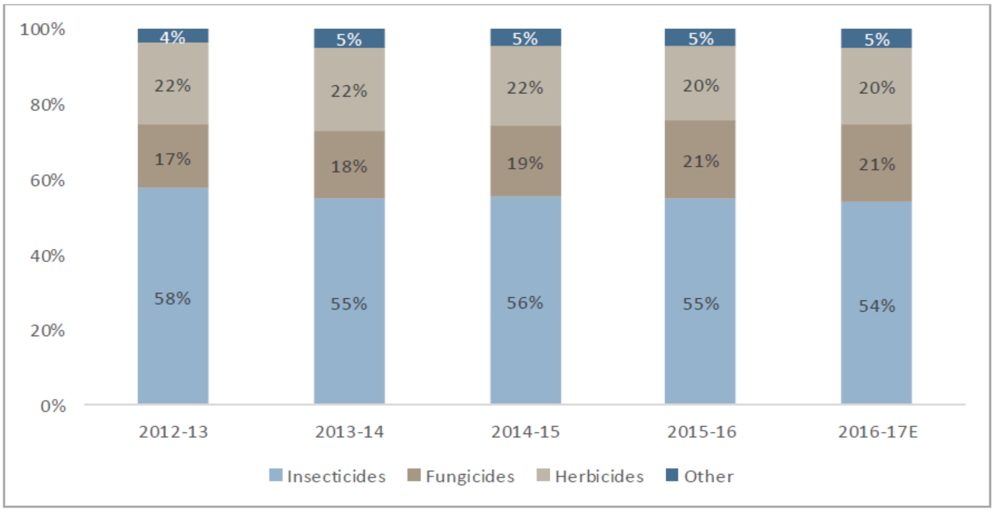
CAGR of 9.7% to ₹ 296 billion in the financial year 2017, from ₹ 205 billion in the financial year 2013. During the corresponding period, share of exports in the overall market size have improved marginally.

The domestic crop protection demand is currently sized at between ₹ 145 billion and ₹ 155 billion. The industry grew at a healthy CAGR of 8.5% in sales value between the financial year 2013 and the financial year 2017, driven by higher pesticide use per hectare to boost agricultural production, and an increased penetration of pesticides. In addition, plant growth regulators have been used for the cultivation of cotton and rice crops in India, and also find application in horticulture and floriculture.

***Product category-wise breakup of current market size***

Over the years, insecticides have accounted for a major share of the domestic pesticides market, followed by fungicides and herbicides. However, the share has seen a marginal decline from 58% in the financial year 2013 to 54% in the financial year 2017. Various factors have led to the significant change in the consumption mix, with other categories of pesticides, such as herbicides, fungicides and bio-pesticides, growing rapidly.

The following chart sets forth the share of insecticides has seen a gradual decline over the last few years:




*(Source: CRISIL Crop Protection Report)*

***Share of organized players in crop protection market***

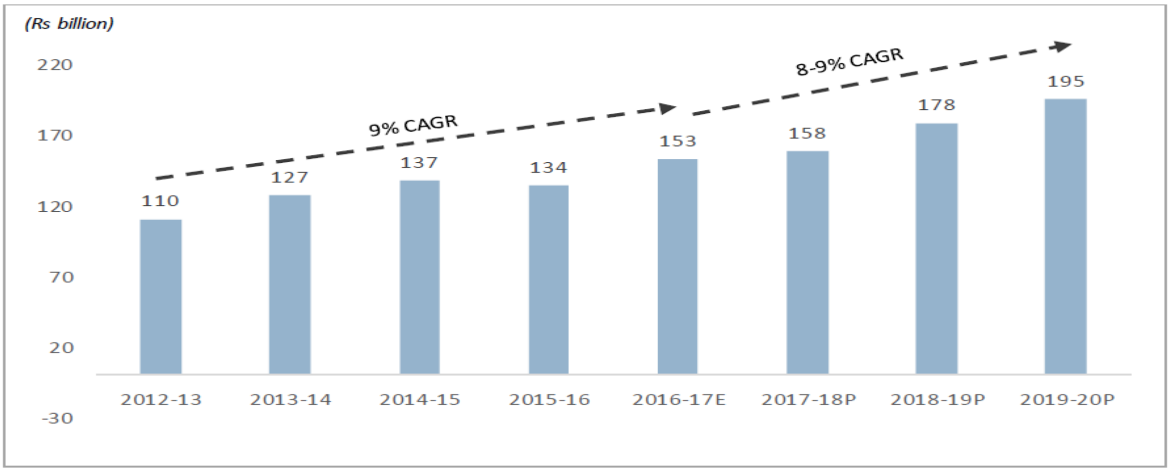
The domestic pesticides market is highly competitive in nature. While there are 15 to 20 major manufacturers of technical compounds, who also have a presence in the manufacturing and sale of formulations, there are over 500 standalone formulators as well. The top players, most of whom are integrated manufacturers, comprise 60% to 70% of the pesticides market, with smaller standalone formulators accounting for the rest. Standalone formulators are largely present in the manufacturing of generic, that is, not specific to a particular crop or pest, pesticides, while larger players, in particular MNCs, or large Indian companies with global tie-ups for technology, are more likely to have a greater presence in specific pesticides. As generic pesticides dominate the domestic market, price competition amongst players is intense.

Players in the intensely competitive domestic industry adopt a variety of strategies to boost their competitiveness. A wide distribution network provides a higher market share, along with a degree of geographical diversification, and backward integrated players, or players with a presence in the manufacturing of technical, are typically more profitable. A diverse product portfolio, of both specific and generic pesticides, and various categories of pesticides including insecticides, herbicides and fungicides to provide players with a wider market for their products in terms of both geography and target crops. Players who export, besides gaining a wider market, also achieve some degree of natural hedging in the event that some proportion of their raw materials are imported.

In addition, over and above a strong distribution network, engagement with the final end consumers, that is, farmers, is essential. Players also have to make efforts to develop some degree of brand recall among the farmers, given the fact that most distributors will be stocking products of more than one company. In order to boost their relationship with farmers, and also to ensure proper utilisation of their products, players regularly interact with farmers and engage in awareness building sessions.

Over the next three years (financial year 2018 to financial year 2020), pesticides consumption is expected to grow at a CAGR of 8% to 9% in sales value, driven by growth in the herbicides and fungicides segments. Also, the penetration of pesticides is expected to increase 300 basis points to 52%, aiding growth. Demand for insecticides is expected to slow down, owing to a decline in its application on cotton. The share of cotton in total pesticides consumption is estimated to have dropped sharply from 30% in the financial year 2012 to 15% in the financial year 2017, due to increasing awareness among farmers about Bt cotton seeds. However, the increasing penetration of pesticides in paddy plantation will continue to drive growth for the segment, albeit at a much slower pace at a CAGR of 5%, over the next three years.

The following chart sets forth the domestic crop protection market to grow at a CAGR of 8 to 9% in the next three years:




*(Source: CRISIL Crop Protection Report)*

While insecticides will continue to dominate the overall mix, due to India's tropical climate and resultant pest incidence, the share of herbicides and fungicides in total consumption is expected to increase steadily. Both segments are expected to grow at a CAGR of 8% to 10% during the next three years.

The following chart sets forth the share of herbicides and fungicides set to rise:


*Others include biopesticides, rodenticides and fumigants
(*Source: CRISIL Crop Protection Report)*

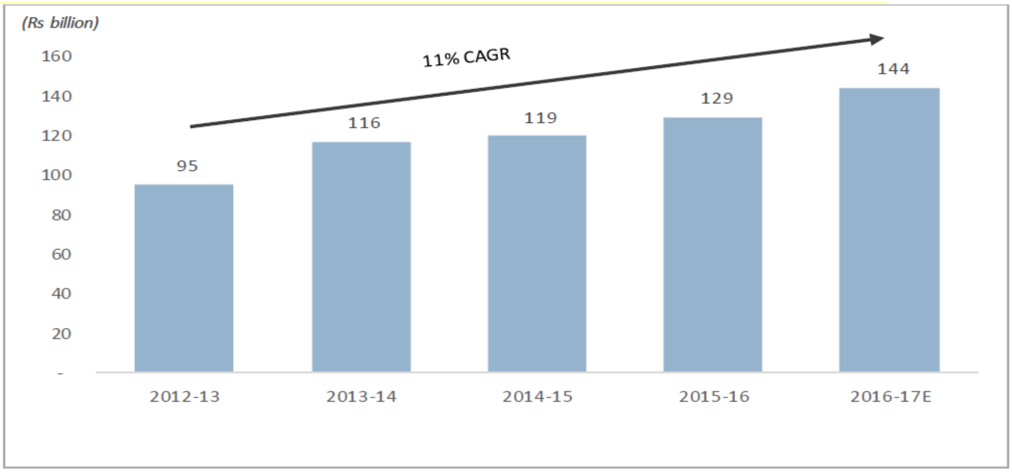
Growth in the domestic market will be driven by an increase in penetration and a rise in per-hectare expenditure. The expenditure per hectare on pesticides for farmers is expected to increase assuming a normal monsoon in the calendar years 2017 and 2018. Prices have remained under pressure in the calendar year 2015 and the calendar year 2016, owing to two successive deficient monsoons, and is therefore expected to see some upside. Further, the intensity is also expected to increase, because of increasing farmer awareness. India has one among the lowest application rates on per-hectare consumption basis. Farmers are likely to increase the intensity of application to achieve better crop yields and pare losses.

***Trend in India's exports***

From the financial year 2013 to the financial year 2017, India's pesticides exports grew at a CAGR of 11% in terms of the Indian rupee. Exports demand was strong during the financial year 2013 and the financial year 2014, owing to healthy demand from key export markets of Brazil and the US. However, growth was flat during the financial year 2015 and the financial year 2016, owing to El-Nino inducing a fall in demand from Brazil.

India's share in global pesticides exports increased from 4% in the calendar year 2006 to over 7% in the calendar year 2016. The share of China, India's major competitor in the pesticides generics manufacturing industry, moved up from 6% in the calendar year 2006 to 13% in the calendar year 2016. Both Indian and Chinese exports have grown relatively faster than the global market, owing to an increase in the usage of generics. The expiry of patented products in the past ten years has also aided the increase.

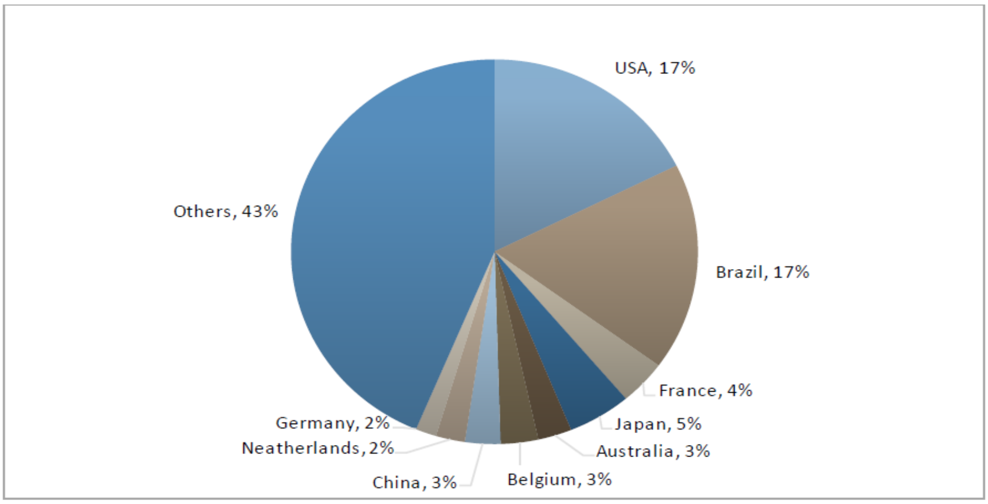
The following chart sets forth estimated growth in exports from the financial year 2013 to the financial year 2017:




*(Source: CRISIL Crop Protection Report)*

On the products front, insecticides formed the largest share in exports in the financial year 2013, constituting approximately 49% of the total exports. However, the share of insecticides has declined substantially in the past five years to 26% in the financial year 2017, as herbicides exports increased during the financial year 2013 to the financial year 2017.

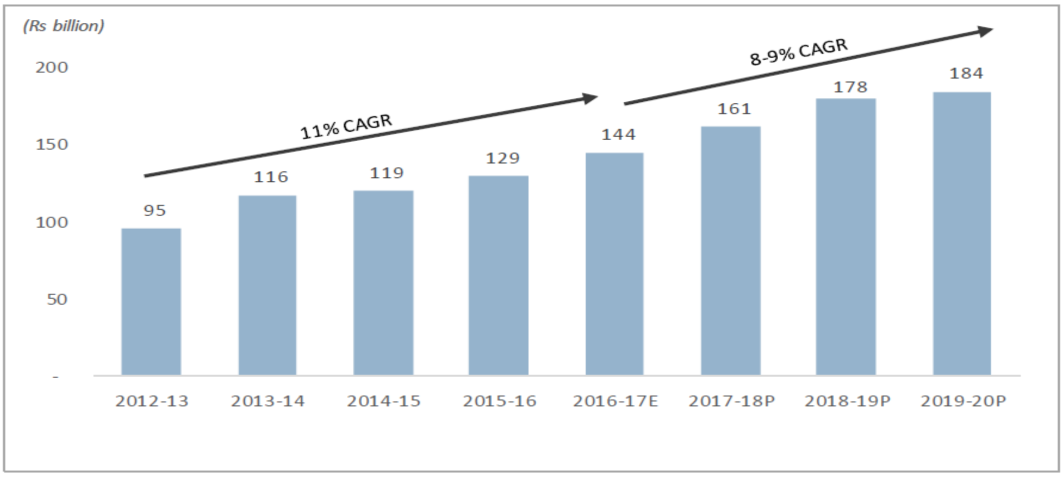
The following chart sets forth India's export destinations for the financial year 2017:




*(Source: CRISIL Crop Protection Report)*

Over the next three years from the financial year 2018 to the financial year 2020, exports are expected to grow at a CAGR of 8% to 9% (at constant currency), driven by demand from US and Brazil. With the impact of El Nino subsiding, agricultural production in Brazil is expected to see a significant upside in the calendar year 2017. The surge in international prices of soybean, sugar and coffee (in which Brazil is a leading player) will also enhance the purchasing power of the Brazilian farmers. Moreover, Latin America will continue to be a major market for generic pesticide manufacturers, due to the relatively flexible regulations to sell products. However, export growth to Europe will remain subdued, due to stringent regulatory norms.

The following chart sets forth the growth in pesticide exports from India for the periods indicated:



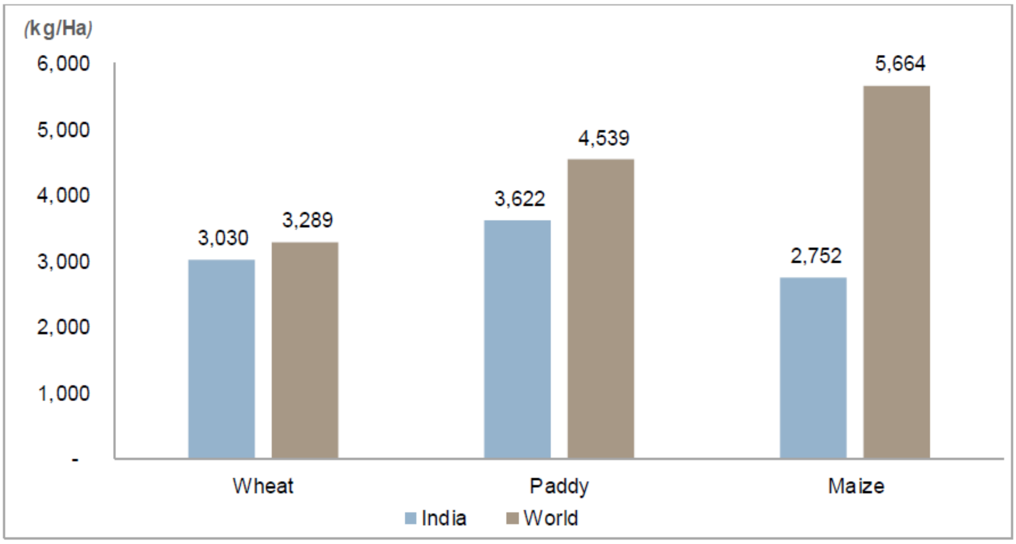

Note: The growth projection for 3-year period from 2018 to 2020 is assumed at constant currency.
(*Source: CRISIL Crop Protection Report)*

**Key growth drivers for the crop protection industry**

*Push for higher yields drives pesticides consumption.*

At 87%, India has a high utilization of arable land compared to Africa (20%), the Americas (30%), the rest of Asia (22%) and Europe (59%). This indicates that the scope for increasing the area under cultivation is minimal. Therefore, any further increase in agriculture production has to come from an increase in yields.

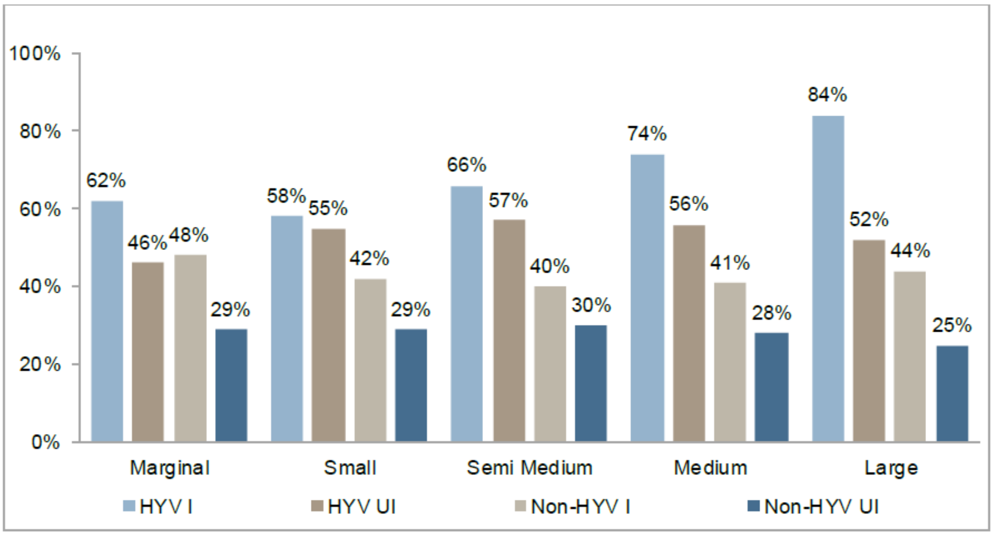
The following chart sets forth yields in India (kg/hectare) as of the calendar year 2014:




*(Source: CRISIL Crop Protection Report)*

*Increasing adoption of modern agricultural practices driving growth.* From the below graph, it is clearly seen that the penetration of pesticides is highest in the case of land where both irrigation and high yielding varieties of seeds are used. The primary strategy used to boost yields across crops is the implementation of modern agricultural methods. Pesticides, in conjunction with fertilisers, mechanised farm equipment and irrigation are the basic components of modern agricultural practices the world over. The adoption of these modern practices has driven the increase in the use of pesticides in recent years.

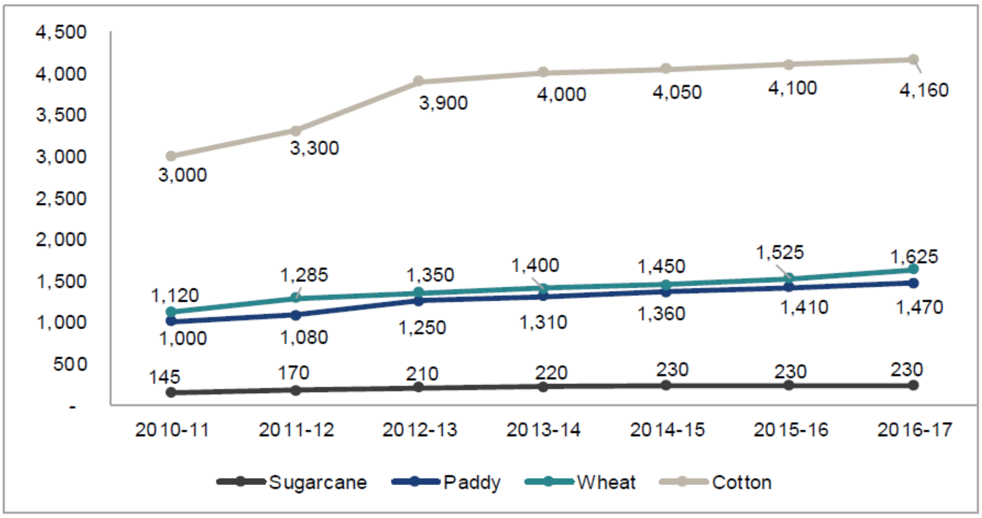
The following chart sets forth the penetration of pesticides across different sizes of land holdings:




Note: HYV – High Yield Variety, UI – Unirrigated, I - Irrigated
(*Source: CRISIL Crop Protection Report***)**

*Higher farm income fuelling investments in plant protection.* Moderately increasing income in the hands of farmers is a crucial factor playing out in favour of the pesticides industry. Investments to boost yields at the farm level are linked directly to the farmers' incomes.

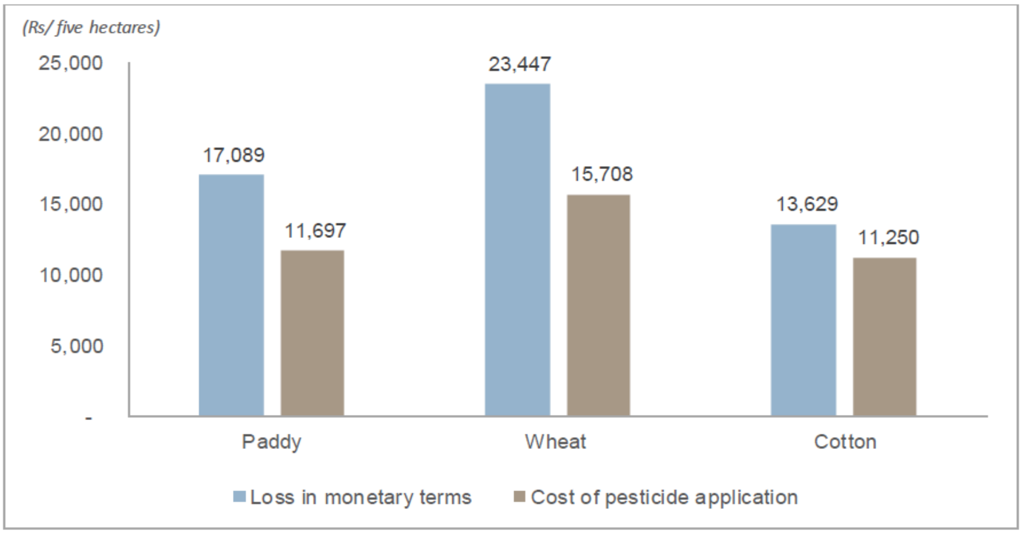
The following chart sets forth the MSPs (₹ quintal) have been on the rise for all major crops:




*(Source: CRISIL Crop Protection Report)*

*Pesticides as an insurance policy against crop loss.* While considering farm economics, it becomes important to assess the importance of pesticides in the context of the opportunity cost of not applying them. Advanced technologies and the emergence of a plethora of new products in crop protection over the past several decades have rendered crop losses (due to pest attack) as almost completely avoidable. Furthermore, pesticides, if applied in the requisite quantity, will typically constitute around 8% to 10% of farm operating expenses, including labour. The outgo for manual labour and inputs, such as fertilisers, is typically far higher. The implication of this fact is that, if, by application of pesticides, crop losses can be avoided altogether, the decision makes economic sense.

The following chart sets forth the comparison between 10% loss and the cost of pesticide application:



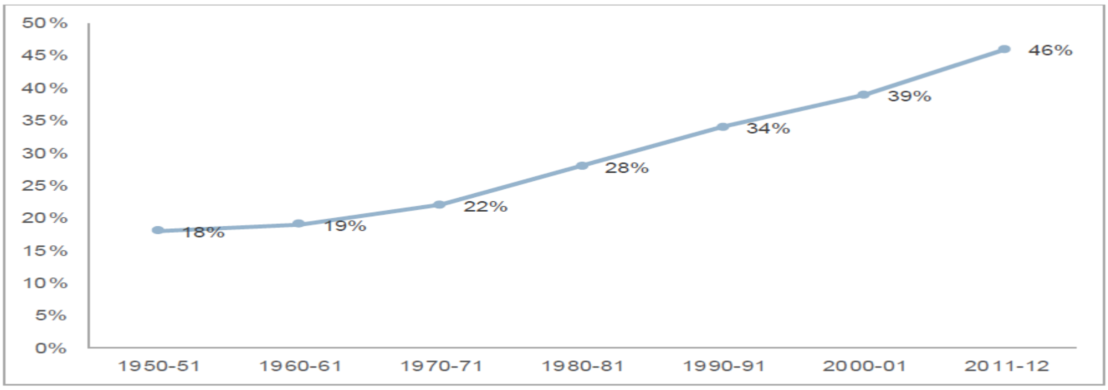

*(Source: CRISIL Crop Protection Report)*

In every instance in the considered sample, the cost of the application of pesticides is substantially lower than the potential loss in output. The increasing investment being made by farmers, aimed at boosting yields, is, therefore, likely to be accompanied by a corresponding increase in expenditure on crop protection, driving growth for pesticide manufacturers.

Since India's pesticide penetration remains low when compared to the global average, there is still sufficient room for growth, highlighting the potential in the Indian market.

*Increase in irrigated area.* The usage of high-value agricultural inputs is more likely to take place on an irrigated plot. With a lower risk of water shortages, farmers are generally more comfortable making slightly larger investments targeting higher yields upfront on irrigated plots. Further, the propensity of a farmer to use chemical pest-control methods is higher when the upfront investment is greater.

The following chart sets forth the irrigation penetration (net area irrigated by net sown area) over time:




*(Source: CRISIL Crop Protection Report)*

The increase in area under irrigation, therefore, is a major positive for the sector. It will lay the foundation for higher use of agricultural inputs, and hence attract greater investment towards crop protection.

*Brazil and the US will continue to drive exports.* After the financial year 2017, assuming favourable weather conditions, increasing demand from the US and Brazil (despite the recent fall in exports) - the two largest pesticide markets - is expected to drive exports. India also has expertise in manufacturing pesticides used in countries with similar climatic conditions, such as Brazil, as the crops sown are similar. For instance, sugarcane is one of the largest crops produced in Brazil and India. This provides India with an advantage, as Indian players already have the manufacturing expertise in pesticides for similar crops.

***Critical success factors***

Owing to the highly fragmented and competitive nature of the industry, the following factors assume high importance:

*Distribution network as a key differentiating factor*

The final product, or the packaged pesticide formulation, is sold through over 100,000 distributors across the country. Further, with 15 to 20 major manufacturers and an estimated 500 to 800 standalone formulators operating across four broad categories of pesticides (insecticides, herbicides, fungicides and others), the brand becomes a key differentiator. Furthermore, the extent of a company's distribution network is crucial.

In addition to building a strong distribution network, players must also develop some degree of brand recall with farmers, especially given the fact that there are no "exclusive" brand-specific outlets, and distributors will (in most cases) be stocking several brands. To this end, most major players have their own farmer engagement programmes, aimed at promoting the proper use of their products and building direct, long-term relationships with farmers.

*Higher margin earning potential for integrated players*

The following chart sets forth the comparison of margins of integrated and non-integrated players:


*(Source: CRISIL Crop Protection Report)*
*Diverse product portfolios provide an advantage*

Companies with diversified product portfolios, i.e. diversified across categories (insecticides, fungicides, herbicides and others) and generic and specific pesticides have a distinct advantage since their presence across different categories provides the companies with a larger target market in terms of crops and/or geographies, as pest incidence and weather conditions are variable and different products would be required in varying degrees in these locations. Further, diversified players with a larger basket of products become less vulnerable to crop/location specific risks such as deficient rainfall, low pest incidence, and change in cropping patterns.

Although generic pesticides operate at lower realisations and generally offer significantly lower margins, their sales tend to exhibit lower volatility. The reason for this is that in the event of uncertainty with respect to rainfall in a particular region, farmers tend to opt for pesticides that require lower investment, and therefore end up purchasing generic products as opposed to specific products. Some presence in generics therefore does provide companies with a certain degree of comfort with respect to sales volatility. Furthermore, the market for generics in India is far larger than the market for specific compounds.

*Presence in exports a positive factor*

Apart from having a diverse product portfolio, players in the crop protection industry also benefit from the geographical diversification achieved through the exposure to export markets. Given the uncertainty in the domestic market owing to the dependence on monsoons, players present in export markets achieve some level of risk mitigation through diversification. Exports also provide a natural hedge to players with a significant share of imported raw materials, reducing their net exposure and risk arising from any adverse movement in exchange rates.

***Overview of competitive landscape***

Top players, most of whom are integrated manufacturers, account for approximately 60 to 70% of the pesticides market, with the smaller standalone formulators accounting for the rest. Standalone formulators are largely present in the manufacture of generic pesticides, while larger players, in particular MNCs, or large Indian companies with global tie-ups for technology are more likely to have a greater presence in specific pesticides. As generic pesticides dominate the domestic market, competition amongst players on price is intense. Key players include Bayer Cropscience Limited, Bharat Rasayan Limited, Dhanuka Agritech Limited, Insecticides (India) Limited, P I Industries Limited, Rallis India Limited, United Phosphorous Limited and Godrej Agrovet Limited.

**Oil Palm**

***Global vegetable oil production and consumption***

Palm oil and soya bean oil shared 64.0% of the total vegetable oils with 36.0% and 28.1% respectively. Amongst the lauric oil sources, palm kernel oil dominated with 4.0% share followed by coconut oil at 1.7%.

In the global vegetables oil production, palm oil remains to be the highest followed by soya bean oil. The next important oils are rape seed and mustard and sunflower oil. These four oils play a vital role in the vegetable oil, in the economy of oils and fats.

***Future world demand for vegetable oils***

Global demand for oils and fats is growing fast and in the past 15 years has almost doubled from 92.4 million MT in the financial year 2000 to 180.0 million MT in the financial year 2015. The four major vegetable oils: palm (30%), soya bean (24%), rape seed and mustard (13%) and sunflower (7%) totally contributed to 74% of world production. The growing demand will continue in the coming decades. By the financial year 2050, global demand will rise to 250 million MT.

The following table sets forth projected per capita consumption and growth of vegetable oil:

| | Per Capita Consumption (kg) | | Growth (%) | |
|---|---|---|---|---|
| | Average 2012-14 (estimated) | 2024 | 2005-14 | 2015-24 |
| World | 19.1 | 21.0 | 1.75 | 0.78 |
| Developed Countries | 25.8 | 26.0 | -0.16 | -0.14 |
| Developing Countries | 17.5 | 20.0 | 2.66 | 1.13 |
| India | 14.8 | 19.0 | 4.33 | 2.05 |
| BRICS | 19.1 | 22.9 | 3.44 | 1.50 |

* Weighted avg. price of oilseed oils and palm oil, European port.
*(Source: Oil Palm Report)*

The following table sets forth per capita consumption of palm oil in India:

| Year | Per Capita Consumption (Kg) | |
|---|---|---|
| | Palm Oil | Palm Kernel Oil |
| 2015 | 70.83 | 1.70 |
| 2014 | 61.18 | 1.91 |
| 2013 | 66.11 | 2.67 |
| 2012 | 60.24 | 1.64 |
| 2011 | 54.72 | 1.56 |
| 2010 | 55.28 | 1.91 |

*(Source: Oil Palm Report)*

***Indian vegetable oil scenario***

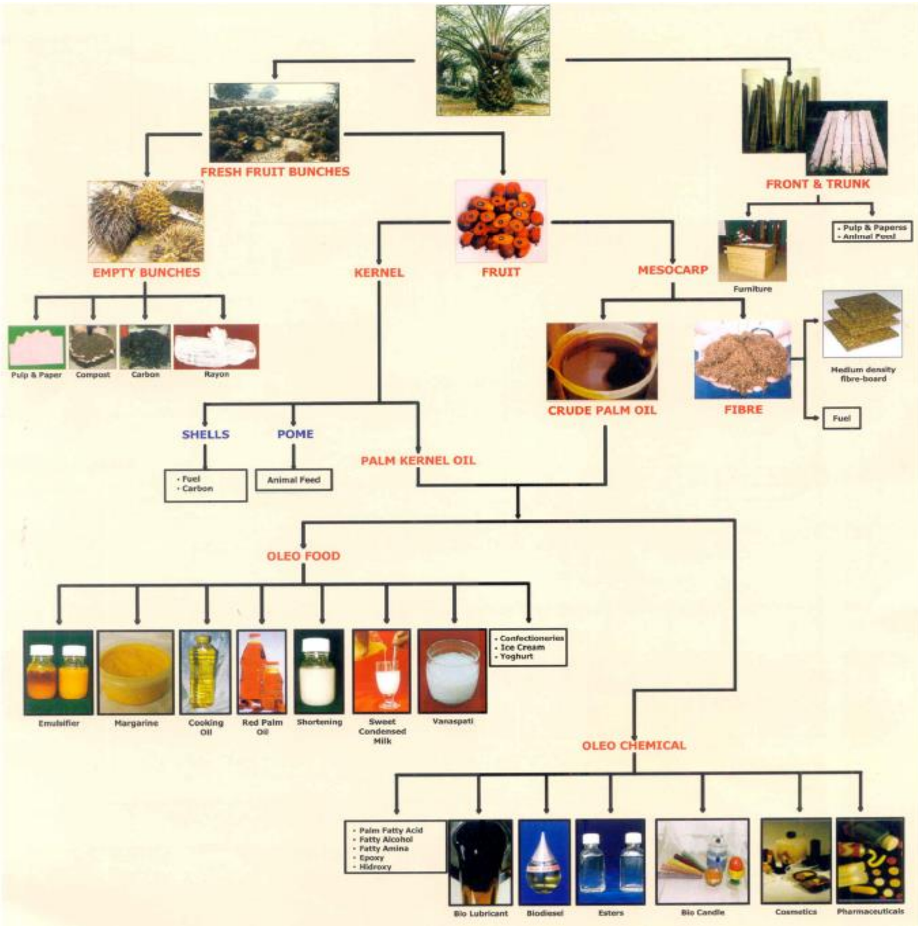
India occupies a prominent place in the global oilseeds scenario with 12 to 15% of the area, 6 to 7% of the vegetable oil production, and 9 to 10% of the total edible oil consumption and 13.6% of the vegetable oil imports. Despite having the largest area under oilseeds in the world (26.77 m ha), India currently imports approximately 50% of total oil requirement at a cost of ₹ 560 billion for the financial year 2012. The proportion of imports has increased from 3% in the financial year 1971 to almost 56% in the financial year 2013.

India is the world’s largest edible oil importer, with oil and oilseed turnover of US$25 billion and an import-export turnover of US$13 billion. India’s demand for edible oils is at 21 million tons/year. An estimated 70% of this demand is met with domestic production of approximately 7 million MT to 8 million MT and imports of 14 million MT to 15 million MT, valued at over US$12 billion. The country’s edible oil imports have increased by almost 50% in the last five years, with imports of palm oil growing by 25% and soya oil jumping by 300%. India’s consumption growth is pegged at 5% per year and the country is expected to be consuming around 34 million MT of edible oil by the financial year 2025, with a projected vegetable oil imports bill of US$25 billion.

***Oil Palm in India***

Oil palm gives the highest oil yield of 4 to 6 tons per hectare per year with a global average of 3.80 tons per hectare per year which no other known oilseed crop produces. The highest theoretical oil yield of this crop is projected to 18 tons per hectare per year. In India itself the best farmers have obtained 6 to 8 tons and highest being 10 tons of oil per hectare per year. Oil palm is an eco-friendly crop, and soil fertility is improved through the proper recycling of organic bio mass in oil palm plantations. In addition, palm oil is a source of nutrition and health due to its high calorific value and vitamin content, and a major source of biofuel.

The following chart sets forth oil palm by products utilization:




*(Source: Oil Palm Report)*

The following table sets forth the potential area under oil palm cultivation in India:

| States | Potential Area Identified (hectares) |
|---|---|
| Andaman and Nicobar Islands | 3,000 |
| Andhra Pradesh | 469,500 |
| Arunachal Pradesh | 25,000 |
| Assam | 25,000 |
| Bihar | 200,000 |
| Chhattisgarh | 48,000 |
| Goa | 2,000 |
| Gujarat | 260,250 |
| Karnataka | 260,000 |
| Kerala | 6,500 |
| Maharashtra | 180,000 |
| Meghalaya | 50,000 |
| Mizoram | 61,000 |
| Nagaland | 50,000 |
| Orissa | 56,000 |
| Tamil Nadu | 205,000 |
| Tripura | 7,000 |
| West Bengal | 25,000 |
| Total | 1,933,250 |

*(Source Oil Palm Report)*

Almost 2.0 million hectares can be brought under irrigated oil palm in the country. In addition it is also possible to bring another 3 to 4 million hectares of wastelands and cultivable wastelands with adequate underground water potential if identified under oil palm.

**Oil Palm Development Project**

In the financial year 1991, the Oil Palm Development Project was launched as part of the Government's Technology Mission on Oil Seeds program. Implementation of the Oil Palm Development Project began in nine states. As of March 31, 2017, the country has achieved an area expansion of 305,624 hectares across 14 states out of 18 potential identified states. This is the highest irrigated area of oil palm globally involving small and marginal farmers.

The Indian oil palm development project with small and marginal farmers is linked with identified processors including GAVL, Ruchi Soya and 3F, who will provide planting material, technical know-how for cultivation and finally purchase the fresh fruit bunches ("**FFB**") at the collection centers. Unlike with other crops such as sugarcane, farmers are paid without going to processing locations, and payment is made within two weeks of collecting the fruits from farmers. Area allotments to particular companies ensure that companies can go ahead with oil palm planting without restriction, depending on the conviction of the farmers.

**Leading players in the Palm Oil Milling space in India**

Production of Indian Palm oil (CPO) increased from approximately 1,013 tons in the financial year 1994 to 1.87 lakh tons in the financial year 2016. As of March 31, 2017, Godrej Agrovet was the largest crude oil producer in India, with a market share of 35%. . Ruchi Soya occupies the second position with a market share of approximately 30%. Nava Baharat Agro Products and 3F occupy the third and fourth position, with a market share of approximately 11% and 7% to 9% respectively.

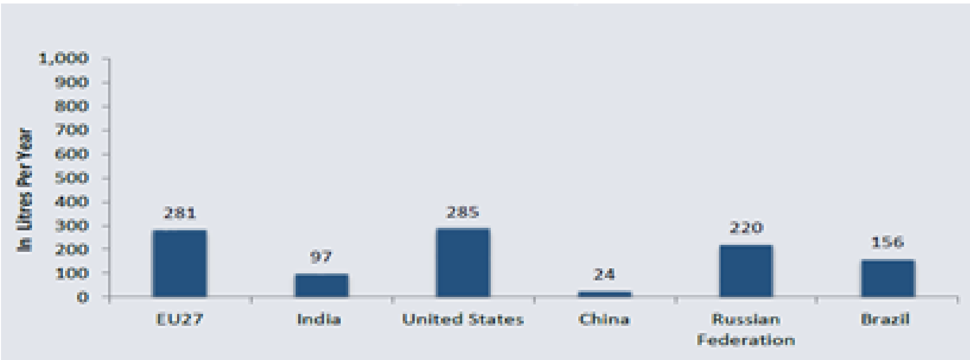
**Dairy**

**The Indian Dairy Industry**

*Overview*

India is the world‘s biggest producer and consumer of milk on a country-wise basis. However, the per capita consumption of milk at 97 litres per year is well below that of other major milk markets, except for China.

The following chart sets forth per capita milk consumption in major regions globally:




*(Source: IMARC Report)*

Milk production volumes in India have grown at a rapid pace from 17 million MT during the financial year 1952 to 162 million MT during the financial year 2017, enabling India to become the world‘s biggest milk producer. Similarly, driven by a steady population growth and rising incomes, milk consumption continues to rise in India. During the financial year 2017, India with a total consumption of 154 million MT represented the world's largest consumer of milk.

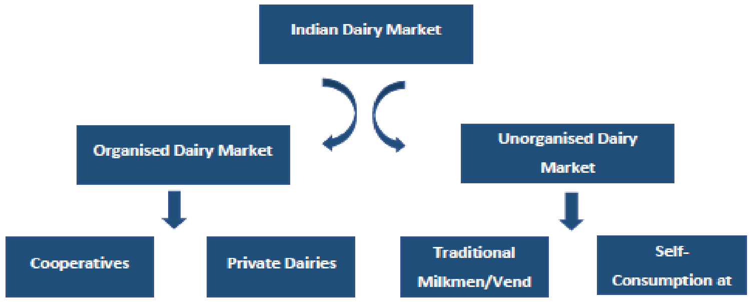
In the financial year 2016, India‘s dairy industry was worth approximately ₹6,911 billion, growing at a CAGR of 13.0% during the financial years 2010 to 2016. Total production of milk and dairy products in India is expected to increase from 162 million MT in the financial year 2017 to 209 million MT in the financial year 2023, and total consumption of milk and dairy products is expected to increase from 154 million MT in the financial year 2017 to 205 million MT in the financial year 2023. In the financial year 2022, India's dairy industry is projected to be worth approximately ₹16,368 billion, maintaining a CAGR of 15.6% during the financial years 2017 to 2022.

In India, milk consumption mainly consists of cow milk at 49.9% for the financial year 2017. On a state level, Uttar Pradesh, Rajasthan and Gujarat were the largest milk producers accounting for 17.0%, 12.1% and 8.0% of total milk production in the financial year 2017, respectively. Further, of the 35 states and union territories in India, cow milk is dominant in 24 states and union territories. The top 5 cow milk producing states in India are currently Tamil Nadu, Uttar Pradesh, Rajasthan, Maharashtra and West Bengal.

***Indian Dairy Market Structure***

The Indian dairy industry is divided into the organized and unorganized segments. The unorganized segment consists of traditional milkmen, vendors and self-consumption at home and the organized segment consists of cooperatives and private dairies as illustrated in the flowchart below:

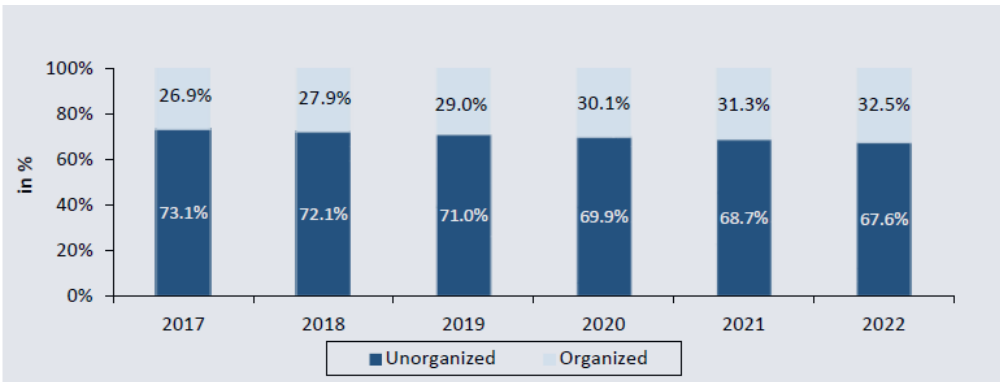
The following chart sets forth the Indian dairy market Structure:




*(Source: IMARC Report)*

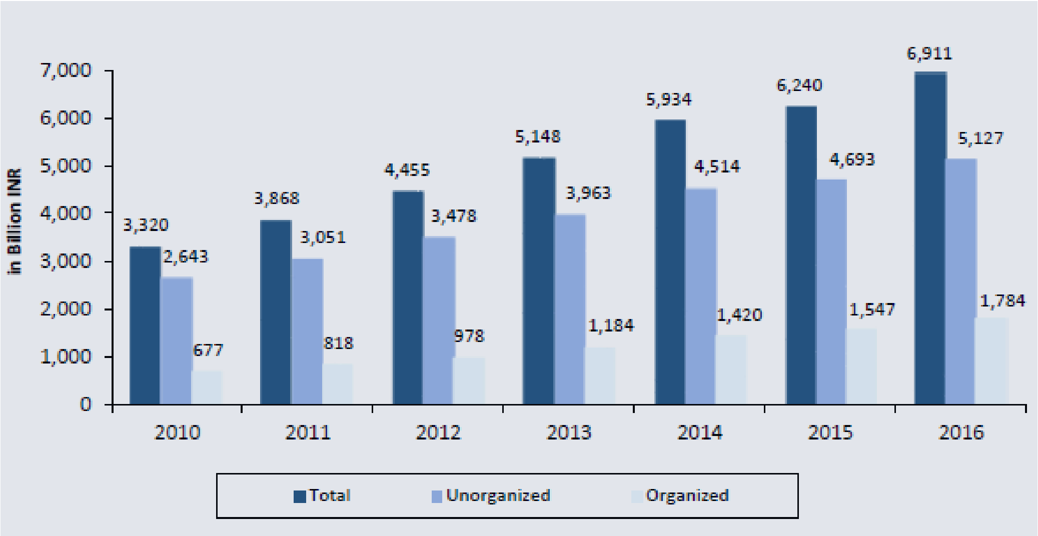
During the financial years 2010 to 2016, the organized segment grew at a CAGR of 17.5% whilst the unorganized segment grew at a CAGR of 11.7% during the same period. However, the unorganized segment still dominates the Indian dairy industry at 74.2% compared to the organized segment at 25.8% in the financial year 2017. The organized market is expected to grow at a CAGR of 20.1% during the financial years 2017 to 2022 accounting for approximately 32.5% of the total Indian dairy market by the financial year 2022. The unorganized market is expected to grow at a CAGR of 13.8% during the same period and is expected to account for 67.5% of the total Indian dairy market by the financial year 2022.

The following chart sets forth India's breakup of the organized and unorganized dairy market:




*(Source: IMARC Report)*

The following chart sets forth penetration of the organized and unorganized segments in the dairy market between the financial years 2010 and 2016:




*(Source: IMARC Report)*

The following table sets forth dairy products and their EBITDA margins:

| Sr. No. | Products | Profitability | Profit Margins |
|---|---|---|---|
| 1 | Liquid Milk | Low Margin | 4-5% |
| 2 | UHT Milk | Medium Margin | 5-10% |
| 3 | Flavored Milk | High Margin | 10-15% |
| 4 | Curd | Medium Margin | 5-10% |
| 5 | Lassi | Medium Margin | 5-10% |
| 6 | Buttermilk (Chach) | Medium Margin | 5-10% |
| 7 | Flavoured and Frozen Yoghurt | High Margin | 10-15% |
| 8 | Cheese | High Margin | 10-15% |
| 9 | Butter | High Margin | 10-15% |
| 10 | Ghee | High Margin | 10-15% |
| 11 | Paneer (Cottage Cheese) | Medium Margin | 5-10% |
| 12 | Skimmed Milk Powder | Medium Margin | 5-10% |
| 13 | Cream | Medium Margin | 5-10% |
| 14 | Whey Powder | High Margin | 10-15% |
| 15 | Whey Protein | Very High Margin | 20-25% |

*(Source: IMARC Report)*

The following table sets forth details on the Indian dairy market for the financial years 2016 and 2022:

| Category | 2016 Sales (in Million INR) | 2016 Sales of the organized Sector (in Million INR) | 2016 Share of the organized Sector | 2022 Sales (in Million INR) | 2022 Sales of the organized Sector (in Million INR | 2022 Share of the organized Sector | Total Market CAGR 2016-2022 | Organized Market CAGR 2016-2022 |
|---|---|---|---|---|---|---|---|---|
| Liquid Milk | 3,154,320 | 929,173 | 29.5% | 7,579,482 | 2,862,471 | 38% | 15.7% | 20.6% |
| UHT Milk | 31,466 | 31,466 | 100.0% | 124,473 | 124,473 | 100% | 25.8% | 25.8% |
| Flavoured Milk | 18,039 | 18,039 | 100.0% | 69,963 | 69,963 | 100% | 25.3% | 25.3% |
| Curd | 579,152 | 40,447 | 7.0% | 1,366,216 | 121,848 | 9% | 15.4% | 20.2% |
| Flavoured & Frozen Yoghurt | 3,683 | 3,683 | 100.0% | 19,354 | 19,354 | 100% | 31.9% | 31.9% |
| Lassi* | 17,021 | 17,021 | 100.0% | 57,771 | 57,771 | 100% | 22.6% | 22.6% |
| Buttermilk* | 46,383 | 46,383 | 100.0% | 159,418 | 159,418 | 100% | 22.8% | 22.8% |
| Probiotic Dairy Products | 1,389 | 1,389 | 100.0% | 5,086 | 5,086 | 100% | 24.1% | 24.1% |
| Cheese | 13,735 | 13,735 | 100.0% | 58,276 | 58,276 | 100% | 27.2% | 27.2% |
| Butter | 23,489 | 23,489 | 100.0% | 73,432 | 73,432 | 100% | 20.9% | 20.9% |
| Ghee | 1,519,113 | 250,936 | 16.5% | 3,479,920 | 690,107 | 20% | 14.8% | 18.4% |
| Paneer | 210,167 | 5,721 | 2.7% | 483,408 | 19,079 | 4% | 14.9% | 22.2% |
| Dairy Whiteners | 25,746 | 25,746 | 100.0% | 54,263 | 54,263 | 100% | 13.2% | 13.2% |
| Skimmed Milk Powder | 123,257 | 123,257 | 100.0% | 279,945 | 279,945 | 100% | 14.7% | 14.7% |
| Cream* | 3,053 | 3,053 | 100.0% | 7,041 | 7,041 | 100% | 14.9% | 14.9% |
| Whey | 3,513 | 3,513 | 100.0% | 12,146 | 12,146 | 100% | 23.0% | 23.0% |
| Ice Cream | 108,663 | 61,836 | 56.9% | 275,028 | 191,225 | 70% | 16.7% | 20.7% |
| Dairy Sweets | 478,138 | 166,084 | 34.7% | 1,077,440 | 458,500 | 43% | 14.5% | 18.4% |
| Khoya | 531,180 | 0 | 0.0% | 1,128,488 | - | 0 | 13.4% | NA |
| Sweet Condensed Milk | 19,268 | 19,268 | 100.0% | 57,101 | 57,101 | 100% | 19.8% | 19.8% |
| Total | 6,910,776 | 1,784,240 | 25.82% | 16,368,251 | 5,321,499 | 32.51% | 15.45% | 19.98% |

* Note: Unorganized shares of lassi, buttermilk and cream were unavailable.
*(Source: IMARC Report)*

***Key Growth Drivers***

There are several key factors driving growth in the dairy industry including:

*Strong historical and projected GDP growth rates.* In the financial year 2016, the Indian economy was valued at over US$ 2.4 trillion and expected to grow at a CAGR of 7.7% during the financial years 2017 to 2022. Driven by the sustained growth of the Indian economy, shift in life styles and eating habits of Indian consumers are expected drive the consumption of dairy products in the country.

*Rising middle class and urban population.* The number of middle class households is expected to significantly increase from 255 million in the financial year 2015 to 586 million by the financial year 2025 at a CAGR of 8.7%. As the demand for dairy products is income elastic, a continuous increase in disposable incomes is creating a positive impact on the growth of the dairy Industry. The consumption of dairy products, in particular the organized sector is also dependent upon the level of urbanization. With increasing urbanization levels and busy lifestyles, consumers tend to prefer clean, hygienic and ready to eat products which can be consumed on-the-go. India's urbanization levels have increased significantly over the past few decades which are acting as a catalyst for the growth of the organized dairy market.

*Large and increasing working population.* The rise in working population aged 15 to 64 and disposable incomes from the increasing number of middle class households is expected to drive growth in the dairy industry. The increasing level of urbanization across the Indian population is also expected to drive growth in the organized dairy industry as a result of urban consumers preferring clean, hygienic and ready-to-eat milk and dairy products. The total size of the working population is expected to increase from 826 million in the financial year 2015 to 988 million by the financial year 2030.

*Changing dietary patterns.* Greater per capita income and urbanization have changed food consumption patterns in Indian households, particularly from consuming lesser cereals and increasing consumption of milk and dairy products. During the financial year 2012, urban and rural households spent approximately 16.4% and 15.2%, respectively, out of total their total monthly income on milk and dairy products.

*Milk is considered a perfect health food in India.* Milk has traditionally been an important source of proteins, fats, carbohydrates and vitamins, especially for India's vegetarian population, which make up approximately 31% of India's population. It is therefore expected that there will be a continuous strong demand for milk and dairy products.

*Consumer shift towards packaged milk to drive organized market.* Increasing safety and quality concerns are expected to drive consumers to shift from loose liquid milk to pasteurized packaged milk in the coming years. This will enable the organized market to account for around 38% of the total liquid milk sales by the financial year 2022.

*(Source: IMARC Report)*

***Competitive Landscape***

The Indian dairy industry is highly fragmented with the organised segment accounting for only 15% to 20% of total milk and milk products sold in India. Major cooperatives and private players within the organised segment are currently present only in specific regions. The industry currently comprises of State-based cooperatives and private players, Urban oriented national players and emerging national players.

State-based cooperatives and private players focus on traditional dairy products such as pouch milk, curd and have a strong distribution network within a particular state or region catering to urban, semi urban and rural populations.

Urban oriented national players focus on value added premium products having higher margins and have a strong pan India distribution network focusing on the urban population.

Gujarat Cooperative Milk Marketing Federation Limited targets consumers across the country in both urban and rural regions. This requires the organization to have its distribution network throughout the country across both urban and rural regions.

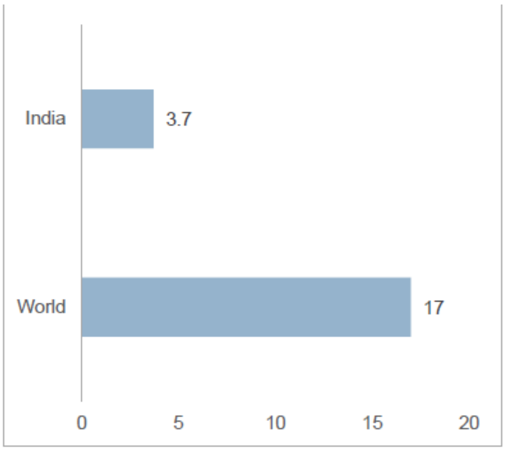
Emerging national players focus on both traditional and premium products and have a strong distribution network in one or more state or region catering to urban, semi urban and rural populations. Emerging national players are in the process of building a pan India distribution network and presence.

**Poultry and Processed Foods**

***Meat Industry Overview***

Poultry meat is the fastest growing component of the global meat demand. As of the calendar year 2017 (forecast), the USA is the largest producer of broiler meat, followed by Brazil and China. India's production of broiler meat at 4.5 million MT is led largely by domestic demand. In the financial year 2016, India's per capita consumption of poultry meat was an estimated 3.7 kg per year, compared to the world average of approximately 17.0 kg per year. While India currently has a lower share in consumption as compared to its global peers, overall poultry consumption has been increasing at a healthy pace at a CAGR of 15% to 20% over the last decade. This growth has been led primarily by an increase in average household incomes, increase in popularity and number of fast food restaurants and quick service restaurants, as well as a shift in preference of white meat over red meat.

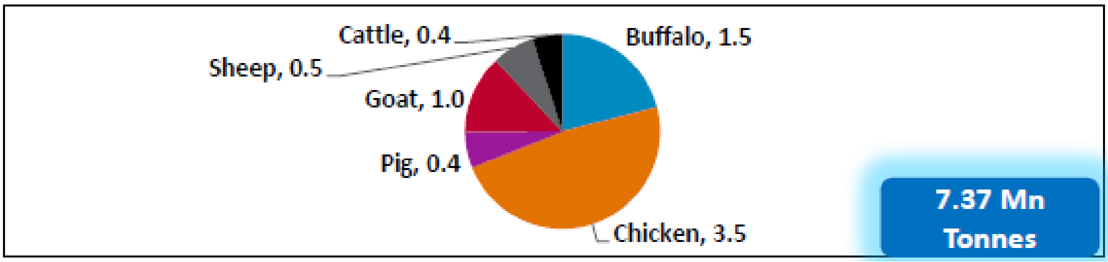
The following chart sets forth India's per capita consumption of poultry meet compared to world per capita consumption:




*(Source: CRISIL Animal Feed Report)*

For the financial year 2017, meat production in India was estimated at 7.37 MT, accounting for 3% of total world meat production, at 220 MT.

The following chart sets forth meat production by type of meat:




*(Source: Poultry Report)*

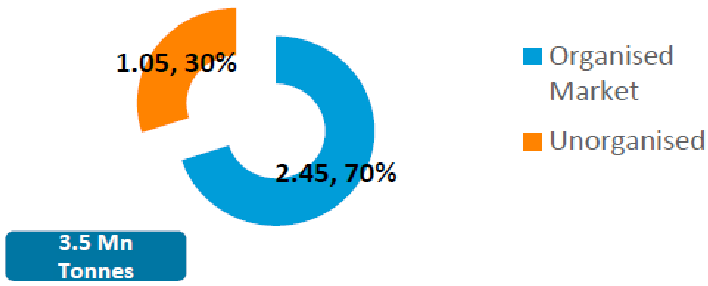
***Poultry Meat Industry in India***

For the financial year 2017, poultry meat production in India was estimated at 3.5 million MT. The poultry market, currently valued at ₹ 5.65 billion, contributes to approximately 47.86% of total meat output. Out of the total poultry meat market, the live poultry market constitutes 98% of total sales since most consumers prefer freshly culled chicken meat. Processed chicken meat production comprises 2% of total production, out of which only an estimated one per cent undergoes processing into value-added products that are ready-to-eat or ready-to-cook. The recent emergence of supermarkets and shopping malls has been supporting the growth in the retailing of chilled and frozen poultry products.

In addition to five modern integrated poultry processing plants producing dressed chicken, chicken cut parts and other chicken products, there are number of small poultry dressing plants in the country. The organized sector produces an estimated 70% of the total chicken meat production, and is mainly concentrated in Tamil Nadu, Andhra Pradesh, Maharashtra, Karnataka, and West Bengal.

Within the last ten years, many broiler enterprises have vertically integrated their operations (also called integrators), especially in southern and western India. Integrators own all the hatcheries, feed mills, and slaughter facilities, and contract with multiple smaller farmers who raise the chicks to slaughter weight primarily in open air sheds.

The following chart sets forth the overall poultry meat market split by the organized market and the unorganized market:




*(Source: Poultry Report)*

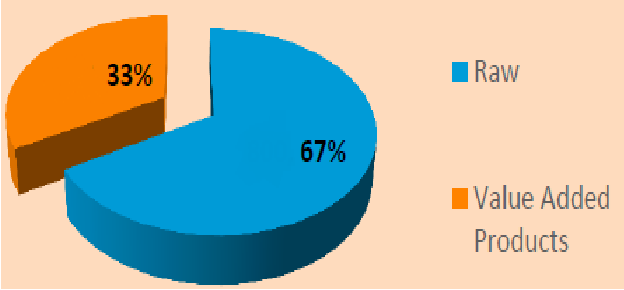
***Processed Poultry Food Industry Market Structure***

There are seven to eight large, organized manufacturers present in Tier 1 and Tier II cities across multiple locations in India. The overall turnover of these leading players is over ₹ 100 million. Key players include Venkey's, Godrej Agrovet, Sumeru, Suguna, Keya and Republic of Chicken. These players have a large number of dealers and distributor networks. There are five to six organized, regional players present in Tier 1 and Tier II cities across multiple locations in India, who have strong presences in particular cities or regions. Key players include Skylark, Baramati Agro, and Aarambagh. These players have a limited network of dealers across cities. There are few importers present in India, with the key player being Fortune Gourmet, which is present in Tier 1 and Tier II cities in India.

***Processed Poultry Production in India***

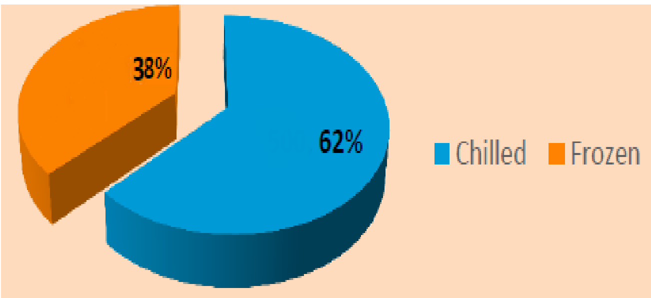
The market for processed poultry food in India is estimated at ₹12 billion, while the market for chilled poultry product is estimated at ₹5 billion. Chilled whole birds and parts are sold in markets and shops in major cities. Acceptance of chilled meat is higher than that of frozen meat, yet growth in chilled meat consumption may help to accelerate the transition to frozen poultry products. Well-known brands available nationally in the frozen poultry meat category include Venkey's, Yummiez, Sumeru, Suguna, Keya and Republic of Chicken. Fresh poultry meat brands available in only certain markets include Real Good Chicken, Zorabian, Suguna and Venkey's.

The following chart sets forth the overall processed poultry meat production in India split by value:




*(Source: Poultry Report)*

The following chart sets forth overall raw poultry production in India split by type:




*(Source: Poultry Report)*

***Processed Poultry Meat: Processed and Raw Food Market in India***

Within processed poultry meat production, domestic sales account for 79% while exports account for 21%. 67% of processed poultry meat production is raw, while 33% consists of value added products. In addition, 63% of all domestic processed poultry is chilled while 37% is frozen.

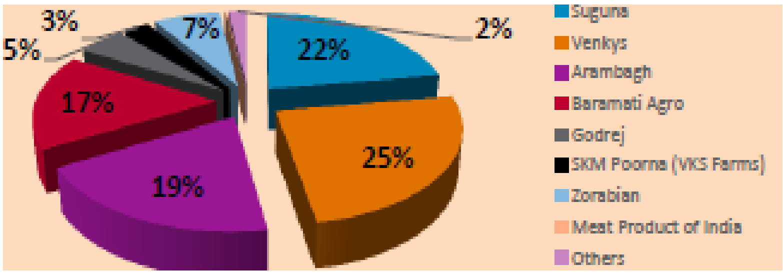
In recent years, the demand for frozen or chilled meat products from hotels, fast food restaurant chains and urban consumers has been rising. Suguna, India's largest integrated poultry operator, is known for its chicken products and focuses on retail and HoReCa as its major consumer segments besides also catering to other segments such as the armed forces and other institutions like KFC, Marry Brown, Vista and Nando's. Venky's, Saguna, Zorabian, Meatzza, Sumeru and Yummiez, with an anticipated combined retail value share of 80%, were the leading brands in the frozen processed poultry market.

Value added products and raw products account for 40% and 60% of the overall retail market, which is valued at ₹ 3.38 billion, respectively. Out of the overall retail market for processed poultry raw, which is worth ₹ 2.02 billion, modern trade and traditional trade comprise 23% and 77%, respectively. Out of the overall retail market for processed poultry value added, worth ₹ 1.36 billion, modern trade and traditional trade comprise 86% and 14%, respectively.

*(Source: Poultry Report)*

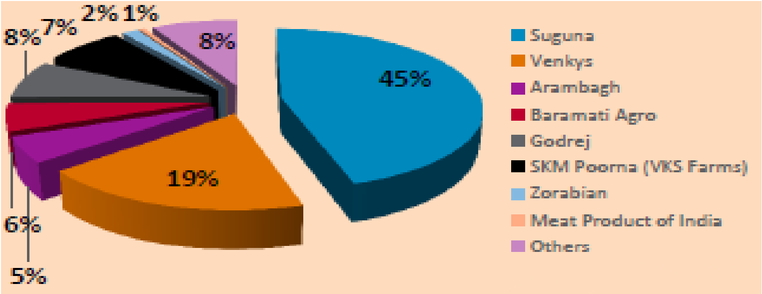
***Key players in the processed poultry's raw & processed market***

The following chart sets forth the processed poultry value added worth ₹ 4 billion split by key players:




*(Source: Poultry Report)*

The following chart sets forth the Processed Poultry's Raw Market worth ₹ 8 billion split by Key Players:




*(Source: Poultry Report)*

The fresh poultry meat category has also attracted some branded players but they are more focused on specific regions and are available within only a limited geography due to the short shelf life of products. The key players in this category are Real Good, Suguna, Venkys, Zorabian and Godrej.

## OUR BUSINESS

### Overview

We are a diversified, research and development focused agri-business company with operations across five business verticals: animal feed, crop protection, oil palm, dairy, and poultry and processed foods. We were the leading compound animal feed company in India, on the basis of installed capacity for the financial year 2016. *(Source: CRISIL Animal Feed Report)* In Bangladesh, our joint venture, ACI Godrej was the fourth largest feed producer, in terms of sales volume, during the financial year 2016. *(Source: Bangladesh Report)* We were also the largest crude palm oil producer in India, in terms of market share, as of March 31, 2017. *(Source: Oil Palm Report)*

***Our Business Verticals:***

- In our animal feed business, our portfolio of products comprises cattle feed, poultry feed (broiler and layer), aqua feed (fish and shrimp) and specialty feed. Our animal feed products are manufactured at 35 facilities, of which 10 facilities are owned by us, and seven are operated by us, located near major consumption centers across India, with an aggregate production capacity of 2.36 million MT per annum, as of March 31, 2017. Our pan-India distribution network for animal feed products includes approximately 4,000 distributors, as of March 31, 2017. Our 50:50 joint venture, ACI Godrej, was incorporated in 2004 and produces cattle, poultry and fish feed in Bangladesh. ACI Godrej operates two manufacturing facilities with an aggregate production capacity of 0.57 million MT per annum, as of March 31, 2017.

- In our crop protection business, we manufacture a wide range of products that cater to the entire crop lifecycle including plant growth regulators, organic manures, generic agrochemicals and specialized herbicides. In October 2015, we acquired a majority equity interest in Astec LifeSciences and we currently own 55.7% of the outstanding equity shares of Astec LifeSciences. Astec LifeSciences manufactures agrochemical active ingredients (technical), bulk and formulations as well as intermediate products and sells its products in India as well as exports them to approximately 24 countries, including the United States and countries across Europe, West Asia, South East Asia and Latin America. Astec LifeSciences also undertakes contract development and manufacturing services for other agro chemical companies. Astec LifeSciences sells all its products to institutional customers, while our Company sells its products primarily to retail consumers. The distribution network of our Company's crop protection business in India includes approximately 6,000 distributors, as of March 31, 2017.

- In our oil palm business, we produce a range of products including crude palm oil, crude palm kernel oil and palm kernel cake. We purchase fresh fruit bunches ("**FFBs**") from palm oil farmers and work closely with them by providing planting material, agricultural inputs and technical guidance. We have entered into memoranda of understanding with nine state governments, which provides us with access to approximately 61,700 hectares under oil palm plantation, which is equivalent to approximately one-fifth of India's area suitable for oil palm cultivation, as of March 31, 2017. *(Source: Oil Palm Report)*. This public-private partnership model, which, has been promoted by the Government of India, allows us to maintain an asset-light business model. We work closely with farmers in our designated area to plant oil palm on their farmland and provide technical guidance and assistance. We have set up five palm oil mills in India with an aggregate FFB processing capacity of 125 MT per hour and a palm kernel processing capacity of seven MT per hour, as of March 31, 2017. We were recognized as the 'Highest Crude Palm Oil Producer in the Country' at the GLOBOIL conference in 2015.

- In our dairy business, which we operate through our Subsidiary, Creamline Dairy, we sell a majority of our milk and milk based products under the 'Jersey' brand across the states of Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra. As of March 31, 2017, we owned and operated nine milk processing units. For our dairy business, our supply chain network includes procurement from six states through a network of 121 chilling centers, as of March 31, 2017. As of March 31, 2017, our dairy distribution network included approximately 4,000 milk distributors, approximately 2,500 milk product distributors and 50 retail parlors, as well as direct sales to institutional customers.

- We manufacture and market processed poultry and vegetarian products through our brands 'Real Good Chicken' and 'Yummiez'. In 1994, our Company ventured into the poultry business by launching the 'Real Good Chicken' brand and in 2008, with an objective to grow our poultry and processed foods business, we entered into a joint venture with Tyson India Holding Limited, a subsidiary of Tyson Foods Inc., U.S.A. We believe that our joint venture with Tyson India Holding Limited provides us with the technical and operational expertise to compete successfully in India. Tyson Foods Inc., U.S.A. has approximately 75 years of experience producing, distributing and marketing poultry and other animal protein related products. We have set up two processing plants with integrated breeding and hatchery operations and we have a diverse customer base comprising of retail customers as well as institutional clients such as quick service restaurants, fine dining restaurants, food service companies and hotels.

We are focused on improving productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development in Nashik. We have two dedicated R&D centres for our crop protection business at Mumbai and Thane, which has enabled our Company to launch launch new products. Our oil palm business has a dedicated R&D center at Andhra Pradesh, which is focused on improving the yield performance of oil palm crop and exploring new avenues of value creation from oil palm biomass.

Our total Income were ₹ 49,832.98 million, ₹ 38,176.69 million and ₹ 33,254.88 million and our profit for the period was ₹ 2,735.30 million, ₹ 2,609.75 million and ₹ 2,100.45 million for the financial years 2017, 2016 and 2015, respectively. The revenue contribution from four business verticals of our Company is set forth below:

**(₹ in million)**

| **Business vertical** | **For the financial year** | | |
|---|---|---|---|
| | **2017** | **2016** | **2015** |
| Animal feed | 26,208.22 | 25,442.02 | 25,429.88 |
| Crop protection | 7,647.25 | 4,959.38 | 3,352.48 |
| Oil palm | 5,066.42 | 4,041.92 | 3,937.98 |
| Dairy* | 10,099.17 | 2,728.90 | N.A. |

* *The results of our dairy business have been consolidated with effect from December 21, 2015 when Creamline Dairy became our Subsidiary.*

Further, our share of revenues of our joint venture entities, which are not consolidated with our total revenues (our share of profit for the period of such entities is consolidated with our profit for the period) in accordance with relevant accounting standards, is shown for comparative purposes only and is set forth below:

**(₹ in million)**

| **Business vertical** | **For the Financial Year** | | |
|---|---|---|---|
| | **2017** | **2016** | **2015** |
| Animal feed* | 3,020.24 | 2,676.34 | 1,985.53 |
| Poultry and processed foods# | 2,184.76 | 2,206.68 | 1,918.88 |

**Represents 50% of revenues of ACI Godrej*
*#Represents 49% of revenues of Godrej Tyson*

Our Promoters include Mr. Adi Godrej and Mr. Nadir B. Godrej, each of whom have over 40 years of experience in successfully creating shareholder value across businesses in a diverse range of industries. Further, Mr. Balram S. Yadav, our Managing Director, has been with the Godrej group since 1991 and has experience of approximately 27 years in agri-businesses. Our shareholders include marquee investors such as V-Sciences Investments Pte Ltd (an indirect wholly owned subsidiary of Temasek Holdings (Private) Limited). We have received several awards over the years and were recognized by Aon Hewitt in the 'Best Employers' category for 2015 and 2017 and we were also recognized among one of the best 100 companies to work for by Great Place to Work Institute India for the years 2013 and 2014.

**Our Competitive Strengths**

We believe that the following are our principal strengths:

***Pan-India Presence with Extensive Supply and Distribution Network***

We have a pan-India presence and operations spanning across five business verticals: animal feed, crop protection, oil palm, dairy, and poultry and processed foods. Our animal feed and crop protection businesses were commenced by erstwhile Godrej Soaps Limited and later acquired by our Company. We have since set up our processing facilities and supporting infrastructure as well as R&D to develop a modern operating platform across key agriculture verticals in which we operate. As a result of our widespread network and significant operational experience, we believe that we have been able to identify market trends and introduce a range of innovative and value added products in the market to cater to the evolving needs of our customers. In addition, since several of our facilities are located near major consumption centers, we are able to ensure product freshness by reducing delivery time to customers as well as reduce our transportation costs. Our nationwide footprint also allows us to leverage the competitive advantages of each location to enhance our competitiveness and reduce geographic and political risks in our businesses.

We believe that our business model with a strong procurement base, diversified product portfolio and large-scale operations enables us to achieve economies of scale in sourcing of raw materials and the distribution of our products. For our animal feed business, our distribution network comprises approximately 4,000 distributors, as of March 31, 2017. Our distribution network in India for crop protection products comprises approximately 6,000 distributors, as of March 31, 2017. As part of our sales network for crop protection business, we have employed sales representatives and we have the ability to deploy them at short notice in an area where we intend to sell our products based on advent of monsoon and consequent increase in demand for our products. In our oil palm business, we had access to approximately 61,700 hectares under oil palm plantations across nine states, or approximately one-fifth of India's oil palm plantations, as of March 31, 2017. *(Source: Oil Palm Report)* For our dairy business, our supply chain network includes procurement from six states through a network of 121 chilling centers as of March 31, 2017. As of March 31, 2017, our dairy distribution network included approximately 4,000 milk distributors, approximately 2,500 milk product distributors and 50 retail parlors, as well as direct sales to institutional customers.

***Diversified Businesses with Synergies in Operations***

We believe that our presence across five business verticals has enabled us to grow our revenues over the last five years. We also believe that our diversified businesses along with our geographic diversification provides a hedge against the risks associated with any particular industry segment or geography while benefiting from the synergies of operating in diverse but related businesses. Our synergies across diverse businesses provide us with the ability to drive growth, optimize capital efficiency and maintain our competitive advantage. We also derive operational efficiencies by centralizing and sharing certain key functions across our businesses such as finance, legal, information technology, strategy, procurement and human resources.

We invest significant management resources to ensure that we leverage existing inter-linkages between our businesses and are able to maximize the potential synergies amongst them. For example, the animal feed team frequently collaborates with dairy, and poultry and processed foods businesses for sale of compound feed to the farmers. Additionally, some of the biomass produced from the oil palm business is used as an animal feed ingredient, which provides additional source of revenue to our oil palm business as well as strengthens the cost competitiveness of the animal feed business.

***Strong R&D Capabilities***

We believe that our emphasis on R&D has been critical to our success and a differentiating factor from our competitors. We undertake dedicated R&D in our existing products primarily with a focus to improve yields and process efficiencies. We offer a variety of cattle feed for the entire lifecycle of the cattle. For instance, we have developed 'Prepwell' for pregnant cows, 'Calf Starter' and 'Calf Grower' for calves and 'Milk More', 'Bypro' and Bovino' for lactating cows. 'Milk More', our innovative cattle feed contains proteins, energy, minerals and vitamins in adequate quantity and proportion to meet the nutritional requirements of dairy cattle. For our crop protection business, we have developed products in-house such as 'Vipul', 'Double' and 'Combine' and 'Hitweed', which is an indigenously developed selective cotton herbicide targeting broad-leaf weeds, and works with both, indigenous and genetically modified varieties of cotton. We have also developed layer concentrate for egg laying hens in crumb form, which is an important input in automated feeding systems.

We focus our R&D efforts in areas where we believe there is significant growth potential. Our acquisition of Astec LifeSciences provided us access to strong R&D capabilities in the agrochemical active ingredients category, which we have leveraged to introduce new fungicide products such as 'Kemplar' and 'Casper' as part of our Company's offerings..

We are also investing in developing innovative technologies to further grow our product portfolio. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development in Nashik, Maharashtra and we are focused on leveraging our R&D capabilities to develop cost effective solutions to improve animal productivity. For our oil palm business, we have set up an R&D facility at Chintampalli, Andhra Pradesh, which is focused on improving FFB yields. One of our current R&D initiatives is to analyze the soil and leaf samples of our farmers' land and provide customized suggestions to improve the productivity of the farm, thereby improving FFB yields and synchronous flowering, fruiting and harvesting. We spent ₹ 18.25 million, ₹ 16.88 million and ₹ 29.35 million towards our R&D activities (which does not include salaries and benefits of our R&D employees and capital expenditure) during the financial years 2017, 2016 and 2015, respectively.

***Strong Parentage and Established Brands***

We are a part of the Godrej group, which is among India's oldest and most prominent corporate groups. We believe that the 'Godrej' brand is recognizable in India due to its long established presence in the Indian market, the diversified businesses in which the Godrej group operates and the trust we believe it has developed over the course of its operating history.

We believe that the strength of the 'Godrej' brand and its association with trust, quality and reliability helps us in many aspects of our various businesses, particularly our businesses that involve direct sales to retail consumers. Our association with the 'Godrej' brand provides us with a competitive advantage in attracting talent, benefiting from its global network, exploring potential business opportunities, corporate governance practices and acquiring direct access to senior decision makers.

We believe that having strong recognizable brands is a key attribute in our business, which increases consumer confidence and influences purchase decisions. We believe that we have built strong brands across businesses over several years of our operations and our appreciation and understanding of consumer preferences and spending patterns has allowed us to foster loyalty from our customers. In our animal feed business, we believe that our brands are known for consistency in feed quality. Our crop protection products are sold under 'Vipul', 'Double' and 'Combine' brands. We developed a selective cotton herbicide, which we sell under the brand 'Hitweed'. We sell milk and milk based products under the brand name 'Jersey' and processed poultry and vegetarian products through our brands 'Real Good Chicken' and 'Yummiez'. We believe that the strong recall of our brands has allowed us to maintain a large and diverse customer base and facilitated our ability to develop and market new products, as we believe that customers are more likely to rely on a trusted brand while experimenting with new products.

***Experienced Promoters and Management Team***

We have a strong management team with significant industry experience. Our Promoters include Mr. Adi Godrej and Mr. Nadir Godrej, each of whom have approximately 40 years of experience in successfully creating shareholder value across businesses in a diverse range of industries. Further, Mr. Balram S. Yadav, our Managing Director, has been with the Godrej group since 1991 and has approximately 27 years of experience in the agri-related businesses. He played an instrumental role in setting up our poultry and processed foods business. In addition, our Board of Directors includes independent directors who bring significant business expertise. We believe that the combination of our experienced Board of Directors and our dynamic management team positions us well to capitalize on future growth opportunities. We believe that we have created a distinct entrepreneurial structure within our organization, with each of our business divisions being managed as an independent profit center with separate management.

We believe that our experienced management has demonstrated the ability to successfully build and integrate our various operating activities through their years of experience. In particular, they have led the process through which we have developed a complementary mix of products, created value through inorganic growth, built brand recognition and loyalty, managed price volatilities and identified new business opportunities. They have also helped us in developing an optimized procurement model, an extensive marketing and sales network and long-term relationships with our key vendors.

**Our Strategies**

The primary elements of our business strategy are to continue to grow our existing businesses, leverage synergies between our businesses and opportunistically evaluate inorganic opportunities. Our specific growth strategies for each of our business verticals are as follows:

*Our Animal Feed Business*

The animal feed industry in India is largely unorganized and we compete with multiple players in each geography in which we operate. Our strategy for our animal feed business is to focus on achieving cost leadership by improving the operational efficiency of our animal feed business through R&D as well as cost rationalization initiatives. Our R&D efforts are also focused on developing innovative livestock nutrition products that give us the product differentiation, which we believe will help us in improving our profit margins and market share. For example, we are carrying out R&D on use of biotechnology and enzymes to enhance the performance of our products while also developing low-cost unconventional raw materials for manufacturing animal feed. In addition, we have undertaken several initiatives to improve the efficiency of our operations by introducing cost saving measures such as use of biomass generated from the oil palm business for production of electricity and as an input ingredient in the animal feed business.

*Our Crop Protection Business*

Our strategy for growing our crop protection business is primarily focused on expanding our product portfolio. We have introduced new products in our crop protection business and we intend to continue our focus on introducing new products. Our R&D initiatives have increasingly focused on off patented chemistry synthesis, which we believe will help us in expanding our product portfolio.

We also intend to continue to leverage Astec LifeSciences portfolio of agro chemical technical (active ingredients) and formulations, such as triazoles, and sell them under the 'Godrej' brand through our strong distribution network. We have entered into an in-licensing arrangement with a major multi-national company to commercialize certain molecules and products in India. Further, as part of Astec LifeSciences' synthesis business, we perform contract development and manufacturing services for other agro chemical companies.

We also plan to focus on increasing the market share of our existing core products by developing products for additional crops and increasing our geographic presence. For example, we intend to achieve deeper market penetration and extend our target crop segment with our niche plant growth regulators ('Vipul', 'Double', 'Combine', 'Bountee', 'Zymegold') and cotton herbicide ('Hitweed') which we believe bring innovation over existing substitutes.

*Our Oil Palm Business*

Our strategy for oil palm business is to grow our presence in certain regions, create additional revenue streams from oil palm biomass and continue to focus on R&D to improve FFB yield. The GoI regulates the oil palm business in India and we participate in the Oil Palm Development Programme ("**OPDP**") for accessing the FFB produce from farmers in areas designated to us. We will opportunistically evaluate tenders issued under the OPDP and apply for additional areas to increase the area under oil palm cultivation that is accessible to us. We intend to diversify our oil palm business and create additional revenue streams and lower operational costs, including through the use of oil palm biomass in our animal feed business, which we believe will reduce our dependence on the prices of crude palm oil and crude palm kernel oil. We also intend to grow our presence in certain districts of Andhra Pradesh and Tamil Nadu, both organically and inorganically, and increase the area under oil palm, which is accessible to us.

We plan to continue to focus on R&D to improve FFB yields per hectare at our laboratory in Chintampalli, Andhra Pradesh. We also plan to continue providing targeted interventions for farmers whose farms are experiencing slow growth or low yields.

*Our Dairy Business*

Our growth strategy for dairy business is to: (i) increase our market share by growing our brand in southern states of India; (ii) increase the salience of our value-added product portfolio; (iii) automate a majority of our operations; and (iv) increase our procurement base.

We have undertaken several marketing initiatives to increase our market shares in existing markets by leveraging upon the strong marketing network as well as in-house expertise of the Godrej group. We focus on innovation to grow our value-added product portfolio and on developing new products to distinguish ourselves from our competitors as well as to introduce new products based on consumer preferences and demand. We intend to increase the share of our value-added product portfolio to cater to evolving consumer trends and are currently evaluating introducing new products in the UHT milk and flavored yogurt segments. We believe that we can increase our margins by focusing on increasing the sales of our value-added products in our current sales mix.

We currently procure milk from 37 districts across six states and propose to increase our milk procurement by setting up new collection centers to deepen our presence in existing areas as well as access new areas to procure milk. We also seek to strengthen our existing relationships with milk farmers and vendors through methods including providing farmers with cattle feed, assisting with veterinary health-care and vaccinations.

*Our Poultry and Processed Foods Business*

Our strategy for our poultry and processed foods business is to introduce new products and increase our product reach. We sell poultry and processed foods products and have a diverse customer base comprising retail customers, QSRs, fine dining restaurants, food service companies and hotels. We intend to continue to provide variants of existing, and new, value-added poultry products.

We believe that value-added products will continue to be one of the fastest growing and most profitable segments of the processed foods industry in India. We intend to produce value-added products that are tailored to market demand. We also expect considerable growth in demand from QSRs and modern retail stores. We believe the QSR market has been growing rapidly and provides a market for processed and value-added ready-to-eat and ready-to-cook products. Modern retail stores, which include super markets and hyper markets, are expected to increase demand for hygienically processed food products.

While we currently have a diverse distribution network to cater to our retail and institutional customers, we constantly seek to grow our product reach to under-penetrated geographies. We intend to appoint additional distributors to increase the availability of our products in certain regions in India.

***Continue to Grow our Overall Market Share by Leveraging our Presence in Existing Business Verticals***

We will continue to focus on improving our market share across all our business verticals. Since several sectors in which we operate are largely unorganized, we believe that cost leadership will be a key enabler for us to increase the market share of our products. We believe that our ability to increase our sales will be strengthened by our continued focus on offering a wide range of innovative products across all our business verticals.

We believe that our presence in key-agricultural verticals provides us with significant business inter-linkages and we intend to improve our overall operating efficiencies by leveraging strengths from our different businesses as well as benefit from the economies of scale. We believe that we can leverage our experience of operating in diverse agri-verticals to compete more effectively and improve our market share in each of our business verticals.

We also intend to improve our cost efficiency and productivity by implementing effective and efficient operational techniques. Our operations team, comprising experienced veterinarians, agronomists, plant engineers and senior management, adopts best practices in line with industry standards across our production facilities. We will continue to leverage our in-house technological and R&D capabilities to effectively manage our operations, maintain strict operational controls and enhance customer service levels.

***Inorganically Grow our Business Offerings***

We will evaluate inorganic growth opportunities, in keeping with our strategy to grow and develop our market share or to add new product categories. We may consider opportunities for inorganic growth, such as through mergers and acquisitions, if, among other things, they

- consolidate our market position in existing business verticals;
- achieve operating leverage in key markets by unlocking potential efficiency and synergy benefits;
- strengthen and expand our product portfolio;
- enhance our depth of experience, knowledge-base and know-how; and
- increase our sales and distribution network.

We have demonstrated the capability to operate joint ventures in and outside India with partners in our animal feed business in Bangladesh and poultry and processed foods business in India.

**Our History**

We were incorporated in 1991 with an objective to focus on agricultural businesses. Our animal feed and crop protection businesses were commenced by erstwhile Godrej Soaps Limited and then acquired by our Company. In the first decade of our journey, we were committed to building three key business verticals – animal feed to improve the yield of Indian livestock, crop protection to address the low productivity of Indian agriculture and oil palm business to benefit from the public-private partnership model introduced by the GoI in order to reduce India's dependence on vegetable oil imports.

In 2001, to further strengthen our presence in the animal feed business, we acquired Goldmohur Foods and Feeds Limited (a subsidiary of Hindustan Lever Limited), and in 2004 expanded our animal feed business to Bangladesh by forming a joint venture with Advanced Chemical Industries Limited (Bangladesh), which is one of the large conglomerates in Bangladesh. In 1994, our Company ventured into the poultry business by launching the 'Real Good Chicken' brand. In 2008, with an objective to grow our poultry and processed foods business, we entered into a joint venture with Tyson India Holding Limited, a subsidiary of Tyson Foods Inc., U.S.A., which is a *Fortune 500* company.

We entered the dairy business with acquisition of 26.0% equity interest in Creamline Dairy in 2005. The poultry venture and the dairy investment was done with an objective to be present across the value chain from feed to food. In 2015, we consolidated our shareholding in Creamline Dairy to 51.9% with the intent to further strengthen our journey from feed to food. In 2015, we also acquired a majority equity interest in Astec LifeSciences to boost our manufacturing capabilities in agro-chemicals and backward integrate our crop protection business.

**Our Business and Operations**

We operate in five business verticals: animal feed, crop protection, oil palm, dairy and poultry and processed foods.

***Our Animal Feed Business***

In our animal feed business, our portfolio of products comprises cattle feed, poultry feed (broiler and layer), aqua feed (fish and shrimp) and specialty feed. For the financial years 2017, 2016 and 2015, our Company's revenue from the sale of our animal feed products was ₹ 26,208.22 million, ₹ 25,442.02 million and ₹ 25,429.88 million, or 53.2%, 67.8% and 76.8% of our consolidated total revenues, respectively.

Further, our Company holds a 50.0% equity interest in a joint venture, ACI Godrej, with Advanced Chemical Industries Limited (Bangladesh), which processes and sells poultry feed, cattle feed and fish feed in Bangladesh.

***Products***

Over the years, we have developed a deep understanding of Indian breed and milk production levels of cows and buffaloes as well as their feeding practices and we leverage our knowledge and experience to manufacture cattle feed products. Our products contain proteins, minerals and vitamins in adequate quantity and proportion to meet the nutritional requirements of dairy cattle. We offer a variety of cattle feed to enhance milk production, reproductive ability and the overall health of cattle. We also work closely with farmers and offer on-site assistance to help them achieve higher yields.

Our product offerings range across the life span of cattle starting from calf stage to lactation stage. Our major cattle feed products are tailored for high milk yielding cattle ('Bovino', 'Godrej Bypro', 'Milk More'), medium milk yielding cattle ('High Performance Milk Ration'), calves ('Bovino Calf Starter'), heifers and buffaloes. Our poultry feed products consist of broiler full feed and layer full feed. Our major broiler full feed products include feed for prestarters ('Superstar', 'Excel

Prestarter'), feed for starters and finishers ('Excel', 'Crumbro', 'Higain Gold') and broiler premixes. Our major layer full feed products are 'CrumChick', 'CrumGro', 'CrumEgg', 'Eggy', 'MorEggs' and '8W'. We also sell concentrates in both broiler full feed and layer full feed categories where farmer can mix their raw materials with concentrates to create full feed.

Our aqua feed products include shrimp feed, particularly for vannamei and black tiger shrimp, and fish feed. Our major shrimp feed products include feed for black tiger shrimp ('Som feed'), vannamei ('White Diamond' and 'Indica'). Our major fish feed products include floating feed ('Vruddhi','Vruddhi plus', 'Spark', 'Spark Plus', 'Shakti', 'Profit Plus') and premium sinking feed ('Popular','Jalpari', 'Grow Plus').

Our specialty feed products cater to the nutritional requirements of sheep and goats, among other animals.

***Production Facilities***

Our animal feed products are manufactured at 35 facilities, of which 10 facilities are owned by us, and seven are operated by us, and are strategically located near major consumption centers, with an aggregate production capacity of 2.36 million MT per annum, as of March 31, 2017, to support our animal feed business. We have also commissioned a poultry feed plant at Raipur during the first quarter of financial year 2018.

We have also incorporated a joint venture in Bangladesh, ACI Godrej, which has two manufacturing facilities in Sirajganj and Rajshahi and was the fourth largest feed producer, in terms of sales volume, during the financial year 2016. *(Source: Bangladesh Report)*

We have the manufacturing capability to produce pellets and crumbs for all categories of compound feed. Our manufacturing facilities source power from respective state electricity boards and use diesel generators as a back-up power system. Our manufacturing facilities depend on the respective industrial development corporations for their water supply and also source ground water.

The following table sets forth the facility wise capacity utilization of our Company for the last three financial years:

| | For the financial year 2015 | | | For the financial year 2016 | | | For the financial year 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| **Plant Description** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** |
| Khanna | 96,000 | 27,609 | 29% | 96,000 | 55,006 | 57% | 96,000 | 56,288 | 59% |
| Khanna - new | 300,000 | 135,848 | 45% | 300,000 | 108,844 | 36% | 312,000 | 95,279 | 31% |
| Ajmer (new) | 24,000 | 20,642 | 86% | 22,000 | 15,770 | 72% | 33,000 | 25,784 | 78% |
| Kharagpur | 120,000 | 52,627 | 44% | 120,000 | 38,448 | 32% | 120,000 | 24,879 | 21% |
| Hazipur | - | - | | 60,000 | 18,428 | 31% | 120,000 | 53,549 | 45% |
| Khurda | 48,000 | 18,858 | 39% | 48,000 | 19,183 | 40% | 48,000 | 15,864 | 33% |
| Raipur factory | 24,000 | 12,611 | 53% | 24,000 | 15,617 | 65% | 24,000 | 16,460 | 69% |
| Kondapally | 30,000 | 8,308 | 28% | 30,000 | 6,534 | 22% | 30,000 | 10,295 | 34% |
| Hyderabad-Medchal | 36,000 | 22,653 | 63% | 36,000 | 21,132 | 59% | 6,000 | 15,894 | 44% |
| Miraj factory | 78,000 | 68,637 | 88% | 120,000 | 48,848 | 41% | 120,000 | 58,146 | 48% |
| Kolhapur factory | 48,000 | 25,377 | 53% | 48,000 | 22,533 | 47% | 48,000 | 25,919 | 54% |
| Satara factory | 36,000 | 31,853 | 88% | 36,000 | 32,475 | 90% | 36,000 | 2,053 | 89% |
| Baramati factory | 48,000 | 38,704 | 81% | 48,000 | 36,060 | 75% | 42,000 | 36,172 | 86% |
| Baramati new | 198,000 | 27,306 | 14% | 198,000 | 72,034 | 36% | 198,000 | 77,718 | 39% |
| Vambori factory* | 27,000 | 19,030 | 70% | - | - | - | - | - | 0% |
| Dhule | 42,000 | 18,299 | 44% | 42,000 | 14,060 | 33% | 42,000 | 17,664 | 42% |
| Sachin factory | 42,000 | 24,324 | 58% | 42,000 | 22,757 | 54% | 42,000 | 33,870 | 81% |
| Vaghasi factory | 42,000 | 40,827 | 97% | 42,000 | 40,351 | 96% | 42,000 | 41,743 | 99% |
| Unnao | 48,000 | 46,689 | 97% | 48,000 | 44,132 | 92% | 48,000 | 42,176 | 88% |
| Varanasi | 96,000 | 67,019 | 70% | 96,000 | 63,128 | 66% | 96,000 | 55,731 | 58% |
| Nagpur | 48,000 | 25,644 | 53% | 48,000 | 20,995 | 44% | 48,000 | 19,714 | 41% |
| Indore factory | 30,000 | 13,264 | 44% | 30,000 | 9,490 | 32% | 30,000 | 6,611 | 22% |
| Hubli | 30,000 | 21,237 | 71% | 30,000 | 19,049 | 63% | 30,000 | 17,399 | 58% |
| Hubli-AIMS | 24,000 | 15,142 | 63% | 24,000 | 10,939 | 46% | 24,000 | 11,787 | 49% |
| Tumkur | 45,500 | 17,979 | 40% | 78,000 | 24,767 | 32% | 78,000 | 23,811 | 31% |
| Coimbatore | 12,000 | 5,885 | 49% | 12,000 | 5,306 | 44% | 12,000 | 5,387 | 45% |
| Vijaymanglam | 84,000 | 45,218 | 54% | 84,000 | 46,595 | 55% | 84,000 | 39,542 | 47% |
| Erode | 78,000 | 46,497 | 60% | 78,000 | 44,994 | 58% | 78,000 | 55,594 | 71% |
| Vijayawada | 42,000 | 31,121 | 74% | 42,000 | 28,495 | 68% | 42,000 | 18,503 | 44% |

| | For the financial year 2015 | | | For the financial year 2016 | | | For the financial year 2017 | | |
|---|---|---|---|---|---|---|---|---|---|
| **Plant Description** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** | **Capacity (MT)** | **Production (MT)** | **Capacity Utilisation (%)** |
| (Aqua) | | | | | | | | | |
| Hanuman Junction | 90,000 | 30,039 | 33% | 126,000 | 45,212 | 36% | 126,000 | 60,837 | 48% |
| Yanam | 24,000 | 12,506 | 52% | 24,000 | 6,066 | 25% | 24,000 | 4,902 | 20% |
| Nasik | 50,400 | 46,094 | 91% | 50,400 | 46,168 | 92% | 50,400 | 44,593 | 88% |
| Chitradurga | 144,000 | 64,177 | 45% | 144,000 | 63,694 | 44% | 144,000 | 53,230 | 37% |

* *We have terminated our manufacturing operations at these facilities.*

The following table sets forth the facility wise capacity utilization of ACI Godrej for the last three financial years:

| **SIRAJGANJ** | **For the financial year** | | |
|---|---|---|---|
| | **2015** | **2016** | **2017** |
| Unit 1 | | | |
| Installed Capacity (per month) | 14,400 MT | 14,400 MT | 14,400 MT |
| Actual Production (per month) | 6,510.69 MT | 9,170.53 MT | 9,140.78 MT |
| Utilization (%) | 45.21% | 63.68% | 63.47% |
| | **For the financial year** | | |
| | **2015** | **2016** | **2017** |
| Unit 2 | | | |
| Installed Capacity (per month) | 17,280 MT | 17,280 MT | 17,280 MT |
| Actual Production (per month) | 5,018.66 MT | 4,052.16 MT | 5,586.65 MT |
| Utilization (%) | 29.04% | 23.45% | 32.33% |
| | **For the financial year** | | |
| | **2015** | **2016** | **2017** |
| Unit 3 | | | |
| Installed Capacity (per month) | 3,600 MT | 3,600 MT | 3,600 MT |
| Actual Production (per month) | 2,680.51 MT | 3,250.04 MT | 2,728.54 MT |
| Utilization (%) | 74.45% | 90.27% | 75.79% |
| **RAJSHAHI*** | **For the financial year** | | |
| | **2015** | **2016** | **2017** |
| Unit 1 | | | |
| Installed Capacity (per month) | NA | NA | 1800 MT |
| Actual Production (per month) | NA | NA | NA |
| Utilization (%) | NA | NA | NA |
| | **For the financial year** | | |
| | **2015** | **2016** | **2017** |
| Unit 2 | | | |
| Installed Capacity (per month) | NA | NA | 1800 MT |
| Actual Production (per month) | NA | NA | NA |
| Utilization (%) | NA | NA | NA |

* *Although this plant was commissioned during the financial year 2017, commercial operations commenced during the financial year 2018 since we were unable to source gas for our operations.*

*Raw Materials*

Our key raw materials are grains (primarily maize), extractions (de-oiled rice bran extraction, soybean extraction and mustard extraction), animal proteins, molasses, amino acids, vitamins, minerals, and other additives. For the procurement of our raw materials, we have set up a team comprising 30 personnel, located at Mumbai and at our regional offices in Pune, Bangalore, Hyderabad, Vijaywada, Kolkata, Lucknow and Khanna. By maintaining such presence, we are aware of opportunities that exist across different regions and are able to take advantage of regional arbitrages.

We procure grains primarily from traders and aggregators and seek to minimize our procurement costs. We procure extractions, animal proteins, vitamins, amino acids and packing materials primarily from manufacturers to ensure good quality and a steady supply. All of our plants are equipped with laboratories where we test raw materials for quality and use an enterprise resource planning system SAP, which enables us to monitor our stock of raw materials and the quality of raw materials obtained from each vendor.

*Marketing, Distribution and Customers*

Our pan-India distribution network for our animal feed products comprises approximately 4,000 distributors, as of March 31, 2017. Our marketing initiatives include educating farmers on feeding practices, conducting lecture series and training farmers.

*Research and Development*

The Nadir Godrej Centre for Animal Research and Development in Nashik, Maharashtra is among the leading animal husbandry research centres in the private sector in India. We intend to leverage our capabilities at this centre to develop cost effective solutions to improve animal productivity.

This centre is equipped to analyze proximate analysis, enzyme assay, assessment of fat and protein quality, analyze quality of various additives, macro nutrients, anti-nutrients, toxins, adulterants, pathogens, friendly microbes, profile of animal intestinal micro flaura, plant cell wall fractions and metabolizable energy estimation.

We have 14 scientists working at this center focused on R&D for poultry feed and cattle feed. Our R&D initiatives has enabled us to launch products such as Bovino calf starter, Bovino calf grower, Bovino heifer feed, Bovino lactation Bovino 30+ (high yielding cattle), Transi feed (dry period to lactating period), Doodhratna (water buffalo feed) and Moo Magic (concentrate for farmers who do not use compound feed).

***Our Crop Protection Business***

We produce a wide range of agro-chemical products that cater to the entire lifecycle of crops. Our product portfolio includes organic manures, seed treatment fungicides, plant growth regulators, herbicides, insecticides and fungicides. Our products can be used for the growth of all major cereals, vegetables and horticulture crops across both agri-seasons (*Kharif* and *Rabi*) in India.

In October 2015, we acquired a majority equity interest in Astec LifeSciences, which produces agrochemical active ingredients (technical), bulk and formulations as well as intermediate products. Astec LifeSciences also engages in contract manufacturing with a focus on triazole group of fungicides. Astec LifeSciences sells its products in the domestic market as well as exports them to approximately 24 countries, including the United States and countries across Europe, West Asia, South East Asia and Latin America. The acquisition of Astec LifeSciences helped us grow our portfolio of products and strengthen our product pipeline. As of March 31, 2017, our Company and Astec LifeSciences had an aggregate of 212 registrations under the Insecticides Act, 1968.

For the financial years 2017, 2016 and 2015, our revenue from the sale of our crop protection products was ₹ 7,647.25 million, ₹ 4,959.38 million and ₹ 3,352.48 million, or 15.5%, 13.2% and 10.1% of our total revenues, respectively.

*Products*

Our key plant growth regulators are ‘Vipul’, ‘Double’, ‘Combine’, ‘Bountee’, ‘Zymegold’ and ‘Drip Zyme’, which improve plant growth and are compatible with many of the most commonly used crop protection products. Our key soil conditioner product is ‘Vikas’. Our key cotton herbicide is ‘Hitweed’. Our other crop protection products include ‘Oryzostar’ which is a herbicide used for paddy crop. We also export neem based formulations to the United States, Kenya and Mauritius.

Our Company launched branded products comprising plant growth regulators, insecticides, herbicides and fungicides. The crops that these products cater to include grapes, paddy, soybean and groundnut. In addition, Astec LifeSciences launched six products during the last three financial years.

Astec LifeSciences has developed a niche product portfolio on the triazole group of fungicides, which have applications across a broad spectrum of fungal attacks in crops such as cereals, oilseeds and horticulture crops.

*Production Facilities*

We have two manufacturing facilities, one at Lote Parshuram, Maharashtra and the other in Samba, Jammu and Kashmir.

Our facility at Lote Parshuram manufactures agrochemical technical and neem-based formulations for exports. We can also conduct condensation reactions, substitution reactions, baeyer villiger oxidation, osmylation and column chromatography purification at this facility. We source power for this facility from the state electricity board and water from the local municipal corporation. Our Lote Parshuram factory is well equipped with a tertiary method for treatment of all the effluents generated at the factory with a RO system and an online effluent monitoring system connected to central pollution control board servers.

Our facility at Samba, Jammu and Kashmir is capable of producing emulsifiable concentrate, emulsion oil in water, suspension concentrate, wettable powder and granular formulations. We source power for this facility from the state electricity board and water from the local municipal corporation. We have a primary and secondary treatment system for treating all the effluents from this facility before discharge.

In addition, we also use certain third-party production facilities for formulating generic products.

The following table sets forth information relating to our facility at Lote for the last three financial years:

| **Product Specification** | **Liquid formulation (KL)** | **Solid formulation (MT)** |
|---|---|---|
| **For the financial year 2017** | | |
| Installed capacity | 356.00 | 760.13 |
| Actual production | 39.80 | 28.31 |
| Utilization (%) | 11.2 | 3.7 |
| **For the financial year 2016** | | |
| Installed capacity | 356.00 | 760.13 |
| Actual production | 65.73 | 24.97 |
| Utilization (%) | 18.5 | 3.3 |
| **For the financial year 2015** | | |
| Installed capacity | 356.00 | 760.13 |
| Actual production | 269.07 | 40.52 |
| Utilization (%) | 75.6 | 5.3 |

The following table sets forth information relating to our facility at Samba for the last three financial years:

| **Product Specification** | **Liquid formulation (KL)** | **Solid formulation (MT)** |
|---|---|---|
| **For the financial year 2017** | | |
| Installed capacity | 1,470.00 | 15,200.00 |
| Actual production | 1,480.89 | 557.48 |
| Utilization (%) | 100.74 | 3.66 |
| **For the financial year 2016** | | |
| Installed capacity | 1,000.00 | 14,000.00 |
| Actual production | 1,500.47 | 1,773.46 |
| Utilization (%) | 150.00 | 12.67 |
| **For the financial year 2015** | | |
| Installed capacity | 1,000.00 | 14,000.00 |
| Actual production | 863.43 | 2,276.00 |
| Utilization (%) | 86.34 | 16.25 |

Astec LifeSciences has two facilities at Mahad, Maharashtra and one facility at Dombivali, Maharashtra. Astec LifeSciences has set up a wastewater treatment unit with multiple effect evaporators, primary treatment unit and secondary treatment (biological) at both facilities. Astec LifeSciences also has gaseous emission treatment with multiple effect evaporators, primary treatment and secondary treatment (biological) and discharge waste to a central effluent treatment plant. Astec LifeSciences has established management controls and systems to control and prevent processes, residues and discharges from polluting the air, ground or water.

The following table sets forth information relating Astec LifeSciences facilities for the last three financial years:

| **Plant** | **2015** | | | **2016** | | | **2017** | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Installed (MT)** | **Actual (MT)** | **% Utilization** | **Installed (MT)** | **Actual (MT)** | **% Utilization** | **Installed (MT)** | **Actual (MT)** | **% Utilization** |
| Dombivali | 960 | 703 | 73 | 1,080 | 993 | 92 | 1,080 | 1,071 | 99 |
| Mahad 1 | 1,862 | 1,466 | 79 | 1,928 | 1,578 | 82 | 2,125 | 1,920 | 90 |
| Mahad 2 | 4,374 | 1,258 | 29 | 4,374 | 1,276 | 29 | 5,870 | 850 | 14 |

*Raw Materials*

Our key raw materials include organic chemicals, petroleum solvents, intermediates, fluro chemicals, catalysts, inhibitors, anti–oxidants, solid fuel, fine chemicals phytosterols, vegetable oil extracts, emulsifiers derived from fatty alcohols and bentonite. We source our raw materials from manufacturers, traders, dealers and distributors across India and China.

*Marketing, Distribution and Customers*

Astec LifeSciences sells all its products to institutional customers, while our Company sells products primarily to retail consumers through our network of distributors. Our distribution network in India comprises approximately 6,000 distributors, as of March 31, 2017. We also sell our products to peer companies and sell certain products in combination with peer company products to improve our offering and positioning of our products to farmers.

*Research and Development*

Through our R&D initiatives, we have developed several innovative products, including homobrassinolides based products, seaweed extract based products, triacontanol based products, pyrthiobac sodium (cotton herbicide) and bispyribac sodium (rice herbicides). Our R&D efforts are focused on performance improvement projects to improve the yield and purity of the output from the existing processes, process development for off-patented chemistries to develop process know-how and to work with contract manufacturing customers from gram scale synthesis to commercial scale level. In addition, our R&D team performs processes synthesis at gram scale level, develops suitable instrumentation methodology for testing and bio-assay techniques to measure the effectiveness of products. Our R&D team comprises 14 scientists who are based at our laboratories in Vikhroli, Mumbai and Dombivali, Thane.

***Our Oil Palm Business***

In our oil palm business, we were the largest crude palm oil producer in India, in terms of market share, as of March 31, 2017. *(Source: Oil Palm Report)* We work closely with Indian farmers to develop oil palm plantations and through our association with them, we had exclusive access to approximately 61,700 hectares under oil palm plantations across nine states, which is equivalent to approximately one-fifth of India's oil palm plantations, as of March 31, 2017. *(Source: Oil Palm Report)* We engage with the oil palm farmers by offering variety of services such as quality seedlings, fertilizers, technical guidance and assured buyback of FFBs.

Our farmer support initiatives include farmer care centers in Andhra Pradesh and Tamil Nadu to provide farmers with equipment and training in mechanical harvesting. We also maintain electronic databases that track fertilizer usage, total available area and uprooted area so that we can continue to improve farmers' FFB yields.

For the financial years 2017, 2016 and 2015, our revenue from the sale of our oil palm products was ₹ 5,066.42 million, ₹ 4,041.92 million and ₹ 3,937.98 million, or 10.3%, 10.8% and 11.9% of our total revenues, respectively.

*Products*

We produce a range of products including crude palm oil, crude palm kernel oil, palm kernel cake and other by-products:

- crude palm oil – it is extracted from FFBs of oil palm. It is refined for edible purposes and also has applications in confectionary, personal care and cosmetic industry.

- crude palm kernel oil – it is extracted from palm kernel and has applications across confectionary, personal care and edible oil industry.

*Production Facilities*

We have set up five palm oil mills in India with an aggregate FFB processing capacity of 125 MT per hour and a palm kernel processing capacity of seven MT per hour, as of March 31, 2017.

The following table sets forth the aggregate FFB capacity as of March 31, 2017:

| Plant Location | FFB processing capacity (MT per hour) | Operating (hours per day) | Operation (days per annum) | Installed capacity (MT) |
|---|---|---|---|---|
| Pothepalli, Andhra Pradesh | 55 | 20 | 300 | 330,000 |
| Chintampalli, Andhra Pradesh | 60 | 20 | 300 | 360,000 |
| Ariyalur, Tamil Nadu | 2.5 | 20 | 300 | 15,000 |
| Goa | 2.5 | 20 | 300 | 15,000 |
| Mizoram | 5 | 20 | 300 | 30,000 |

| Plant Location | FFB processing capacity (MT per hour) | Operating (hours per day) | Operation (days per annum) | Installed capacity (MT) |
|---|---|---|---|---|
| **Total** | **125** | | | **750,000** |

The following table sets forth the aggregate capacity of Palm Kernel as of March 31, 2017:

| Plant Location | Palm Kernel processing capacity (MT per hour) | Operating (hours per day) | Operation (days per annum) | Installed capacity (MT) |
|---|---|---|---|---|
| Pothepalli, Andhra Pradesh | 2.5 | 20 | 300 | 15,000 |
| Chintampalli, Andhra Pradesh | 4 | 20 | 300 | 24,000 |
| Ariyalur, Tamil Nadu | 0.5 | 20 | 300 | 3,000 |
| **Total** | **7** | | | **42,000** |

The following table sets forth certain key information about our capacity and production volumes for the last three financial years:

| | Financial Year | | |
|---|---|---|---|
| | 2015 | 2016 | 2017 |
| Product Specification: | | | |
| **Installed Capacity (MT)** | | | |
| Fresh Fruit Bunches -FFB | 690,000 | 690,000 | 750,000 |
| Palm Kernel | 42,000 | 42,000 | 42,000 |
| **Actual Processed (MT)** | | | |
| Fresh Fruit Bunches –FFB | 337,037 | 397,829 | 408,531 |
| Palm Kernel | 19,512 | 24,475 | 24,689 |
| **Actual Production (MT)** | | | |
| Crude Palm Oil –CPO | 62,568 | 73,776 | 75,184 |
| Crude Palm Kernel Oil –CPKO | 6,570 | 8,518 | 8,598 |

The following table sets forth the peak month capacity utilization for the last three financial years:

| | For the financial year | | |
|---|---|---|---|
| | 2015 (%) | 2016 (%) | 2017 (%) |
| **Andhra Pradesh** | | | |
| CPO Mill based on FFB | 89.0 | 107.2 | 97.0 |
| CPKO Mill based on palm kernel | 76.5 | 93.7 | 103.4 |
| **Goa** | | | |
| CPO Mill based on FFB | 34.1 | 47.3 | 38.7 |
| **Mizoram** | | | |
| CPO Mill based on FFB | 7.1 | 13.5 | 16.5 |
| **Tamil Nadu** | | | |
| CPO Mill based on FFB | 81.4 | 113.4 | 102.6 |
| CPKO Mill based on palm kernel | 23.7 | 33.7 | 30.7 |

The peak month capacity utilization has been calculated by considering the FFB processed during the peak months of June to September for each year. The utilization rates for our mills fluctuate over the course of any given year because it is necessary to have sufficient processing capacity to meet the demands of the peak harvesting season, which capacity is then not fully utilized during off-peak times. Accordingly, during the peak harvesting season our actual utilization rates are higher than our average annual utilization rate. At other times of the year, our actual utilization rate is often lower.

*Raw Materials*

We liaise with farmers participating in the Oil Palm Development Programme. Under the Oil Palm Development Programme, state governments subsidize oil palm planting and farm operations with annual stipends to encourage farmers to plant and grow oil palm by helping to offset the four year-long gestation period required between field planting and first harvest. Production of FFBs is cyclical with a substantial majority of our harvest produced between the months of June and October.

We enter into memoranda of understanding with state governments, who allot districts or '*mandals'* within districts to us in their respective states. We currently have a presence in, and memoranda of understanding with the state governments of Andhra Pradesh, Tamil Nadu, Goa, Orissa, Gujarat, Mizoram, Chhattisgarh, Maharashtra and Telangana. Pursuant to these memoranda of understanding, we train farmers on the benefits of planting oil palm on their farmland and providing technical guidance and assistance. Under such memoranda of understanding we have no control over the price at which we are required to purchase the FFB. We are required to purchase harvested FFBs at a price using a pre-determined formula, typically fixed by a committee formed by the state government. The terms of these memoranda of understanding do not allow us to withdraw from our obligations under any circumstances. Further, we are also required to replace the planting material and compensate the farmers for loss of yield even when such loss occurs due to no fault of ours.

We establish oil palm nurseries to supply farmers with quality seedlings and technical guidance while planting and growing oil palm. We also work with the farmers to understand the benefits of intercropping in the plantations to supplement their income stream during the gestation period.

Farmers harvest the FFBs and bring them to collection centers, which transport the FFBs to our processing mills through collection agents. Because FFBs must be processed within approximately 48 hours of being harvested, our five processing mills across Andhra Pradesh, Goa, Mizoram and Tamil Nadu are located in close proximity to regions with high concentrations of oil palm farms. Our processing mills produce crude palm oil, crude palm kernel oil, palm kernel cake and other by-products.

The following table sets forth the age profile of the oil palm plantations accessible to us as of March 31, 2017:

| Age profile (years) | Hectares |
|---|---:|
| Up to three years | 20,005 |
| Three to eight years | 21,349 |
| Above eight years | 20,346 |
| **Total** | **61,700** |

*(Source: Oil Palm Report)*

*Marketing, Distribution and Customers*

We sell crude palm oil, crude palm kernel oil and palm kernel cake primarily to refineries in India and other corporates.

*Research and Development*

We have established an R&D facility at Chintampalli, Andhra Pradesh that is focused on improving FFB yields on a per hectare basis. One of our current R&D initiatives is to analyze the soil and leaf samples of our farmers' land and provide customized suggestions to improve the productivity of the farm, thereby improving FFB yields and synchronous flowering, fruiting and harvesting. We are also exploring new avenues of value creation from oil palm biomass.

***Our Dairy Business***

We entered the dairy business in 2005 and in October 2015 we acquired a majority equity interest in Creamline Dairy, which currently sells milk and milk based products under the 'Jersey' brand. For the financial years 2017 and 2016, our revenue from the sale of our dairy products was ₹ 10,099.17 million and ₹ 2,728.90 million, respectively.

*Products*

We have a range of offerings including, fresh toned milk, double toned milk, standardized milk and full cream milk. We also introduced our product 'Enrich D', a premium offering of milk fortified with Vitamin D as a result of our R&D initiatives.

Our milk-based value added products include curd, *lassi*, butter milk, flavored milk, *paneer*, *ghee*, milk powder, *doodh peda* and ice cream.

*Production Facilities*

We operate nine milk processing units located at Hyderabad, Bengaluru (Madnapally and Malavally), Chennai, Vijaywada, Nagpur, Tirunelveli, Ongole and Keshvaram with an aggregate milk processing capacity of 1.36 million litres per day. Our skimmed milk powder plant has a drying capacity of 18 tons per day.

Our unit at Ongole is powered by captive solar energy while our other units source power from respective state electricity boards and use generators as a back-up power system. Our units primarily depend on bore wells for water supply.

The following table sets forth the installed capacity and production volumes of dairy products during the relevant periods:

| Particulars | Installed Capacity | | | Actual Production | | | Capacity Utilization (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Financial year | | | Financial year | | | Financial year | | |
| | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 |
| Milk *(million litres)* | 270 | 270 | 293 | 167 | 162 | 184 | 62 | 60 | 63 |
| Bulk products *(Tonnes)* | 27,448 | 27,448 | 30,952 | 4,076 | 5,152 | 5,316 | 15 | 19 | 17 |

| Particulars | Installed Capacity | | | Actual Production | | | Capacity Utilization (%) | | |
|---|---|---|---|---|---|---|---|---|---|
| | Financial year | | | Financial year | | | Financial year | | |
| | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 | 2015 | 2016 | 2017 |
| Retail products *(Tonnes)* | 60,590 | 83,585 | 137,887 | 28,939 | 35,494 | 46,063 | 48 | 42 | 33 |
| SMP *(Tonnes)* | 5,475 | 5,475 | 6,570 | 1,723 | 1,724 | 1,522 | 31 | 31 | 23 |
| Ice-Cream *(litres)* | 2,190,000 | 2190,000 | 3,650,000 | 702,833 | 882,325 | 1,088,763 | 32 | 40 | 30 |

*Raw Materials*

Raw milk is the key raw material that we require for our production operations. Over the years, we have diversified our milk procurement sources in order to better manage our raw milk costs and exercise greater control over the quality of milk sourced. We have a well-integrated supply chain network for our dairy operations that includes procurement from over 37 districts across six states in India. Our average daily milk procurement for the financial years 2017, 2016 and 2015 was approximately 0.63 million litres per day, 0.58 million litres per day and 0.54 million litres per day, respectively. As of March 31, 2017, we had a network of 121 chilling centres for milk procurement. Each of our procurement facilities develops a pricing policy for the procurement of raw milk, which is dependent on factors such as the market price of raw milk and the fat and solid non-fat content of milk.

Apart from raw milk, we also require cultures, sugar, flavour, spices, packaging material, stabilizers, preservatives and other additives for our operations. The price and availability of our raw materials depend on several factors beyond our control, including overall economic conditions, production levels, market demand and competition for such materials, production and transportation cost, duties and taxes and trade restrictions.

*Marketing, Distribution and Customers*

We distribute milk through a network of approximately 4,000 distributors across the states of Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra while our milk products are distributed through a network of approximately 2,500 distributors across such states. We have also set up approximately 50 outlets known as Jersey development centers primarily in Hyderabad, which market all Jersey brand products on an exclusive basis. In addition, we sell our products through general and modern trade channels.

***Our Poultry and Processed Foods Business***

In 1994, our Company ventured into the poultry business by launching the 'Real Good Chicken' brand. In 2008, with an objective to grow our poultry and processed foods business, we entered into a joint venture with Tyson Foods Inc., U.S.A.

*Products*

We market our poultry and processed food products primarily through two brands, 'Real Good Chicken' and 'Yummiez'. Products sold under our 'Real Good Chicken' brand cater primarily to quick service restaurants and retail customers seeking fresh value-added products. Products under our 'Yummiez' brand cater primarily to retail customers with frozen value-added chicken products and other snacks, such as nuggets, burger patty, *tikkas*, *kebabs*, french fries, frozen green peas, pizza pockets, cheese fingers and veg dinoz.

*Production Facilities*

We have set up two processing plants at Taloja, Maharashtra and Hoskote, Karnataka, with completely integrated breeding and hatchery operations.

Our poultry production is vertically integrated. We breed and hatch broiler eggs in our hatcheries, before sending them to third party farms to be reared. We provide third party farmers with day old chicks, medicine and poultry feed and pay the farmers a fee to rear the poultry. Once the poultry has grown, we process the poultry in two of our production facilities. Both these facilities are ISO 22000:2005 certified. For our frozen snacks, we contract with third parties who provide the recipes, source the raw materials and produce frozen snacks that we sell under our brands. We use blast freezers technology, which though expensive compared to conventional freezing process, minimizes bacterial growth in broilers making us the preferred choice for the institutional clients.

*Raw Materials*

The key raw materials for our poultry products are breeder and broiler poultry feed.

*Marketing, Distribution and Customers*

As of March 31, 2017, we sold our products through a network of approximately 200 distributors and covered approximately 8,000 outlets. We transport processed products in refrigerated vans. As part of our distribution network, we provide retailers with visi coolers that we have placed in retail outlets where our products are sold. The key markets for our poultry products are Delhi, Maharashtra, Karnataka, Goa and Tamil Nadu.

**Our Windmill Business**

We operate a 11.25 MW wind power project comprising four windmills in Dhule, Maharashtra. We have entered into a power purchase agreement with the Maharashtra State Distribution Company Limited for the off take of power generated at this facility.

**Quality Control**

We place great emphasis on quality assurance and product safety at each step of the production process, right from the procurement of our raw materials until the final product is packaged and ready for distribution to ensure that the quality of our products meets the expectations of our customers and achieves maximum customer satisfaction. We have quality control personnel, who ensure that people working in all departments from procurement to sales and marketing are trained on important quality control aspects. To ensure compliance with our quality management systems and statutory and regulatory compliance, our quality assurance team is equipped to train our staff on updates in quality, regulatory and statutory standards. We have implemented occupational health and safety standards at our facilities and we regularly train our employees to ensure compliance with these standards.

We have also implemented stringent quality control standards for raw material suppliers and vendors. On-site inspections and routine audits are conducted for our vendors and suppliers to ensure constant supply of quality products. We also conduct sampling tests to ensure that the colour, odour, taste, appearance and nutrients of the raw materials comply with our requirements. Further, we maintain our facilities and machinery and conduct our manufacturing operations in compliance with applicable food safety standards, laws and regulations and our own internal policies. We also inspect product samples at the assembly line and conduct batch-wise quality inspections on our products to ensure compliance with applicable food safety standards and laws. We conduct sample surveys at retail chains where our products are sold to ensure that our products are properly transported and stored.

For our dairy business, we procure milk from milk farmers and through bulk milk coolers and chilling centres. At collection centres and chilling centres, quality checks are conducted and milk is tested for fat and solid non-fat content. Organoleptic tests are also conducted to check for odours, freshness of milk, the general consistency, colour and taste of milk and any water or oil contaminations. We engage third-party logistics providers to bring the raw milk to our facilities, where we conduct extensive laboratory tests. At our facilities, milk is tested for fat and solid non-fat content, protein and mineral content, bacterial organisms, antibiotics, pesticides, toxins and other contaminants.

**Human Resources**

Our work force is a critical factor in maintaining quality and safety, which strengthens our competitive position and our human resource policies focus on training and retaining our employees. We train our employees on a regular basis to increase the level of operational excellence, improve productivity and maintain compliance standards on quality and safety.

We offer our employees performance-linked incentives and benefits and conduct employee engagement programs from time-to-time. We also hire contract labor for our facilities, from time to time. Our employees at certain of our facilities have formed registered unions. We believe we have good relations with our employees.

The following table sets forth the number of our employees as of March 31, 2017:

| Particulars | Number of Employees |
|---|---:|
| Administration | 24 |
| Audit and assurance | 9 |
| Procurement | 357 |
| Environment, health and safety | 15 |
| Finance and legal | 361 |
| Human resources | 68 |
| Information technology | 44 |
| Manufacturing | 875 |
| Research and development | 51 |
| Sales, marketing and strategy | 1,001 |
| Engineering | 34 |
| Technical services | 278 |
| Quality | 259 |
| Transport, dispatch and FGS | 288 |
| Projects | 1 |
| Purchase and stores | 41 |

| Particulars | Number of Employees |
|---|---|
| P&A | 6 |
| CAAD | 8 |
| Operations | 10 |
| Supply chain | 10 |
| **Total** | **3,740** |

**Health, Safety and Environment**

We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted a health and safety policy that is aimed at complying with legislative requirements, requirements of our licenses, approvals, various certifications and ensuring the safety of our employees and the people working at our facilities or under our management.

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We also believe that all our facilities possess adequate effluent treatment processes and minimize any contamination of the surrounding environment or pollution.

Further, our subsidiary, Astec LifeSciences has adopted a safety management system, which includes process safety management policy, project safety reviews, process specific training programmes, hazard identification and safety review procedures, work permit systems, occupational health programs, process safety testing and emergency preparedness.

As part of our commitment to a sustainable palm oil supply chain, we have engaged the services of an accredited Roundtable for Sustainable Palm Oil ("**RSPO**") certification body to conduct a gap analysis of our current domestic smallholder supply base in India against the requirements for RSPO Group Certification for smallholders. In lieu of a pre-existing RSPO National Interpretation for India, the gap analysis shall be conducted against the RSPO Principles and Criteria 2013. We remain committed towards Supply Chain Certification for pre-certified oil palm imports by 2020.

**Information Technology**

Our IT systems are vital to our business and we have adopted IT policies to assist us in our operations. The key functions of our IT team include establishing and maintaining enterprise information systems and infrastructure services to support our business requirements, maintaining secure enterprise operations through, among others, risk assessment and incident management policies. We utilize an enterprise resource planning solution, SAP, which assists us with various functions including customer relationship management, human resources and supply chain management.

For our animal feed and crop protection businesses, we have deployed a consumer application for distributors, dealers and farmers. This application provides access to our product catalogue, product usage guides, sales inquiries, advisory services on best practices, electronic record keeping and online purchases. In addition, we use mobile based applications to assist our teams with various operational activities. For our aqua feed business, our sales teams utilize a farm tracking application to record critical data points of an aqua farm and review the progress of the farm. Our technical teams have access to such data points, which helps them in assessing product performance and addressing issues related to farm management practices and the outbreak of any disease. Through this application, we can keep track of region wise growth patterns of shrimp and fish. For our oil palm business, we utilize a mobile based farm management application, which assists us in monitoring areas under oil palm cultivation, the age profile and the annual yield of oil palm plantations. Our field teams can use this application to monitor the health of crops and estimate yields. We have also deployed a farm tracking application to record certain critical parameters of poultry and cattle farms. Our nutrition team utilizes such information to track the performance of our products and can provide timely advisory services to farmers, which assists us in strengthening our relationships with them.

**Insurance**

Our operations are subject to hazards inherent in manufacturing facilities such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. We may also be subject to product liability claims if the products that we manufacture are not in compliance with regulatory standards and the terms of our contractual arrangements. Our principal types of coverage include all risk insurance policy, boiler and pressure plant insurance policy, electronic equipment insurance policy, standard fire and special perils insurance policy, machinery breakdown insurance policy, money insurance policy, burglary insurance policy and comprehensive general liability insurance. Our insurance policies may not be sufficient to cover our economic loss. See "Risk Factors – Internal Risk Factors – Our insurance coverage may not be sufficient or may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition" on page 28.

## Corporate Social Responsibility

We have adopted a Corporate Social Responsibility ("**CSR**") policy in compliance with the requirements of the Companies Act, 2013 and the Companies (Corporate Social Responsibility) Rules, 2014 notified by the Central Government. For the financial year 2017, we spent ₹ 48.40 million on CSR activities.

Key social welfare initiatives recently undertaken by us include:

- *Education.* We have entered into a memorandum of understanding with Access Livelihoods Consulting India Limited, pursuant to which we engage their services for the digitization of curriculums for training of dairy farmers in Maharashtra. We have also entered into an agreement with Lend-A-Hand Charitable Trust, and contribute to their program to impart job and life skills training as part of secondary school curriculums in rural India.

- *Rural Development.* We have entered into agreements with Aga Khan Rural Support Program and J.K Trust, pursuant to which we promote activities relating to food security and animal husbandry in Madhya Pradesh and undertake cattle breed improvement, respectively. In addition, we have entered into a memorandum of understanding with the Centre for Advanced Research in Environment in order to provide technical assistance and training for smallholder farms in Andhra Pradesh and Telangana, as well as with The Goat Trust and Udyogini, in collaboration with which we impart training for increasing the yield of crop and livestock in rural areas. We have also contributed to a project run by Vrutti aimed towards enhancing farm solutions, creating low-cost financing, diversifying options and enabling social protection. We have entered into a memorandum of understanding with the Drishtee Foundation, pursuant to which we impart training to farmers in Uttar Pradesh.

## Competition

We compete with several regional and local companies, as well as large multi-national companies in each of our business verticals. Our competitors in our animal feed business include Cargill India Private Limited and Kapila Cattle Feed Private Limited; crop protection business include Rallis India Limited and Dhanuka Agritech Limited; oil palm business include Ruchi Soya Industries Limited; dairy business include Heritage Foods Limited and Hatsun Agro Product Limited and poultry and processed foods business include Venky's India Limited.

## Intellectual Property

As of March 31, 2017, we had 190 registered trademarks, and had made applications for the registration of 54 other trademarks. In addition, as of March 31, 2017, we owned 13 patents and had four pending patent applications, in several countries. Also, we have two copyrights, one in literary and another in artistic work. We have applied for registration of a design for bottles / containers for transport or handling of our agri-products. See "*Government and Other Approvals*" on page 494.

## Our Properties

Our registered and corporate office is located at Godrej One, 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai, India. Further, in addition to our own properties, we have leased or licensed properties at various locations in India. As of the date of this Draft Red Herring Prospectus, we own and operate certain manufacturing facilities, including at Khanna (Ludhiana), Dhule, Miraj (Sangli), Sachin (Surat), Kharagpur (WB), Khurda (Odisha), Tumkur (Karnataka), Erode, Vijaymangalam (Tamil Nadu), Goa and Andhra Pradesh. Some of the land for these manufacturing facilities is held by our Company on freehold basis and some are held on leasehold basis.

Creamline Dairy has acquired properties, including in the State of Andhra Pradesh, Karnataka and Tamil Nadu as agricultural land, for the purposes of installation of wind turbine generators and milk processing facilities.

Further, Astec LifeSciences has set up its manufacturing facilities on land which are on leasehold basis and has also taken certain properties and leave and license basis for godown purposes for storage of chemical pesticides. In addition, Astec LifeSciences has also taken properties on leave and license basis for the purpose of residence of employees of Astec LifeSciences. Our Company has acquired residential flats in "the Trees" project at Mumbai. Our Company has also acquired certain properties in Nashik for research and development activities and certain properties in Dhule for setting up of wind mills. Further, as regards to the oil palm business, our Company has set up mills in Goa, Andhra Pradesh, Tamil Nadu and Mizoram which are on freehold, leasehold and assigned land by Government. Our Company has taken properties on leasehold basis from various state industrial development corporation / authorities for setting up factories to manufacture animal feed and crop protection.

Godrej Tyson has acquired property in Karnataka and has a land on leasehold basis in Maharashtra for the purpose of its poultry business.

Our Company has also entered into a development management agreement with Godrej Properties Limited with respect to development of certain parcel of land near Bangalore.

## REGULATIONS AND POLICIES

*The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.*

Our company operates in five business lines, namely, animal feed, dairy, crop protection, oil palm and poultry.

***Laws in relation to animal feed business***

The laws in relation to our animal feed business regulate, *inter alia*, (i) the setting up and operation of our production facilities and (ii) various labour welfare measures. Our animal feed business is regulated both by Central laws and State-specific rules and notifications. The Factories Act and the rules issued under the Factories Act by various State governments, require registration of our production facilities and regulates their operations in relation to matters such as health and safety measures to be adopted and welfare measures for persons working in our production facilities. The penalties for contravention of the Factories Act include fine and imprisonment for the 'occupier' or 'manager' as defined under the Factories Act, and enhanced penalties for repeat offences and contravention of certain provisions relating to use of hazardous materials. Our Company is also required to obtain from various State authorities (i) consent to operate our production facility and (ii) permission to discharge effluents and emissions, under the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986 (collectively, the "**Environmental Protection Laws**"). The Industrial Disputes Act, 1947 (the "**Industrial Disputes Act**"), *inter alia*, regulates the dismissal of employees and settlement of industrial disputes between the management and the employees. The Contract Labour (Regulation and Abolition) Act, 1970 (the "**CLRA**") regulates the registration of contract labour and their health and welfare.

*Aqua Feed*

Further, the production of aqua feed products is regulated by the Coastal Aquaculture Authority Act, 2005 (the "**CAA Act**"). Under the CAA Act, any person carrying on the activity of coastal aquaculture in a coastal area or traditional coastal aquaculture is required to be registered with the prescribed authority. Failure to obtain such registration could lead to penalties including imprisonment. The CAA Act also restricts the areas in which coastal aquaculture can be carried on and permits the Central Government to prescribe rules in this behalf.

***Laws in relation to crop protection business***

The laws in relation to our crop protection business, *inter alia*, regulate (i) the import and manufacture of certain products, (ii) quality control of certain products, (iii) sale and distribution of certain products and (iv) the operation of our production facilities. Our crop protection business is regulated both by Central laws and State-specific rules and notifications.

*Insecticides*

**The Insecticides Act, 1968 (the "Insecticides Act")**

The Insecticide Act regulates the (i) registration; (ii) licensing; and (iii) quality-control of insecticides.

*Registration:* The definition of insecticides includes fungicides and weedicides. Any person who desires to import or manufacture any insecticide is required to apply to the registration committee under the Insecticides Act, for the registration of such insecticide. The functions of the registration committee include registering insecticides after scrutinizing their formulae and verifying claims made by the importer or the manufacturer, as the case may be, as regards their efficacy and safety to human beings and animals. The registration is granted by a central authority and is effective throughout India.

*Licensing:* Any person who desires to manufacture or sell, stock or exhibit for sale or distribute any insecticide, or to undertake commercial pest control operations with the use of any insecticide may make an application to the licensing officer for the grant of a license under the Insecticides Act. Our Company is required to obtain a separate license for each place in which we manufacture, sell or distribute our products. The license granted may be revoked, suspended or amended, *inter alia*, for misrepresentation of an essential fact and failure to comply with the conditions subject to which the license was granted. The validity of the license is for a period of two years. And every such license will require to be renewed within three months from the date of its expiry on payment of late fees.

*Quality control:* If based on inspection and analyses by the concerned statutory authority, the use of an insecticide or a batch thereof is likely to lead to such risk to human beings or animals, the Central Government or the state government of such insecticides may prohibit its sale, distribution or use, by notification, for a specified period.

*Penalties*: Contravention of the Insecticide Act is punishable with imprisonment or fine or both, with enhanced punishment for repeat offences. Similarly, a person may be imprisoned for a period of six months to three years depending upon the nature of the offence. Further, the prescribed officer under the Insecticide Act has the power to stop the distribution, sale or use of an insecticide for a specified period which he has reason to believe is being distributed, sold or used in contravention of the Insecticide Act. Additionally, if any person is convicted under the Insecticide Act, the stock of insecticide in respect of which the contravention has been made is liable to be confiscated.

We are also required to comply with the guidelines, regulations and rules issued by the Central Insecticides Board ("**CIB**"). The functions of the CIB include to advise the central and state governments on technical matters such as the risk to human beings or animals involved in the use of insecticides and the safety measures necessary to prevent such risk and the manufacture, sale, storage, transport and distribution of insecticides with a view to ensure safety to human beings or animals and to carry out the other function assigned to it by or under the Insecticide Act.

The laws that govern the operations of our production facilities for insecticides *inter alia*, include the Factories Act, the Environmental Protection Laws, the Industrial Disputes Act and the CLRA.

*Seeds*

**The Essential Commodities Act, 1955 (the "ECA")**

Under the ECA, if the Central Government is of the opinion that it is necessary or expedient to (i) maintain or increase supply of any essential commodity (as defined under the ECA); (ii) secure their equitable distribution and availability at fair price; or (iii) for the defence of India or conduct of any military operation, it may *inter alia,* (a) regulate the production or manufacture; (b) control the price; (c) regulate the storage, transport, distribution, disposal, acquisition or use; (d) prohibit the withholding from sale; and (e) require any person holding stock to sell to the Central or State government, in respect of such essential commodity.

The control orders issued under the ECA regulate essential commodities. Penalties under the ECA for contravention of its provisions include fine, imprisonment and forfeiture of the goods.

**The Seeds (Control) Order, 1983 (the "Seeds Control Order")**

The Seeds Control Order issued under the ECA requires every person carrying on the business of selling, exporting or importing seeds, including but not limited to, those of a notified kind or variety, to obtain a licence under the Seeds Control Order and to sell, export, or import seeds in compliance with the terms and conditions of such license. The license is required to be obtained for every place in which the business is carried on. The license granted is valid for a period of three years unless suspended or cancelled. The prescribed authority under the Seeds Control Order is empowered to direct a producer or dealer to sell or distribute any seed in a manner specified by him by an order in writing if he is of the opinion that such a direction is necessary in public interest.

**The Seeds Act, 1966 (the "Seeds Act")**

The Seeds Act regulates the quality of certain seeds for sale, and related matters. The Seeds Act empowers the Central Government to declare certain kinds or varieties of seeds as a notified kind or variety for the purpose of regulating the quality of any kind or variety of seed to be sold for purposes of agriculture. Further, different kinds of varieties may be notified for different States or for different areas thereof.

The Seeds Act empowers the Central Government to prescribe (i) minimum limits of germination and purity with respect to any notified kind or variety of seed; and (ii) the particulars which the mark or label should contain to indicate that such seed conforms to the minimum limits of germination and purity.

No person is permitted to carry on the business of selling, keeping for sale, offering for sale, bartering or otherwise supplying any seed of any notified kind or variety unless (a) such seed is identifiable as to its kind or variety, (b) such seed conforms to the minimum limits of germination and purity as prescribed by the Central Government and (c) the container of such seed bears in the prescribed manner, the mark or label containing the correct particulars thereof as specified under the Seeds Act. Further, no person is permitted for the purpose of sowing or planting, exporting or importing (or causing to be exported or imported) any seed of any notified kind or variety unless (a) such seed conforms to the minimum limits of germination and purity as prescribed by the Central Government, and (b) the container of such seed bears in the prescribed manner, the mark or label containing the correct particulars thereof as specified under the provisions of the Seeds Act. The Seeds Act provides for obtaining of a certificate for carrying out the above mentioned activities.

***Laws in relation to oil palm business***

The laws specific to our oil palm business are issued by various State governments. The laws, *inter alia*, regulate (i) the supply of oil palm fruit bunches; (ii) the price at which oil palm fruit bunches are purchased; (iii) specific tax on purchase of oil palm fruit bunches; and (iv) the operation of our production facilities. We are also required to obtain approvals and ensure labour health and safety in accordance with the Factories Act as described above. The State governments of Andhra Pradesh, Telangana, Tamil Nadu, Goa, Karnataka, Maharashtra and Mizoram, where our oil palm production facilities are located, have issued specific laws in relation to the oil palm business. The Andhra Pradesh Oil Palm (Regulation of Production and

Processing) Act, 1993, Tamil Nadu Oil Palm (Regulation of Production and Processing) Act, 1994, Goa Oil Palm (Regulation of Production and Processing) Act, 1998 and Mizoram Oil Palm (Regulation of Production & Processing) Act, 2004 have similar provisions and are summarized below.

*Supply of oil palm:* The State government is empowered to declare any area as a factory zone for the supply of fresh oil palm fruit bunches to the factory specified for the purpose. Once a particular area is declared as a factory zone, the oil palm growers in that area are required to supply the fresh fruit bunches grown in that area only to the factory to whom the factory zone is attached, and declare any particular factory zone as occupier for such factories in the factory zone.

*Purchase price:* The occupier of such factory zone is required to buy all the oil palm fresh fruit bunches produced which are offered for sale from the oil palm growers in that area, at a price which is not below the minimum fixed price by the specified authority. If all the oil palm fresh fruit bunches are not purchased at the specified price without any valid reason, the occupier of the factory is liable to compensate the loss caused to the grower. The price is required to be paid within 14 days, failing which, an interest of 15% per annum is levied. Further, any unpaid price will be recovered as an arrear of land revenue.

*Tax:* The government may by notification levy a tax not exceeding ₹ 100 per MT on the purchase of fresh fruit bunches required for use, consumption or sale in a factory.

*Penalties:* Any person or occupier contravening the relevant Act is liable to pay the fine prescribed including a further fine if the contravention is continuing. The occupier of the factory is any one or more of the Directors of our Company.

The other laws that govern the operations of our production facilities for our oil palm business *inter alia*, include the Factories Act, the Environmental Protection Laws, the Industrial Disputes Act and the CLRA.

***Laws in relation to dairy business***

The laws in relation to our dairy business regulate, *inter alia*, (i) the registration and license; and (ii) quality control of food business operators. Our dairy business is regulated both by Central laws and State-specific rules and notifications.

**Food Safety Standards Act, 2006 (the "FSS Act")**

The FSS Act requires any person carrying on any food business or obtain a license granted by the Food Safety Standards Authority of India (the "**FSSAI**"). The FSS Act, *inter alia*, sets out the requirements for licensing and registering food businesses in addition to laying down the general principles for safety, responsibilities and liabilities of food business operators. The license under the FSS Act is granted by the central licensing authority. The standards prescribed by the FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels. Penalties under the FSS Act include fines.

The other laws that govern the operations of our production facilities for our dairy business *inter alia*, includes the Factories Act, the Environmental Protection Laws, the Industrial Dispute Act and the CLRA.

***Laws in relation to poultry business***

The laws in relation to our poultry business regulate, *inter alia*, (i) the registration and license; and (ii) quality control of food business operators. Our poultry business is regulated by Central laws, including the FSS Act. For details of the FSS Act, see "*Laws in relation to dairy business*" above.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as Godrej Agrovet Private Limited on November 25, 1991 in the state of Gujarat as a private limited company under the Companies Act, 1956. Our Company became a deemed public limited company under Section 43A(1) of the Companies Act, 1956, and the word "private" was struck off from the name of our Company with effect from April 27, 1992. Pursuant to our Company passing a resolution under Section 21 of the Companies Act, 1956 on March 4, 1994, our Company was registered as a public limited company with effect from August 26, 1994. Subsequently, the Registrar of Companies, Gujarat issued a fresh certificate of incorporation dated February 19, 2002, consequent upon conversion, recording the change of our Company's name to 'Godrej Agrovet Limited'. For information of our Company's profile, activities, services, market, growth, technology, managerial competence, capacity built-up and standing with reference to prominent competitors, see "*Our Management*", "*Our Business*" and "*Industry Overview*" beginning on pages 153, 122 and 96, respectively.

As on July 14, 2017, our Company has 94 Shareholders.

### Changes in Registered Office

Except as disclosed below, there has been no change in the Registered Office of our Company since the date of our incorporation.

| Date of change | Details of change in the address of the Registered Office | Reasons for change in the address of the Registered Office |
|---|---|---|
| April 1, 2002 | The registered office of our Company was shifted from 247/1&2, GIDC Industrial Estate, Sachin 394 203, Surat, Gujarat to Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079. | Administrative convenience |
| December 1, 2015 | The registered office of our Company was shifted from Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079 to "Godrej One", 3rd Floor, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079. | Upon construction of new office, the Registered Office was shifted into new premises. |

### Main objects of our Company

The main objects contained in the Memorandum of Association are as follows:

*"1. To acquire, take over and carry on as a going concern the entire business carried on by the Agrovet Division of Godrej Soaps Limited, carrying on Business of agricultural and veterinary products, having its Registered Office at Pirojsha Nagar, Eastern Express Highway, Vikhroli, Mumbai - 400 079 and all its assets both immovable and movable and all its factories along with its marketing and related facilities.*

*2. To carry on the business of processing, converting, producing, manufacturing, formulating, using, buying, acquiring, storing, packing, selling, transporting, distributing, importing, exporting, trading and disposing off all types of animal, poultry feeds, articles of food for consumption of animals, birds, insects, fish, plants or any other living organism, agro chemicals including long chain alcohols, its precursors and derivatives, sterols, furfurals, chemical pesticides, plant growth promoters, plant growth suppressors, including succericide, bio-fertilisers, organic and inorganic fertilisers, manures, herbal pesticides including neem based pesticides, slow nitrogen release urea, and other chemicals based agricultural inputs, agricultural implements, including tractors, harvestors, pumps, drip irrigation, sprinklers, borewells, plant protection appliances, sprayers, dusting equipments, veterinary medicines, diagnostics, vaccines, syringes, tissue culture, aqua culture, vegetable and oil seeds pulses, cereals and multiplication thereof."*

The main objects as contained in our Memorandum of Association enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Issue.

### Amendments to our Memorandum of Association

| Date of Shareholder's resolution / effective date | Particulars |
|---|---|
| February 4, 1994 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹50,000,000 comprising 5,000,000 |

| Date of Shareholder's resolution / effective date | Particulars |
|---|---|
| | Equity Shares to ₹100,000,000 comprising 10,000,000 Equity Shares. |
| September 25, 2001* | Clause II of the Memorandum of Association was altered for shifting of our Registered Office from the state of Gujarat to the state of Maharashtra pursuant to the order passed by the Company Law Board by way of its order dated March 21, 2002. |
| April 12, 2006 | Clause III B. 5 of the Memorandum of Association was amended to reflect the change in the ancillary objects by deletion of the words "*However, the Company shall not carry on any Banking or Insurance Business*". |
| | Clauses III C. 45 and 46 of the other objects clause of the Memorandum of Association were added to the existing Clause III of the objects clause. |
| October 6, 2006 | Clause III C. 23 of the Memorandum of Association which read as "*To carry on the business of producing and distributing energy from solar, geothermal, bio-mass or any other source*" was replaced with the existing clause. |
| | Clause III C. 37 of the Memorandum of Association was amended to reflect the change in the other objects by replacing the words "*To export and promote the export of and otherwise deal in for the purposes of export in all types of*" with "*To manufacture, buy, sell, import-export, or to deal in all types of*". |
| | Clauses III C. 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58 and 59 of the other objects clause of the Memorandum of Association were added to the existing Clause III of the objects clause. |
| December 29, 2006 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹100,000,000 comprising 10,000,000 Equity Shares to ₹150,000,000 comprising 15,000,000 Equity Shares. |
| January 5, 2011 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹150,000,000 comprising 15,000,000 Equity Shares to ₹350,000,000 comprising 35,000,000 Equity Shares pursuant to a scheme of arrangement approved by the High Court of Bombay by its order dated January 5, 2011. |
| June 24, 2011 | Clauses III C. 60, 61, 62, 63, 64 and 65 of the other objects clause of the Memorandum of Association were added to the existing Clause III of the objects clause. |
| March 16, 2012 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹350,000,000 comprising 35,000,000 Equity Shares to ₹501,500,000 comprising 50,150,000 Equity Shares pursuant to a scheme of arrangement approved by the High Court of Bombay by its order dated March 16, 2012. |
| March 2, 2015 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹501,500,000 comprising 50,150,000 Equity Shares to ₹1,000,000,000 comprising 100,000,000 Equity Shares. |
| January 8, 2016 | Clause V of the Memorandum of Association was amended to reflect reclassification in the authorised share capital of our Company from ₹1,000,000,000 comprising 100,000,000 Equity Shares to ₹999,940,000 comprising 99,994,000 Equity Shares and ₹60,000 comprising of 6,000 Preference Shares pursuant to a scheme of arrangement approved by the High Court of Bombay by its order dated January 8, 2016. |
| March 3, 2017 | Clause V of the Memorandum of Association was amended to reflect increase in the authorised share capital of our Company from ₹1,000,000,000 divided into ₹999,940,000 comprising 99,994,000 Equity Shares and ₹60,000 comprising 6,000 Preference Shares to ₹2,250,000,000 into ₹2,249,940,000 comprising 224,994,000 |

| Date of Shareholder's resolution / effective date | Particulars |
|---|---|
| | Equity Shares and ₹60,000 comprising 6,000 Preference Shares. |

* with effect from April 1, 2002

**Major events and milestones of our Company**

| Calendar year | Particulars |
|---|---|
| 1991 | Our Company was incorporated on November 25, 1991 |
| 1992 | Our Company acquired the agrovet division of Godrej Soaps Limited |
| 1997 | Our Company acquired the Oil Palm business from Godrej Soaps Limited |
| 1999 | Our Company acquired poultry business from IPF Breeders Private Limited |
| 2004 | Our Company formed a joint venture company in Bangladesh namely, ACI Godrej Agrovet Private Limited |
| 2005 | Our Company acquired 26% stake in Polchem Hygiene Laboratories Private Limited |
| | Our Company acquired 26% stake in Creamline Dairy |
| | Our Company acquired shrimp feed business from Higashimaru Feeds (India) Limited |
| 2012 | V-Sciences made investment in our Company by acquiring 19.99% of the Equity Share capital of our Company |
| 2015 | Our Company acquired majority stake in Astec Lifesciences |
| | Our Company increased its stake from 26% to 52% in Creamline Dairy |
| 2016 | Our Company sold its 26% stake in Polchem Hygiene Laboratories Private Limited |

**Awards and Accreditations in last five years**

| Calendar year | Award/Certification/Recognition |
|---|---|
| 2013 | Our Company has been recognized as one of the best 100 Companies in India for 2013 by Great Place to Work Institute India |
| 2014 | Our Company has been recognized as one of the best 100 Companies in India for 2014 by Great Place to Work Institute India |
| 2015 | Our Company has been recognized for Fairness in Performance Management System Category in 2015 by Great Place to Work Institute |
| 2015 | Our Company has been named as an Aon Best Employer in the Aon Best Employers – India 2015 Programme by Aon Hewitt |
| 2015 | Our Company was awarded 'Highest Crude Palm Oil Producer in the Country' at the GLOBOIL India, 2015 |
| 2017 | Our Company has been named as an Aon Best Employer in the Aon Best Employers – India 2017 Programme by Aon Hewitt |
| 2017 | ACI Godrej received an award in the category of "QCC for Sustainable Development" in the 21st National Annual Quality Convention – 2017 organized by Bangladesh Society for Total Quality Management |

**Key shareholders' agreement and other agreements**

***Shareholders' agreement dated December 17, 2012 among our Company, GIL, V-Sciences and certain selling shareholders, namely, GIL, Swadeshi Detergents Limited, Ensemble Holdings and Finance Limited and Godrej Family and others as amended by an amendment agreement dated July 18, 2017 (the "Amendment Agreement")(the "Shareholders' Agreement")***

The Shareholders' Agreement provides certain rights, subject to certain terms and conditions, to V-Sciences including the following:

(i) right to nominate one Director to our Board subject to holding at least 10% of the total issued and paid-up shareholding of our Company on a fully-diluted basis;

(ii) right to appoint an observer who shall be entitled to attend all the meetings of our Board and committees namely, the audit committee, the remuneration committee and any committee which will be tasked to oversee the process and timing of the initial public offering, as and when constituted;

(iii) pre-emptive rights in case of issue of any Equity Shares or any securities convertible into Equity Shares of our Company subject to certain terms and conditions;

(iv) affirmative voting rights in relation to certain reserved matters including issue of Equity Shares or any securities or instruments convertible into equity of our Company, and amendment of charter documents of our Company;

(v) information rights in respect of our Company and Subsidiaries, subject to V-Sciences holding at least 7.5% of the total issued and paid-up shareholding of our Company;

(vi) right of first offer and tag-along rights in respect of any Equity Shares proposed to be sold by GIL; and

(vii) restriction on transfer of Equity Shares of our Company to a competitor.

Pursuant to the Amendment Agreement, the Shareholders' Agreement will terminate upon the date of receipt of the final listing and trading approval. Further, in the event the Issue is not completed by March 31, 2018, the Amendment Agreement will terminate.

**Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, if any**

*Acquisition of Astec Lifesciences*

***Share purchase agreement dated August 28, 2015 among our Company, Astec Lifesciences, and certain members of promoter group of Astec Lifesciences being, Ashok Vishwanath Hiremath, (Late) Dr. P L Tiwari, Suresh Hiremath, Altimax Financial Services Private Limited, Chitra Ashok Hiremath, Supriya Ashok Hiremath, Ashok Vishwanath Hiremath HUF and Laxmikant Ramprasad Kabra (collectively, "Astec Sellers"), as amended by an amendment agreement dated March 29, 2016 (the "Astec Share Purchase Agreement")***

Pursuant to the Astec Share Purchase Agreement, the Astec Sellers sold 8,811,474 equity shares of ₹10 each (the "**Sale Shares**") in Astec Lifesciences amounting to 45.29% of the equity share capital of Astec Lifesciences to our Company, for a consideration of ₹1,674,180,060 on August 28, 2015. The Astec Share Purchase Agreement provides for certain continuing rights for existing promoters, being, Ashok V. Hiremath and (Late) Dr. P L Tiwari (collectively, the "**SPA Promoters**").

*Acquisition of Creamline Dairy*

***Shareholders' agreement dated January 29, 2005 among our Company, Creamline Dairy, and certain promoter shareholders of Creamline Dairy being, Bhasker Reddy, Gangadhar Mandava, Balraj Goud C and Chandra Shekher Reddy D (collectively, "Creamline Promoter Shareholders"), as amended by an addendum cum amendment agreement dated December 9, 2015 (the "Creamline Dairy Addendum Agreement") (the "Creamline Dairy Shareholders Agreement").***

The Creamline Dairy Shareholders' Agreement provides with certain continuing rights to our Company including, *inter alia*, the right to nominate two directors on the board of directors of Creamline Dairy and affirmative voting rights in respect of certain matters.

***Mergers and Amalgamations***

Except as disclosed below, our Company has not undertaken any merger, amalgamation or revaluation of assets.

***Scheme of demerger between our Company and GSGL***

On May 19, 2015, our Board of Directors approved a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956 for demerger between our Company and GSGL (the "**Demerged Company**"), with the appointed date as April 1, 2015 in terms of the Scheme of Demerger. As of the effective date, being February 9, 2016, of the Scheme of Demerger, the seeds division of the Demerged Company including all its properties, rights and powers and all debts, liabilities, duties and obligations of the Demerged Company was sought to be transferred to our Company. In accordance with the Scheme of Demerger, one fully paid-up 8% redeemable Preference Share of our Company was issued and allotted to the shareholders of the Demerged Company for every one fully paid-up equity share of ₹10 each of the Demerged Company held by them. For further details regarding the issue of Preference Shares pursuant to the Scheme of Demerger, see "*Capital Structure – The history of the preference share capital of our Company*" beginning on page 73. On January 8, 2016, the Bombay High Court approved the scheme of demerger.

***Scheme of amalgamation between our Company and Golden Feed Products Limited***

On January 27, 2014, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation between our Company and Golden Feed Products Limited (the "**Transferor Company**"), with the appointed date as March 31, 2014 in terms of the Scheme of Amalgamation. As of the effective date, being May 9, 2014, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, no Equity Shares of our Company was allotted in exchange of our Company's holding in the Transferor Company. On April 29, 2014, the Bombay High Court approved the scheme of amalgamation.

***Scheme of amalgamation between our Company and Goldmuhor Agrochem and Feeds Limited***

On May 15, 2013, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation between our Company and Goldmuhor Agrochem and Feeds Limited (the "**Transferor Company**"), with the appointed date as October 1, 2013 in terms of the Scheme of Amalgamation. As of the effective date, being December 12, 2013, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, no Equity Shares of our Company was allotted in exchange of our Company's holding in the Transferor Company. On September 20, 2013, the Bombay High Court approved the scheme of amalgamation.

***Scheme of amalgamation between our Company, Godrej Gokarna Oil Palm Limited, Godrej Oil Palm Limited and Cauvery Oil Palm Limited***

On October 18, 2011, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation between our Company and Godrej Gokarna Oil Palm Limited, Godrej Oil Palm Limited and Cauvery Oil Palm Limited (collectively, the "**Transferor Companies**") and for utilisation of the securities premium account of our Company for adjustment of goodwill arising pursuant to amalgamation and creation of provision for certain doubtful loans and advances given by our Company, with the appointed date as April 1, 2011 in terms of the Scheme of Amalgamation. As of the effective date, beingApril 17, 2012, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Companies including all its properties, assets, liabilities, rights, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, no Equity Shares of our Company was allotted in exchange of our Company's holding in the Transferor Companies. On March 16, 2012, the Bombay High Court approved the scheme of amalgamation.

***Scheme of amalgamation between our Company and Godrej Gold Coin Aquafeed Limited***

On July 14, 2010, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation between our Company and Godrej Gold Coin Aquafeed Limited (the "**Transferor Company**") with the appointed date as April 1, 2010 in terms of the Scheme of Amalgamation. As of the effective date, being February 11, 2011, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, contracts, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, no Equity Shares or consideration were issued by our Company in respect of the Scheme of Amalgamation. On January 5, 2011, the Bombay High Court approved the scheme of amalgamation.

***Scheme of amalgamation between our Company and Goldmohur Foods and Feeds Limited***

On October 19, 2007, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation between our Company and Goldmohur Foods and Feeds Limited (the "**Transferor Company**") with the appointed date as April 1, 2007 in terms of the Scheme of Amalgamation. As of the effective date, being November 11, 2008, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, contracts, duties and obligations were transferred to our Company. In accordance with the Scheme of Amalgamation, no Equity Shares or consideration were issued by our Company in respect of the Scheme of Amalgamation. On September 26, 2008, the Bombay High Court approved the scheme of amalgamation. Subsequently, Goldmohur Foods and Feeds Limited was dissolved pursuant to court order dated January 22, 2009.

***Scheme of demerger between our Company and Godrej Oil Plantations Limited***

On October 19, 2007, our Board of Directors approved a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956 for demerger between our Company and Godrej Oil Plantations Limited (the "**Resulting Company**") with the appointed date as April 1, 2007 in terms of the Scheme of Demerger. As of the effective date, being February 4, 2008, of the Scheme of Demerger, the oil palm and jotropha business of our Company which includes all its assets, liabilities, permits, quotas, records, files, employees, duties and obligations were transferred by our Company to the Resulting Company. In accordance with the Scheme of Demerger, the Resulting Company issued (i) 20,500 equity shares of ₹10 each at a premium of ₹24,258 to our Company, and (ii) 250,000, 10% unsecured debentures of ₹10 each at par to the Shareholders of our Company in the ratio of their holding in our Company. On January 11, 2008, the Bombay High Court approved the scheme of demerger.

***Scheme of demerger between our Company and Godrej Oil Palm Limited***

On May 24, 2007, our Board of Directors approved a scheme of demerger under Sections 391 to 394 of the Companies Act, 1956 for demerger between our Company and Godrej Oil Palm Limited (the "**Resulting Company**") with the appointed date as April 1, 2007 in terms of the Scheme of Demerger. As of the effective date, being November 14, 2007, of the Scheme of

Demerger, the business of oil palm business were transferred by our Company to the Resulting Company. On September 28, 2007, the Bombay High Court approved the scheme of demerger.

***Scheme of amalgamation between our Company and Godrej Plant Biotech Limited, approved by the Bombay High Court and Andhra Pradesh High Court***

On March 6, 2002, our Board of Directors approved a scheme of amalgamation under Sections 391 to 394 of the Companies Act, 1956 for amalgamation of Godrej Plant Biotech Limited (the "**Transferor Company**") with our Company, with the appointed date as January 1, 2002 in terms of the Scheme of Amalgamation. As of the effective date, being July 19, 2002, of the Scheme of Amalgamation, the entire business and undertakings of the Transferor Company including all its properties, assets, liabilities, rights, contracts, duties and obligations were transferred to our Company. The Bombay High Court and the Andhra Pradesh High Court approved the Scheme of Amalgamation on June 7, 2002 and July 3, 2002, respectively.

**Capital raising activities through equity or debt**

For details regarding our capital raising activities through equity or debt, see "*Capital Structure*" and "*Financial Statements*" beginning on pages 71 and 209.

**Injunctions or restraining order against our Company**

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

**Financial and Strategic Partners**

Our Company does not have any financial or strategic partners.

**Our Holding Company**

GIL is our holding company. For details of our holding company, see "*Our Promoters and Promoter Group*" beginning on page 175.

**Changes in the activities of our Company during the last five years**

There have been no changes in the activities undertaken by our Company during a period of five years prior to the date of this Draft Red Herring Prospectus which may have had a material effect on the profits or loss of our Company or which may have significantly affected our business including discontinuance of lines of business, loss of agencies or markets and similar factors.

**Defaults or rescheduling of borrowings with financial institutions/ banks and conversion of loans into equity**

There have been no defaults or rescheduling of borrowings with the financial institutions/ banks/ debenture holders. None of our outstanding loans have been converted into Equity Shares.

**Lock-out, Strikes, etc.**

There have been no instances of strikes, lock-outs or instances of labour unrest in our Company.

**Time and Cost Overruns in setting up the projects**

Our Company has not faced any time and cost overrun in setting up the projects, except in the ordinary course of business.

**Details of guarantees given to third parties by our Promoters**

Our Promoters have not given any guarantees on behalf of our Company to third parties.

## OUR SUBSIDIARIES

As of the date of this Draft Red Herring Prospectus, our Company has seven Subsidiaries and two Joint Ventures.

**Details of our Subsidiaries**

**1. Astec LifeSciences Limited ("Astec LifeSciences")**

Astec LifeSciences was originally incorporated under the Companies Act, 1956 as Urshila Traders Private Limited at Mumbai on January 25, 1994. The name of Astec LifeSciences was changed to Astec Chemicals Private Limited with effect from August 19, 1994. The name was further changed to Astec LifeSciences Private Limited with effect from March 3, 2006. Subsequently, Astec LifeSciences got converted into a public company with effect from April 27, 2006 and a fresh certificate of incorporation was issued by RoC on April 27, 2006 and is now a public company listed on BSE and NSE. The memorandum of association authorizes Astec LifeSciences to carry on the business of, *inter alia*, production of agrochemicals and pharmaceuticals intermediates.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 10 each |
|---|---|
| Authorised capital | 25,000,000 |
| Issued, subscribed and paid-up capital | 19,516,455 |

***Shareholding as on June 30, 2017:***

The following table sets forth details of the shareholding of our Company in Astec LifeSciences:

| Sr. No. | Name of Shareholder | Number of equity shares held | Percentage of equity holding (%) |
|---|---|---|---|
| 1 | Godrej Agrovet Limited | 10,874,255 | 55.72 |

**2. Behram Chemicals Private Limited** ("**Behram Chemicals**")

Behram Chemicals was incorporated as a private company on April 6, 1993 at Mumbai under the Companies Act, 1956. Behram Chemicals is a step-down Subsidiary of our Company. The memorandum of association authorizes Behram Chemicals to carry on the business of, *inter alia*, manufacturing, processing, and trading of various chemicals and chemicals products.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 100 each |
|---|---|
| Authorised capital | 60,000 |
| Issued, subscribed and paid-up capital | 60,000 |

***Shareholding:***

The following table sets forth details of the shareholding of our Company in Behram Chemicals through Astec LifeSciences:

| Sr. No. | Name of Shareholder | Number of equity shares held | Percentage of equity holding (%) |
|---|---|---|---|
| 1 | Astec Lifesciences Limited* | 39,380 | 65.63 |

* *Including one equity share each held jointly with Ashok V. Hiremath, Rakesh Dogra, Arijit Mukherjee and S. Varadaraj*

**3. Comercializadora Agricola Agroastrachem Cia Ltda** ("**Comercializadora Agricola**")

Comercializadora Agricola was incorporated as a private limited company on March 19, 2013 at Bogota, Colombia under the Laws of Colombia. Comercializadora Agricola is a step-down Subsidiary of our Company. The memorandum of association authorizes Comercializadora Agricola to carry on the business of, *inter alia*, research and experimental development in the field of natural sciences and engineering and distribution of Agrochemicals.

***Capital Structure:***

| Particulars | Number of shares of face value 1$ each |
|---|---|
| Authorised capital | 400 |

| Particulars | Number of shares of face value 1$ each |
|---|---|
| Issued, subscribed and paid-up capital | 400 |

***Shareholding:***

The following table sets forth details of the shareholding of our Company in Comercializadora Agricola through Astec LifeSciences:

| Sr. No. | Name of the shareholder | Number of shares of face value 1 $ each | Percentage of total holding (%) |
|---|---|---|---|
| 1. | Astec Lifesciences Limited | 398 | 99.50 |
| 2. | Ashok V. Hiremath (Nominee of Astec LifeSciences Limited) | 2 | 0.50 |
| | **Total** | **400** | **100.00** |

4. **Astec Europe Sprl** ("**Astec Europe**")

Astec Europe was incorporated as a private company on December 21, 2006 at Belgium under the laws of Belgium. Astec Europe is a step-down Subsidiary of our Company. The memorandum of association authorizes Astec Europe to carry on the business of, *inter alia*, distribution of Agrochemicals.

***Capital Structure:***

| Particulars | Number of shares of face value EUR 1 each |
|---|---|
| Authorised capital | 19,000 |
| Issued, subscribed and paid-up capital | 19,000 |

***Shareholding:***

The following table sets forth details of the shareholding of our Company in Astec Europe through Astec LifeSciences:

| Sr. No. | Name of the shareholder | Number of shares of face value EUR 1 each | Percentage of total holding (%) |
|---|---|---|---|
| 1. | Astec LifeSciences Limited | 9,520 | 50.10 |

5. **Creamline Dairy Products Limited** ("**Creamline Dairy**")

Creamline Dairy was incorporated as a private limited company on October 31, 1986 at Hyderabad under the Companies Act, 1956. Subsequently, Creamline Dairy got converted into a public company and a fresh certificate of incorporation was issued by the Registrar of Companies, Hyderabad at Andhra Pradesh on August 11, 1994. The memorandum of association authorizes Creamline Dairy to carry on the business of, *inter alia*, manufacturing, producing, selling, dealing, assembling of all kinds of flavoured milk, yoghurt, paneer, ice creams, ice products, milk products, cakes, chocolates, condensed milk, milk powder, fast foods, ready to eat products, ghee, butter and dairy products of all kinds.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 10 each |
|---|---|
| Authorised capital | 15,000,000 |
| Issued, subscribed and paid-up capital | 11,324,700 |

***Shareholding:***

The following table sets forth details of the shareholding of our Company in Creamline Dairy:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹ 10 each | Percentage of total equity holding (%) |
|---|---|---|---|
| 1. | Godrej Agrovet Limited | 5,879,008 | 51.91 |

6. **Nagavalli Milkline Private Limited** ("**Nagavalli Milkline**")

Nagavalli Milkline was incorporated as a private company on May 4, 1999 at Hyderabad under the Companies Act, 1956. Nagavalli Milkline is a step-down Subsidiary of our Company. The memorandum of association authorizes

Nagavalli Milkline to carry on the business of, *inter alia*, dairy forming by producing, procuring, processing and deal in milk, milk products, by-products or any other food products of animal.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 10 each |
|---|---|
| Authorised capital | 2,150,000 |
| Issued, subscribed and paid-up capital | 2,010,400 |

***Shareholding:***

The following table sets forth details of the shareholding of our Company in Nagavalli Milkline through Creamline Dairy:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹ 10 each | Percentage of total equity holding (%) |
|---|---|---|---|
| 1. | Creamline Dairy Products Limited | 2,010,399 | 99.99 |
| 2. | K. Bhasker Reddy | 1 | 0.01 |
| | **Total** | **20,10,400** | **100.00** |

**7. Godvet Agrochem Limited ("Godvet Agrochem")**

Godvet Agrochem was incorporated as public limited company on January 22, 2014 at Mumbai under the Companies Act, 2013. The memorandum of association authorizes Godvet Agrochem to carry on the business of, *inter alia*, producing, manufacturing, processing animal feeds, articles of food for consumption of animals, birds and insects, and agro chemicals.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 10 each |
|---|---|
| Authorised capital | 10,500,000 |
| Issued, subscribed and paid-up capital | 9,950,000 |

***Shareholding:***

The following table sets forth details of the shareholding of Godvet Agrochem:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹ 10 each | Percentage of total equity holding (%) |
|---|---|---|---|
| 1. | Godrej Agrovet Limited* | 9,950,000 | 100.00 |

* *Including shares held jointly with/ by nominees, viz., Balram S. Yadav, S. Varadaraj, P. N. Narkhede, Rakesh Dogra, P. J. Bhat, Sandeep Kumar Singh*

**Joint Ventures**

As of the date of this Draft Red Herring Prospectus, our Company has two Joint Ventures.

**Details of our Joint Ventures**

**1. Godrej Tyson Foods Limited ("Godrej Tyson")**

Godrej Tyson was incorporated as a public limited company on January 11, 2008 at Mumbai under the Companies Act, 1956 as "Godrej Foods Limited". Subsequently, Godrej Tyson was issued a fresh certificate of incorporation on October 14, 2008 at Mumbai pursuant to change of its name to "Godrej Tyson Foods Limited". The memorandum of association authorizes Godrej Tyson to carry on the business of, *inter alia*, processing, producing, manufacturing, storing of food products, beverages, meats, fish, marine products, birds, poultry products, fruits, vegetables, and dairy products.

***Capital Structure:***

| Particulars | Number of equity shares of face value ₹ 10 each |
|---|---|
| Authorised capital | 300,000 |
| Issued, subscribed and paid-up capital | 198,900 |

***Shareholding:***

The following table sets forth details of the shareholding of Godrej Tyson:

| Sr. No. | Name of the shareholder | Number of equity shares of face value ₹ 10 each | Percentage of total equity holding (%) |
|---|---|---|---|
| 1. | Tyson India Holdings Limited | 101,439 | 51 |
| 2. | Godrej Agrovet Limited* | 97,461 | 49 |
| | **Total** | **198,900** | **100.00** |

* *Includes six equity shares held jointly with Balram S. Yadav, Rakesh Dogra, S. Varadaraj, Sandeep Kumar Singh,* **ACI Godrej Agrovet Private Limited, Bangladesh ("ACI Godrej")**

ACI Godrej was incorporated as private company on October 10, 2004 at Bangladesh under the Companies Act of 1994 (Bangladesh). The memorandum of association authorizes ACI Godrej to carry on the business of, *inter alia*, breeding, rearing, supplying poultry birds and marketing poultry products.

***Capital Structure:***

| Particulars | Number of equity shares of face value BDT 100 each |
|---|---|
| Authorised capital | 5,000,000 |
| Issued, subscribed and paid-up capital | 3,700,000 |

***Shareholding:***

The following table sets forth details of the shareholding of ACI Godrej:

| Sr. No. | Name of the shareholder | Number of equity shares of face value BDT 100 each | Percentage of total equity holding (%) |
|---|---|---|---|
| 1. | Advanced Chemical Industries Limited | 1,850,000 | 50 |
| 2. | Godrej Agrovet Limited | 1,850,000 | 50 |
| | **Total** | **3,700,000** | **100.00** |

**Significant sales / purchase with our Subsidiaries or Joint Ventures**

Our Company is not involved in any sales or purchases with any of our Subsidiaries or Joint Ventures where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

**Common Pursuits**

Astec LifeSciences is in the business of manufacturing and marketing of agrochemicals. ACI Godrej is also in the business of manufacturing and marketing of animal feed. Other than Astec LifeSciences and ACI Godrej, there are no common pursuits between our Company, our Subsidiaries and Joint Ventures.

**Other Confirmations**

1. There are no accumulated profits or losses of our Subsidiaries or Joint Ventures which are not accounted for by our Company.

2. Except as disclosed in "*Our Business*" and "*Related Party Transactions*" beginning on pages 122 and 207, our Subsidiaries and Joint Ventures do not have any business interests in our Company.

3. Except for Astec LifeSciences, none of our Subsidiaries or Joint Ventures are listed in India or abroad.

4. Other than Godvet Agrochem, none of our Subsidiaries or Joint Ventures have made any public or rights issue in the last three years.

## OUR MANAGEMENT

In terms of our Articles of Association, our Company is required to have not less than three and not more than 15 directors. As on the date of this Draft Red Herring Prospectus, our Board comprises 14 Directors.

The following table sets forth details of our Board:

| Name, Designation, Address, Occupation, Nationality, Term and DIN | Age (in years) | Other Directorships |
|---|---|---|
| **Nadir B. Godrej**<br><br>*Designation*: Chairman and Non Executive Director<br><br>*Address*: 40-D, 2nd Floor, B.G. Kher Marg, Malabar Hill, Mumbai – 400 006<br><br>*Occupation*: Industrialist<br><br>*Nationality*: Indian<br><br>*Term*: Liable to retire by rotation<br><br>*DIN*: 00066195 | 65 | • ACI Godrej Agrovet Private Limited;<br>• Astec LifeSciences Limited;<br>• Creamline Dairy Products Limited;<br>• Godrej And Boyce Manufacturing Company Limited;<br>• Godrej Consumer Products Limited;<br>• Godrej Industries Limited;<br>• Godrej International Limited;<br>• Godrej Properties Limited;<br>• Godrej Tyson Foods Limited;<br>• Isprava Vesta Private Limited;<br>• Mahindra And Mahindra Limited; and<br>• The Indian Hotels Company Limited. |
| **Adi B. Godrej**<br><br>*Designation*: Non Executive Director<br><br>*Address*: 67-H, Aasharaye Godrej House, Walkeshwar Road, Mumbai – 400 006<br><br>*Occupation*: Industrialist<br><br>*Nationality*: Indian<br><br>*Term*: Liable to retire by rotation<br><br>*DIN*: 00065964 | 75 | • Godrej And Boyce Manufacturing Company Limited;<br>• Godrej Consumer Products Limited;<br>• Godrej Consumer Products Mauritius Ltd.;<br>• Godrej Industries Limited;<br>• Godrej International Limited;<br>• Godrej Investments Private Limited; and<br>• Indian School of Business. |
| **Jamshyd N. Godrej**<br><br>*Designation*: Non Executive Director<br><br>*Address*: 40-D, Ridge Road, Mumbai – 400 006<br><br>*Occupation*: Industrialist<br><br>*Nationality*: Indian<br><br>*Term*: Liable to retire by rotation<br><br>*DIN*: 00076250 | 68 | • Climate Works Foundation, USA;<br>• Breach Candy Hospital Trust;<br>• Global Footprint Network, USA;<br>• Godrej & Khimji (Middle East) LLC;<br>• Godrej (Singapore) Pte. Limited;<br>• Godrej (Vietnam) Company Limited;<br>• Godrej And Boyce Manufacturing Company Limited; |

| Name, Designation, Address, Occupation, Nationality, Term and DIN | Age (in years) | Other Directorships |
|---|---|---|
| | | • Godrej Consumer Products Limited;<br>• Godrej Industries Limited;<br>• Godrej Investments Private Limited;<br>• Godrej Properties Limited;<br>• Illinois Institute of Technology (India) Private Limited;<br>• Imtma Machine Tool Industry Park;<br>• Indian Machine Tool Manufacturers Association;<br>• Raptor Research And Conservation Foundation;<br>• Shakti Sustainable Energy Foundation;<br>• Singapore - India Partnership Foundation(India);<br>• Singapore - India Partnership Foundation (Singapore)<br>• Urban Electric Power Inc.; and<br>• World Resources Institute, USA. |
| **Vijay M. Crishna**<br>*Designation*: Non Executive Director<br>*Address*: A-261, Grand Paradi Apartments, August Kranti Marg, Mumbai – 400 036<br>*Occupation*: Industrialist<br>*Nationality*: Indian<br>*Term*: Liable to retire by rotation<br>*DIN*: 00066267 | 72 | • Godrej And Boyce Manufacturing Company Limited;<br>• Godrej Industries Limited;<br>• Naoroji Godrej Centre For Plant Research; and<br>• Precision Wires India Limited. |
| **Tanya A. Dubash**<br>*Designation*: Non Executive Director<br>*Address*: 89-B, Hasman Bunglow, Bhulabhai Desai Road, Mumbai – 400 026<br>*Occupation*: Industrialist<br>*Nationality*: Indian<br>*Term*: Liable to retire by rotation<br>*DIN*: 00026028 | 48 | • Ensemble Holdings & Finance Limited;<br>• Godrej Consumer Products Limited;<br>• Godrej Holdings Private Limited;<br>• Godrej Industries Limited;<br>• Godrej Seeds & Genetics Limited;<br>• Innovia Multiventures Private Limited;<br>• Invest India;<br>• Natures Basket Limited; and<br>• Vora Soaps Limited. |
| **Nisaba Godrej** | 39 | • Godrej Consumer Products Limited; |

| Name, Designation, Address, Occupation, Nationality, Term and DIN | Age (in years) | Other Directorships |
|---|---|---|
| *Designation*: Non Executive Director<br><br>*Address*: 4501, Strata, Planet Godrej, K.K. Marg, Mahalaxmi East, Mumbai – 400 011<br><br>*Occupation*: Industrialist<br><br>*Nationality*: Indian<br><br>*Term*: Liable to retire by rotation<br><br>*DIN*: 00591503 | | • Godrej Global Mid East FZE;<br><br>• Godrej Seeds & Genetics Limited;<br><br>• Innovia Multiventures Private Limited; and<br><br>• Vora Soaps Limited. |
| **Kavas N. Petigara**<br><br>*Designation*: Independent Director<br><br>*Address*: 801, Citadel, 18-B, Ruparel Marg, Malabar Hill, Mumbai – 400 006<br><br>*Occupation*: Chemical Consultant<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from April 1, 2014 until March 31, 2019<br><br>*DIN*: 00066162 | 69 | • Creamline Dairy Products Limited;<br><br>• Godrej And Boyce Manufacturing Company Limited;<br><br>• Godrej Industries Limited. |
| **Sudhir L. Anaokar**<br><br>*Designation*: Independent Director<br><br>*Address*: A-204, Panchpakhadi, Center Point, Opposite Thane Municipal Corporation, Thane – 400 602<br><br>*Occupation*: Director<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from April 1, 2014 until March 31, 2019<br><br>*DIN*: 00236819 | 74 | Nil |
| **Amit B. Choudhury**<br><br>*Designation*: Independent Director<br><br>*Address*: C-304, Wing C, Golden Oak CHS, Hiranandani Gardens, Powai, Mumbai – 400 076<br><br>*Occupation*: Director<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from April 1, 2014 until March 31, 2019<br><br>*DIN*: 00557547 | 74 | • Godrej Buildcon Private Limited;<br><br>• Godrej Industries Limited;<br><br>• Godrej Landmark Redevelopers Private Limited;<br><br>• Godrej Projects Development Private Limited;<br><br>• Godrej Properties Limited; and<br><br>• Godrej Redevelopers (Mumbai) Private Limited. |
| **Balram S. Yadav** | 52 | • ACI Godrej Agrovet Private Limited; |

| Name, Designation, Address, Occupation, Nationality, Term and DIN | Age (in years) | Other Directorships |
|---|---|---|
| *Designation*: Managing Director<br><br>*Address*: A 3703, Vivarea, Sane Guruji Marg, Mahalaxmi, Near Jacobs Circle, Mumbai – 400 011<br><br>*Occupation*: Service<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from September 1, 2012 until August 31, 2017. Further, re-appointed for a period of five years with effect from September 1, 2017 until August 31, 2022<br><br>*DIN*: 00294803 | | • Al Rahba International Trading LLC;<br>• Astec LifeSciences Limited;<br>• Behram Chemicals Private Limited;<br>• Creamline Dairy Products Limited;<br>• Ensemble Holdings & Finance Limited;<br>• Godrej Tyson Foods Limited;<br>• Poultry Processors' Association of India; and<br>• SEALAC Agro Ventures Limited. |
| **Raghunath A. Mashelkar**<br><br>*Designation*: Independent Director<br><br>*Address*: ‘Raghunath’, D-4, Varsha Park, Baner, Pune – 411 045<br><br>*Occupation*: Consultant<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from July 18, 2017 until July 17, 2022<br><br>*DIN*: 00074119 | 74 | • Access Health International Inc.;<br>• Gharda Medical & Advanced Technologies Foundation;<br>• Gharda Scientific Research Foundation;<br>• International Longevity Centre – India;<br>• Invictus Oncology Private Limited;<br>• KPIT Technologies Limited;<br>• Piramal Enterprises Limited;<br>• Reliance GeneMedix Limited;<br>• Reliance Industries Limited;<br>• Sakal Papers Private Limited;<br>• TAL Manufacturing Solutions Limited;<br>• Tata Motors Limited;<br>• Thermax Limited; and<br>• Vyome Bioscience Private Limited. |
| **Roopa Purushothaman**<br><br>*Designation*: Independent Director<br><br>*Address*: 19, Goodwill Co-operative Housing Society Ltd, S. No.126/1+2, ITI Road, Aundh, Pune – 411 007<br><br>*Occupation*: Professional<br><br>*Nationality*: United States of America<br><br>*Term*: Appointed for a period of five yearswith effect from July 18, 2017 until July 17, 2022 | 39 | • Avasara Leadership Institute; and<br>• TCS Foundation. |

| Name, Designation, Address, Occupation, Nationality, Term and DIN | Age (in years) | Other Directorships |
|---|---|---|
| *DIN*: 02846868 | | |
| **Aditi Kothari Desai**<br><br>*Designation*: Independent Director<br><br>*Address*: 57, Sea View, Worli Sea Face, Mumbai-400 025, Maharashtra<br><br>*Occupation*: Professional<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from July 18, 2017 until July 17, 2022<br><br>*DIN*: 00426799 | 41 | • DSP HMK Holdings Private Limited;<br>• DSP ADIKO Holdings Private Limited;<br>• DSP Investment Private Limited;<br>• Reclamation Realty (India) Private Limited;<br>• Reclamation Properties (India) Private Limited; and<br>• Impact Foundation (India). |
| **Ritu Anand**<br><br>*Designation*: Independent Director<br><br>*Address*: 11, Brindaban, 65 Linking Road, Santacruz – West, Mumbai – 400 054<br><br>*Occupation*: Professional<br><br>*Nationality*: Indian<br><br>*Term*: Appointed for a period of five years with effect from July 18, 2017 until July 17, 2022<br><br>*DIN*: 00363699 | 59 | • Tata Capital Limited; and<br>• Tata Petrodyne Limited. |

***Relationship between our Directors***

| S. No. | Name of Director | Related to | Nature of Relationship |
|---|---|---|---|
| 1. | Nadir B. Godrej | Adi B. Godrej<br>Jamshyd N. Godrej<br>Vijay M. Crishna<br>Tanya A. Dubash<br>Nisaba Godrej | Brother<br>Cousin<br>Brother-in-law<br>Uncle<br>Uncle |
| 2. | Adi B. Godrej | Nadir B. Godrej<br>Jamshyd N. Godrej<br>Vijay M. Crishna<br>Tanya A. Dubash<br>Nisaba Godrej | Brother<br>Cousin<br>Brother-in-law<br>Father<br>Father |
| 3. | Jamshyd N. Godrej | Nadir B. Godrej<br>Adi B. Godrej | Cousin<br>Cousin |

| S. No. | Name of Director | Related to | Nature of Relationship |
|---|---|---|---|
| | | Vijay M. Crishna<br>Tanya A. Dubash<br>Nisaba Godrej | Brother-in-law<br>Uncle<br>Uncle |
| 4. | Vijay M. Crishna | Nadir B. Godrej<br>Adi B. Godrej<br>Jamshyd N. Godrej<br>Tanya A. Dubash<br>Nisaba Godrej | Brother-in-law<br>Brother-in-law<br>Brother-in-law<br>Uncle<br>Uncle |
| 5. | Tanya A. Dubash | Nadir B. Godrej<br>Adi B. Godrej<br>Jamshyd N. Godrej<br>Vijay M. Crishna<br>Nisaba Godrej | Niece<br>Daughter<br>Niece<br>Niece<br>Sister |
| 6. | Nisaba Godrej | Nadir B. Godrej<br>Adi B. Godrej<br>Jamyshyd N. Godrej<br>Vijay M. Crishna<br>Tanya A. Dubash | Niece<br>Daughter<br>Niece<br>Niece<br>Sister |

Other than as disclosed above, there is no family relationship among our Directors.

***Arrangements or understandings with major shareholders, customers, suppliers or others***

None of our Directors have been appointed pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

***Brief Biographies of Directors***

**Nadir B. Godrej**, aged 65, is the Chairman and Non-Executive Director of our Company. He holds a bachelor's degree in science as recommended by the department of chemical engineering from the Massachusetts Institute of Technology, and a master's degree in business administration from Harvard University. He has been associated with our Company since November 25, 1991. He has experience in leading businesses, and has played an important role in developing the animal feed, agricultural input and chemicals businesses owned by the Godrej group. His active interest in research related to these areas has resulted in several patents in the field of agricultural chemicals and surfactants for our Company. He is the recipient of the CHEMTECH CEW leadership & excellence award 2013 and the 'Hall of Fame – Chemicals Award' – CHEMTECH CEW leadership & excellence award 2017. He is also the recipient of various awards from the CHEMTECH Foundation in honour of his contribution to the Indian chemical industry. He is also Member of the CII National Council, was the Chairman of the CII National Committee on Chemicals and the President of Alliance Française de Bombay. For his contribution to Indo-French relations, the French Government has honoured him with the awards of "Chevalier de l'Ordre National du Mérite" and "Chevalier de la Légion d'Honneur". He was appointed as a Director of our Company with effect from November 25, 1991.

**Adi B. Godrej**, aged 75, is a Non Executive Director of our Company. He holds a bachelor's degree in industrial management and a master's degree in industrial management from the Massachusetts Institute of Technology. He has been associated with our Company since November 25, 1991. He has experience in leading businesses. He is chairman of the board of the Indian School of Business, and past president of the Confederation of Indian Industry. He has previously been a member of the Wharton Asian Executive Board. He is the recipient of several awards and recognitions including the Padma

Bhushan, the Rajiv Gandhi Award, The Entrepreneur of the Year for the Asia Pacific Entrepreneurship Awards 2010, AIMA-JRD Tata Corporate Leadership Award 2010, Bombay Management Association-Management Man of the Year Award 2010-2011, Ernst & Young Entrepreneur of the year 2012, The Asian Awards - Entrepreneur of the Year 2013, the All India Management Association Business Leader of the Year 2014 and the Clinton Global Citizen Award 2016. He was appointed as a Director of our Company with effect from November 25, 1991.

**Jamshyd N. Godrej**, aged 68, is a Non - Executive Director of our Company. Jamshyd N. Godrej is the chairman and managing director of Godrej And Boyce Manufacturing Company Limited. He holds a bachelor's degree in mechanical engineering from Illinois Institute of Technology, USA. He has been a Director of our Company since August 24, 1992.

**Vijay M. Crishna**, aged 72, is a Non Executive Director of our Company. He holds a bachelor's degree in economics from St. Stephen's College, University of Delhi. He has been associated with our Company since August 24, 1992. He has experience in leading businesses. He serves as a member of the committee of management of the Bombay Scottish School Powai and was a member of the governing board of the Institute for Technology and Management, Navi Mumbai. He is involved with the Naoroji Godrej Centre for Plant Research, which researches and propagates rare and endangered species of medicinal plants endemic to the Western Ghats. Previously, he worked with Indian Steamship Company Limited, Blacker & Co. Private Limited, James Warren & Co. Limited, daCunha Pillai Associates Private Limited and Lawkim Private Limited. He was appointed as a Director of our Company with effect from August 24, 1992.

**Tanya A. Dubash**, aged 48, is a Non Executive Director of our Company. She holds a bachelor's degree in arts from Brown University and a certificate in advanced management program from Harvard Business School. She has experience in marketing and brand development. She is responsible for reinventing the Godrej brand and involved in evolving the Godrej Group to a more brand-driven organisation. She was appointed as a Director of our Company with effect from April 10, 2003.

**Nisaba Godrej**, aged 39, is a Non Executive Director of our Company. She holds a bachelor's degree of science in economics from the University of Pennsylvania and a master's degree in business administration from Harvard University. She has experience in overseeing strategy, human capital, and innovation functions for subsidiaries of Godrej Industries and Godrej Consumer Products Limited. She was appointed as a Director of our Company with effect from July 24, 2006.

**Balram S. Yadav**, aged 52, is the Managing Director of our Company. He holds a bachelor's degree of science in agriculture from The Haryana Agricultural University and a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has completed agribusiness seminar from Harvard Business School. He has been associated with our Company since March 1, 1992. He has experience in sales, marketing and operations in animal feed, crop protection, poultry and oil palm businesses. He began his career with the Godrej group in 1990 and over the years he has handled various roles across businesses and regions. He became a business head in 1999 for the integrated poultry business. He was involved in establishing the Real Good Chicken and Yummiez brands in India. In 2007, he was appointed the Executive Director and President of our Company and as the Managing Director of our Company in 2009. He is the former chairman of Compound Livestock Feed Manufacturers Association of India, an association of livestock industry. He was appointed as a Director of our Company with effect from September 1, 2007.

**Kavas N. Petigara**, aged 69, is an Independent Director of our Company. He holds a bachelor's degree in chemical engineering, a Masters degree in chemical engineering and a chemical engineer degree in chemical engineering from the Massachusetts Institute of Technology. He has been associated with our Company since January 30, 1992. He has 41 years experience in chemical and allied industries in India and abroad since 1974. He is the founder-partner of Scitech Corporation, which manufacturers a range industrial, institutional and household chemical specialties and surface finishing compounds for metal-finishing industry.

**Sudhir L. Anaokar**, aged 74, is an Independent Director of our Company. He holds a degree in bachelor's degree in veterinary science and animal husbandry from Vikram University and a degree of doctor of philosophy (agriculture) in animal nutrition and poultry science from Sardar Patel University. He has been associated with our Company since March 1, 1992. He has experience in sales, marketing, operations, etc., in animal feed, crop protection, poultry and oil palm businesses. Previously, he worked with Godrej Soaps Limited as the senior vice president of agrovet division and as the first chief executive of our Company. He was promoted as the Managing Director of our Company in 1998 and continued until his retirement in 2003. After his retirement, he has acted as the Non-Executive Director of the Company and is now an Independent Director. He was appointed as a Director of our Company with effect from November 25, 1996.

**Amit B. Choudhury**, aged 74, is an Independent Director of our Company. He holds a master's degree of arts from University of Poona and a master's degree in management studies from The Jamnalal Bajaj Institute of Management Studies, Mumbai. He has experience in animal feed business, sales and exports of consumer products including foods and real estate. He was the managing director of Godrej Properties Limited in 1995. He was appointed as a Director of our Company with effect from December 8, 2004.

**Raghunath A. Mashelkar** aged 74, is an Independent Director of our Company. He holds a degree of Doctor of Philosophy (Technology) from the University of Mumbai. He is presently national research professor and also the president of Global Research Alliance. He is a fellow of the Royal Society, London. He was elected foreign associate of the U.S. national academy of science and also the national academy of engineering, associate foreign member of the American Academy of Arts & Sciences, fellow of Royal Academy of Engineering, U.K., foreign fellow of Australian Academy of Technological Sciences and Engineering, Fellow of World Academy of Arts & Science, U.S.A. and Fellow of U.S. National Academy of Inventors. He is currently the chairman of National Innovation Foundation - India, Reliance Innovation Council, the innovation council KPIT Technologies Limited Committee and is a member of the governing council of the Marico Innovation Foundation. He was also a member of the Scientific Advisory Council to the Prime Minister. He was the director-general of the Council of Scientific and Industrial Research. Currently, he is the chairman of high powered technology expert committee set up the Ministry of Urban Development. He is the recipient of the Padma Shri, Padma Bhushan and the Padma Vibhushan. He was appointed as a Director of our Company with effect from July 18, 2017.

**Roopa Purushothaman,** aged 39, is an Independent Director of our Company. She holds a degree in ethics, politics and economics from Yale University and degree of master of science with merit in development studies from the University of London. She is currently an economist and the head of research at Everstone Capital. She has experience as an economist. She was appointed as a Director of our Company with effect from July 18, 2017.

**Aditi Kothari Desai**, aged 41, is an Independent Director of our Company. She holds a bachelor of science degree in economics from Wharton School of the University of Pennsylvania and a master's degree in business administration from Harvard University, Graduate School of Business. She is currently head – sales & marketing, e-business in the grade of executive vice president at DSP BlackRock Investment Managers Private Limited. She has experience in corporate strategy and business planning. She is a trustee in the Hemendra Kothari Foundation and the Wildlife Conservation Trust. She also serves on the board of Impact Foundation (India), a philanthropy foundation in India. She was appointed as a Director of our Company with effect from July 18, 2017.

**Ritu Anand**, aged 59, is an Independent Director of our Company. She holds a degree of doctor of philosophy from University of Mumbai. She is the senior vice president and the deputy head of human resources at Tata Consultancy Services and heads the talent management and diversity functions. She has been the board member of National HRD Network. She is the recipient of 'Meritorious Service Award' by Worldwide ERC. She was appointed as a Director of our Company with effect from July 18, 2017.

***Confirmations***

None of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on any stock exchanges.

Other than as disclosed below, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchanges during the term of their directorship in such companies.

**Adi B. Godrej**

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 4. | Godrej Industries | The Calcutta Stock Exchange | * | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| | Limited | Association Limited | | | | | | |
| 5. | Godrej Consumer Products Limited | The Stock Exchange, Ahmedabad | October 15, 2004 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 6. | Godrej Consumer Products Limited | The Delhi Stock Exchange Association Limited | January 20, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 7. | Godrej Consumer Products Limited | Madras Stock Exchange Limited | January 19, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 8. | Godrej Consumer Products Limited | The Calcutta Stock Exchange Association Limited | March 30, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |

*Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE.

**Nadir B. Godrej**

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted – | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 4. | Godrej Industries Limited | The Calcutta Stock Exchange Association | * | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted – | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| | | Limited | | | | | | |
| 5. | Godrej Consumer Products Limited | The Stock Exchange, Ahmedabad | October 15, 2004 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 6. | Godrej Consumer Products Limited | The Delhi Stock Exchange Association Limited | January 20, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 7. | Godrej Consumer Products Limited | Madras Stock Exchange Limited | January 19, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |
| 8. | Godrej Consumer Products Limited | The Calcutta Stock Exchange Association Limited | March 30, 2005 | Voluntary | Negligible trading | No | N.A. | November 29, 2000 till date |

***** Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE

**Jamshyd N. Godrej**

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |
| 4. | Godrej Industries Limited | The Calcutta Stock Exchange Association Limited | * | Voluntary | Negligible trading | No | N.A. | March 7, 1988 till date |

*****Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE.

**Vijay M. Crishna**

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted – | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | January 3 , 1995 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | January 3 , 1995 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | January 3 , 1995 till date |
| 4. | Godrej Industries Limited | The Calcutta Stock Exchange Association Limited | * | Voluntary | Negligible trading | No | N.A. | January 3 , 1995 till date |

*****Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE

**Tanya A. Dubash**

| S. No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted – | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | August 1, 1996 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | August 1, 1996 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | August 1, 1996 till date |
| 4. | Godrej Industries Limited | The Calcutta Stock Exchange Association Limited | * | Voluntary | Negligible trading | No | N.A. | August 1, 1996 till date |

*****Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE

**Kavas N Petigara**

| S.No | Name of the company | Name of the stock exchange(s) on which the company was listed | Date of delisting on stock exchanges | Whether the delisting was compulsory or voluntary delisting: | Reasons for delisting | Whether the company has been relisted – | Date of relisting, in the event the company is relisting | Term of directorship (along with relevant dates) in the company |
|---|---|---|---|---|---|---|---|---|
| 1. | Godrej Industries Limited | The Stock Exchange, Ahmedabad | March 8, 2004 | Voluntary | Negligible trading | No | N.A. | January 30 , 2002 till date |
| 2. | Godrej Industries Limited | The Delhi Stock Exchange Association Limited | February 11, 2004 | Voluntary | Negligible trading | No | N.A. | January 30 , 2002 till date |
| 3. | Godrej Industries Limited | Madras Stock Exchange Limited | February 19, 2004 | Voluntary | Negligible trading | No | N.A. | January 30 , 2002 till date |
| 4. | Godrej Industries Limited | The Calcutta Stock Exchange Association Limited | * | Voluntary | Negligible trading | No | N.A. | January 30 , 2002 till date |

***** Godrej Industries Limited had applied to The Calcutta Stock Exchange (CSE) for delisting in November 2003. The shares are delisted from CSE, though no formal intimation has been received from CSE

None of our Directors have been declared as Wilful Defaulters.

***Terms of appointment of the Managing Director***

Balram S. Yadav is currently the Managing Director of our Company. Our Board in its meeting held on May 12, 2017 and our Shareholders in the EGM dated May 12, 2017 approved the re-appointment of Balram S. Yadav as Managing Director with effect from September 1, 2017 for a period of five years till August 31, 2022.

Pursuant to agreement of appointment dated July 3, 2017 entered into between Balram S. Yadav and our Company, Balram S. Yadav is entitled to certain fixed compensation, performance linked variable remuneration and flexible remuneration. The basic remuneration shall be in the range of ₹ 908,333 to ₹ 2,000,000 per month. Additionally, he is entitled to the perquisites and allowances as may be decided by our Board and subject to the provisions of the Companies Act. The perquisites and allowances include *inter alia* (i) residential accommodation, house rent allowance and education allowance; (ii) leave travel assistance and reimbursement of medical expenses; (iii) group insurance cover, group mediclaim cover; (iv) payment / reimbursement of club fee, petrol allowance, car expenses; and (v) housing loan and contingency loan subject to Central Government or other requisite approvals.

Our Managing Director was also entitled to employee stock options under the applicable schemes of our Company. He was granted 221,794 stock options in 2012 and 7,918 stock options in March 2017. Upon exercise of such options, 3,113,034 Equity Shares were issued to him in March 2017. He also received Equity Shares in the bonus issue in March 2017. For further details, see "*Capital Structure*" beginning on page 71.

The remuneration paid to Balram S. Yadav in Fiscal 2017 exceeded five per cent of the net profits of our Company for Fiscal 2017 due to exercise of employee stock options. Our Company has sought approval of the Central Government by way of application dated June 29, 2017, to waive the recovery of the compensation paid to Balram S. Yadav in excess of the limits prescribed for managerial remuneration under the Companies Act, 2013.

**Payment and Benefits to our Directors**

***Remuneration paid to our Managing Director***

Following are the details of remuneration paid to our Managing Director for Financial Year 2017:

| Particulars (for Financial Year 2017) | Remuneration (in ₹) |
|---|---|
| Gross salary | 25,565,036 |
| Perquisites* | 931,463,072 |
| Others | Nil |
| **Total** | **957,027,108** |

*This amount includes the perquisite value of ₹ 922.79 million on exercise of ESOP.

***Remuneration of Non Executive Directors***

Following are the details of the remuneration paid to the Non Executive Directors of our Company for the Financial Year 2017:

| Sr. No. | Name of the Director | Remuneration (In ₹ million) |
|---|---|---|
| 1. | Nadir B. Godrej | Nil |
| 2. | Adi B. Godrej* | 0.6 |
| 3. | Jamshyd N. Godrej | Nil |
| 4. | Vijay M. Crishna | Nil |
| 5. | Tanya A. Dubash | Nil |
| 6. | Nisaba Godrej | Nil |
| 7. | Kavas N. Petigara* | 0.64 |
| 8. | Sudhir L. Anaokar* | 0.68 |
| 9. | Amit B. Choudhury* | 0.76 |

**The Independent Directors of our Company and Adi B. Godrej are only entitled to the sitting fee for attending the Board / committee meetings of our Company.*

Raghunath A. Mashelkar, Roopa Purushothaman, Aditi Kothari Desai and Ritu Anand have been appointed as Independent Directors with effect from July 18, 2017 and hence have not received any remuneration in Financial Year 2017.

Purusant to the resolution passed by our Board on July 18, 2017, the sitting fee for Directors has been increased to ₹50,000. Further, pursuant to the resolution passed at the Extra-Ordinary meeting of the shareholders on July 18, 2017, Non-Executive Directors are entitled to a commission of ₹750,000, in addition to sitting fees, subject to applicable law.

***Remuneration paid to our Directors by our Subsidiaries and Associate Companies***

None of our Directors are entitled to remuneration from our Subsidiaries and Associate companies.

***Bonus or profit sharing plan of the Directors***

Except for the annual performance bonus applicable to our Managing Director, our Company does not have any bonus or profit sharing plan for the Directors.

***Shareholding of Directors in our Company***

The following table sets forth details of shareholding of our Directors in our Company as of the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the Director | Number of Equity Shares held in our Company |
|---|---|---|
| 1. | Nadir B. Godrej | 4,146,156 |
| 2. | Adi B. Godrej | 5,096 |
| 3. | Jamshyd N. Godrej, jointly with Pheroza J. Godrej and Navroze J. Godrej* | 2,073,078 |
| 4. | Balram S. Yadav | 4,406,676 |
| 5. | Nisaba Godrej | 1,382,052 |
| 6. | Tanya A. Dubash | 1,382,052 |

* *Equity Shares in trust as the trustees of the Raika Godrej Family Trust wherein Raika Godrej is the beneficial owner*

Our Articles of Association do not require our Directors to hold any qualification shares.

***Shareholding of Directors in our Subsidiaries and Associate Companies***

Except for Balram S. Yadav who holds 5,367 equity shares in Astec LifeSciences, none of our Directors hold any Equity Shares in our Subsidiaries and Associate Companies as of the date of this Draft Red Herring Prospectus.

***Appointment of relatives of Directors to any office or place of profit***

Other than as disclosed above under "*Our Management - Relationship between our Directors*" on page 157, none of the relatives of our Directors currently hold any office or place of profit in our Company.

***Interests of Directors***

Our Managing Director may be deemed to be interested to the extent of remuneration, other perquisites and stock options for which he may be entitled to as part of his services rendered to our Company as an officer or an employee of our Company apart from his interest in the Equity Shares held by him and to any dividends payable and other distributions in respect of the Equity Shares held by him.

Certain of our Non Executive Directors may be deemed to be interested to the extent of remuneration and fees payable to them for attending meetings of our Board and committees thereof. Our Independent Directors may be interested to the extent of fees and reimbursement of other expenses payable to them for attending the meetings of our Board and committees thereof.

Certain of our Directors may be regarded as interested in the Equity Shares, if any, held by them or that may be held by the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Directors may also be regarded as interested in the Equity Shares held by them or that may pursuant to the Offer, be subscribed by or allotted to them, their relatives or to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters. Certain of our Non Executive Directors will also be deemed to be interested to the extent of any dividends payable to them and other distributions in respect of the Equity Shares held by them in our Company.

Except Nadir B. Godrej and Adi B. Godrej, our Directors have no interest in the promotion of our Company.

Our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

Further, our Directors have no interest in any property acquired within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

No loans have been availed by our Directors from our Company.

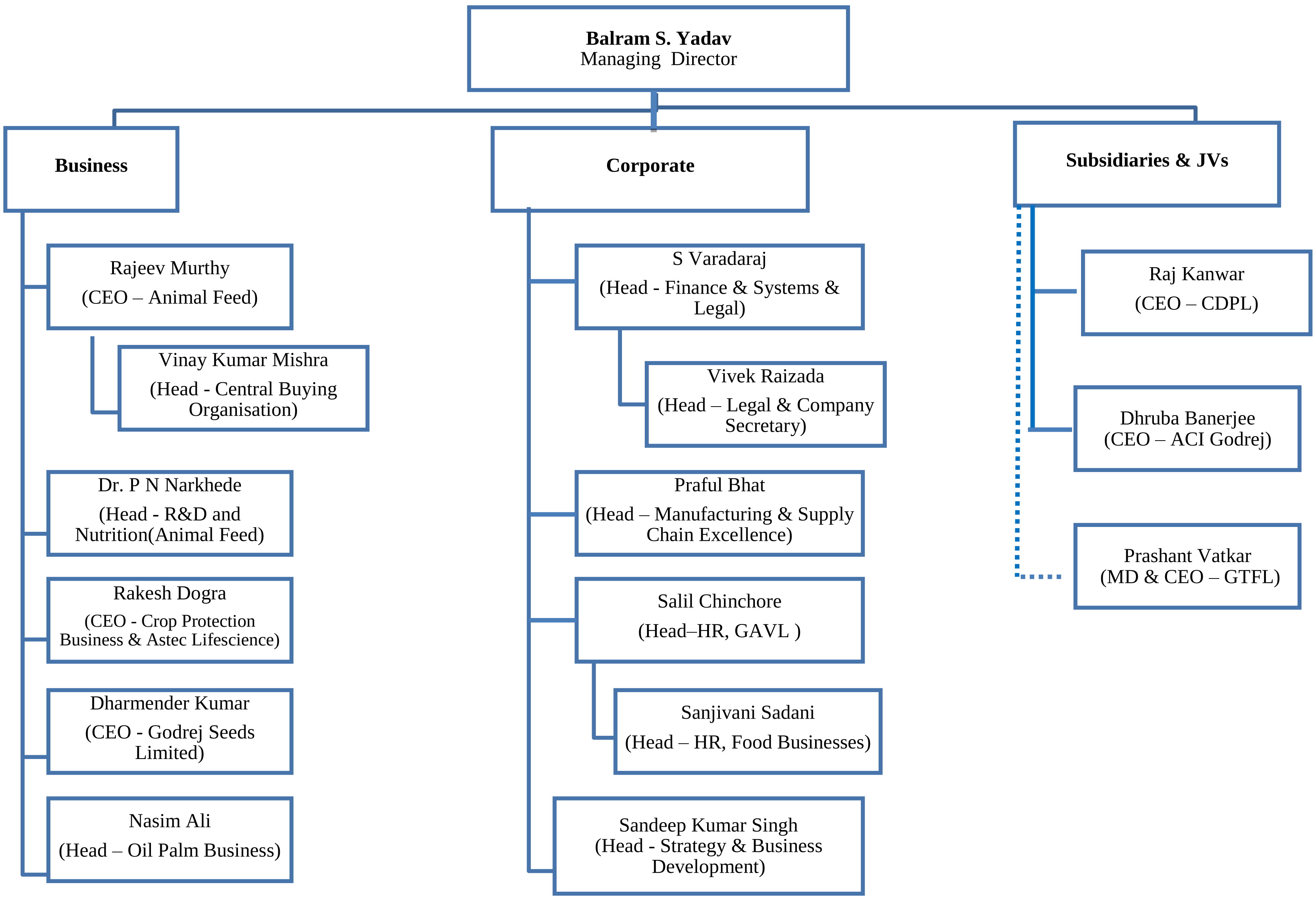
***Changes in our Board in the last three years***

| Name | Date of appointment/ cessation | Reason |
|---|---|---|
| Kavas N. Petigara | April 1, 2014 | Appointed as an Independent Director |
| Sudhir L. Anaokar | April 1, 2014 | Appointed as an Independent Director |
| Amit B. Choudhury | April 1, 2014 | Appointed as an Independent Director |
| Jamshyd N. Godrej | June 25, 2014 | Re-appointed as the Non Executive Director |
| Vijay M. Crishna | June 25, 2014 | Re-appointed as the Non Executive Director |
| Nadir B. Godrej | July 24, 2015 | Re-appointed as the Chairman and Non Executive Director |
| Tanya A. Dubash | July 24, 2015 | Re-appointed as the Non Executive Director |
| Adi B. Godrej | August 2, 2016 | Re-appointed as the Non Executive Director |
| Nisaba Godrej | August 2, 2016 | Re-appointed as the Non Executive Director |
| Rohit Sipahimalani | July 13, 2017 | Resignation as Non Executive Director |
| Raghunath A. Mashelkar | July 18, 2017 | Appointed as Independent Director |
| Roopa Purushothaman | July 18, 2017 | Appointed as Independent Director |
| Aditi Kothari Desai | July 18, 2017 | Appointed as Independent Director |
| Ritu Anand | July 18, 2017 | Appointed as Independent Director |

**Borrowing powers of our Board**

Pursuant to the resolution adopted at our Shareholders' meeting dated July 24, 2015, our Board has been authorized to borrow an amount up to ₹7,500 million.

**Management Organisation Chart**



**Key Management Personnel**

For details in relation to biography of our Managing Director, see "*Our Management - Brief Biographies of Directors*" beginning on page 158.

**S. Varadaraj**, aged 48, is the Head – Finance, Systems and Legal and the Chief Financial Officer of our Company. He is a qualified chartered accountant and an associate member of the Institute of Chartered Accountants of India and an associate member of the Institute of Cost and Works Accountants of India. He holds a bachelor's degree in commerce from University of Mumbai and a master's degree in financial management from University of Mumbai. He has been associated with our Company since May 9, 1994. He has been awarded the CA CFO in the agricultural sector by the Institute of Chartered Accountants of India in 2013. He has experience in areas including financial reporting, taxation, treasury, mergers and acquisitions, information technology and legal. He was paid remuneration of ₹7.70 million and perquisites of ₹64.06 million (which predominantly included ESOPs) in Financial Year 2017.

**Rajeev Murthy**, aged 48, is the CEO – Animal Feeds Business of our Company. He holds a bachelor's degree in engineering from University of Poona and a master's degree in business administration from University of Delhi. He has been associated with our Company since September 19, 2016. He has experience in sales, marketing and operations. He was paid remuneration of ₹ 5.02 million and nil perquisites in Financial Year 2017.

**P. N. Narkhede**, aged 62, is the Head – R&D and Nutrition (Animal Feed) of our Company. He holds a bachelor's degree in veterinary science and animal husbandry (first class with distinction and gold medallist) from Bombay Veterinary College, Konkan Krishi Vidyapeeth (Agricultural University) and a master's degree in veterinary science in animal nutrition from Punjabrao Krishi Vidyapeeth, Akola. He has been associated with the Godrej group since November, 1980. He has experience in commercial feed formulations, quality control, quality assurance, manufacturing, technical services and research and development in animal nutrition. He was paid remuneration of ₹ 7.16 million and perquisites of ₹64.34 million (which predominantly included ESOPs) in Financial Year 2017.

**Rakesh Dogra**, aged 50, is the CEO – Crop Protection Business of our Company. He holds a bachelor's degree of science (agriculture) from Himachal Pradesh Krishi Vishva Vidyalaya. He has been associated with our Company since June 27, 2005. He has experience in sales, marketing, operations in agro-chemical industry. Previously, he worked with Bayer (India) Limited and Wockhardt Limited. He was paid remuneration of ₹ 5.56 million and perquisites of ₹31.32 million (which predominantly included ESOPs) in Financial Year 2017.

**Nasim Ali**, aged 57, is the Head – Operations of Oil Palm business of our Company. He holds a bachelor's degree in science with honours from the University of Calcutta, a master's degree in science in agriculture (agricultural chemistry and soil science) from the University of Calcutta, a diploma in forestry and allied subjects from the State Forest Service College, Barnihat and a post graduate diploma in business management from the Goa University. He has been associated with our Company since February 15, 1993. He has experience in oil palm cultivation, extension, production, sales and purchase, operations and general management. Previously, he has worked with Andaman and Nicobar Islands Forest and Plantation Development Corporation Limited as Divisional Manager. He was paid remuneration of ₹ 3.98 million and perquisites of ₹30.03 million (which predominantly included ESOPs) in Financial Year 2017.

**Vinay Kumar Mishra**, aged 48, is the Head – Central Buying Organisation of our Company. He holds a bachelor's degree in commerce from University of Mumbai, and is a qualified chartered accountant and an associate member of the Institute of Chartered Accountants of India. He has been associated with our Company since February 5, 2009. He has experience in finance and procurement. He was paid remuneration of ₹ 5.15 million and perquisites of ₹39.27 million (which predominantly included ESOPs) in Financial Year 2017.

**Prafulla Bhat**, aged 51, is the Head – Manufacturing & Supply Chains Excellence. He holds a bachelor's degree in chemical engineering from University of Mumbai and a master's degree in management studies from Narsee Monjee Institute of Management Studies. He has experience in manufacturing, supply chain, human resource and operations. He has been associated with Godrej group since 1993 and has worked in different companies in the Godrej group including Godrej Soaps Limited, Godrej Consumer Products Limited, Godrej Tea Limited and GIL. He was paid remuneration of ₹ 6.79 million and perquisites of ₹40.80 million (which predominantly included ESOPs) in Financial Year 2017.

**Vivek Raizada**, aged 45, is the Head– Legal and Company Secretary of our Company. He holds a bachelor's degree in commerce from University of Mumbai and is a company secretary certified by the Institute of Company Secretaries of India. He has been associated with our Company since October 2014. He has experience in corporate secretarial and legal compliance related matters. Previously, he worked with Britannia Industries Limited as the Head Legal & Company Secretary. He was paid remuneration of ₹ 4.97 million and perquisites of ₹ 0.02 million in Financial Year 2017.

**Sandeep Kumar Singh**, aged 35, is the Head – Strategy and Business Development of our Company. He holds a bachelor's degree in engineering from the University of Mumbai and a master's degree in management studies from the University of Mumbai. He has been associated with our Company since November 6, 2013. He has experience in strategy and business development. Previously, he worked with Accenture Services Private Limited. He was paid remuneration of ₹ 5.11 million and perquisites of ₹10.13 million (which predominantly included ESOPs) in Financial Year 2017.

**Salil Ramkrishna Chinchore,** aged 42, is the Head - Human Resources of our Company. He holds a bachelor's of arts degree from University of Pune and a master's of arts degree in personnel management & industrial relations from Tata Institute of Social Sciences. He has been associated with our Company since July 3, 2017. He has experience in human resource management . Previously, he has worked with Pidilite Industries Limited as president-human resources. Since he was appointed after Financial Year 2017, he has not received any compensation from our Company in Financial Year 2017.

**Dharmendra Kumar**, aged 53, is the CEO – seeds division of our Company. He holds a bachelor's degree of science (honours) in Agriculture from The Haryana Agriculture University and a post graduate diploma in management (agriculture) from The Indian Institute of Management, Ahmedabad. He has been associated with our Company since September 2, 2011. He has experience in seed production and marketing. Previously, he worked with Pioneer Seed Company Limited, ITC Limited (Agri-Businesses Division), Proagro Seed Company Limited, PHI Biogene Limited, Monsanto India Limited. He also worked for Victor Marvel Seeds India Private Limited as the chief executive officer. He was paid remuneration of ₹ 7.66 million and perquisites of ₹.03 million in Financial Year 2017..

**Sanjivani Sadani**, aged 38, is the Head – Human Resource, Food Business of our Company. She holds a master's degree in management studies from University of Mumbai. She has been associated with our Company since July 1, 2015 and with the Godrej group since 2010 and has worked in different Companies of the Godrej group like Godrej Consumer Products Limited and GIL. She has experience in different verticals of the human resource function. Previously, she worked with HDFC Standard Life Insurance Company Limited as the associate vice president - human resources from September 2008 to August 2010. She was paid remuneration of ₹ 7.94 million and perquisites of ₹0.41 million (which predominantly included ESOPs) in Financial Year 2017.

**Senior Management Personnel of our Subsidiaries and Joint Ventures**

**Prashant Vatkar**, aged 50, is the chief executive officer and whole time director of Godrej Tyson. He holds a post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has been associated with Godrej Tyson since September 21, 2016. He has experience in heading consumer facing businesses in personal care and food both in India and abroad. Previously, he worked with HIL Limited as the managing director. He was paid a remuneration of ₹ 6.53 million and nil perquisites in Financial Year 2017.

**Raj Kanwar Singh** aged 47, is the chief executive officer of Creamline Dairy. He holds a master's degree in business administration from University of Delhi and bachelor's degree in technology in electrical engineering from Indian Institute of Technology, Mumbai. He has been associated with Creamline Dairy since September 2016. He has experience in leading business, sales and marketing. Previously, he worked with Olam as the managing director at OK Foods, Nigeria. He was paid a remuneration of ₹ 5.28 million and perquisites of ₹0.02 million in 2017.

**Dhrubajyoti Banerjee**, aged 39, is the managing director of ACI Godrej. He holds a bachelor's degree of science in horticulture with honours from Bidhan Chandra Krishi Viswavidyalaya, West Bengal and a post graduate diploma in agri-business management from Indian Institute of Management, Ahmedabad. He has been associated with ACI Godrej since 2014. He has experience in areas including sales and marketing, feed mill operations, project management, people and talent management, financial planning and overall general management of a strategic business unit. Previously, he has worked with our Company as the Regional Business Head - Animal Feed Business, East region. He was paid remuneration of ₹ 6.50 million and perquisites of ₹21.99 million (which predominantly included ESOPs) in Financial Year 2017..

**Ashok V. Hiremath**, aged 62, is the managing director of Astec LifeSciences. He is a graduate of the Institution of Engineers, Australia, Bachelor of Arts from the University of Oxford, holds a master's degree of Arts from the University of Oxford and post graduate diploma in chemical engineering from the University of London. He has experience in agrochemical manufacturing industry. Previously, he has worked with GEA Airexchangers Limited, London and Hiremath Chemicals Limited. He was paid a remuneration of 9.58 million in Financial Year 2017.

**K. Bhaskar Reddy**, aged 56, is the Managing Director of Creamline Dairy. He holds a bachelor's degree in science (dairy technology) from Osmania University, and a post graduate programme in management for senior executives from The Indian School of Business. He has also completed the course on competitive marketing strategy and corporate development: mergers and acquisitions from The Wharton School, University of Pennsylvania. He is the recipient of the entrepreneur of the year award presented by Hyderabad Management Association. He has experience in running dairy businesses. He was paid remuneration of ₹ 9.01 million and perquisites of ₹4.46 million in Financial Year 2017. Additionally, he is entitled to ₹0.28 million as performance linked variable incentive which will be paid in Financial Year 2018.

None of our Key Management Personnel are related to each other.

All our Key Management Personnel are permanent employees of our Company.

There are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of our Key Management Personnel were selected as members of our senior management.

***Shareholding of Key Management Personnel***

For details of the shareholding of our Managing Director, see "*Our Management - Shareholding of Directors in our Company*" on page 165. The following table sets outs the shareholding of our Key Management Personnel in our Company as of the date of this Draft Red Herring Prospectus:

| Sr. No. | Name | Number of Equity Shares |
|---|---|---|
| 1. | S. Varadaraj | 201,890 |
| 2. | P.N. Narkhede | 201,890 |
| 3. | Rakesh Dogra | 96,902 |
| 4. | Nasim Ali | 92,866 |
| 5. | Vinay Kumar Mishra | 117,096 |
| 6. | Prafulla Bhat | 121,131 |
| 7. | Sandeep Kumar Singh | 33,656 |
| 8. | Dhrubajyoti Banerjee | 72,673 |

For details of employee stock options granted to our Key Management Personnel, see "*Capital Structure – ESOP Scheme 1 and ESOP Scheme II*" on page 81.

***Bonus or profit sharing plan of the Key Management Personnel***

Our Company does not have any bonus or profit sharing plan for the Key Management Personnel.

***Interests of Key Management Personnel***

The Key Management Personnel do not have any interests in our Company other than to the extent of the remuneration or benefits, to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business, the annual performance bonus, the employee stock options and Equity Shares held by them.

Our Company has not entered into any service contracts with our Key Management Personnel which provide for benefits upon termination of employment of our Key Management Personnel.

***Changes in our Key Management Personnel and Senior Management Personnel of Subsidiaries***

The changes in our Key Management Personnel in the last three years are as follows:

| Name | Date of change | Reason for change |
|---|---|---|
| Atul G. Juvle | July 4, 2014 | Resigned from the post of Head-Legal and Company Secretary |
| Vivek Raizada | October 13, 2014 | Appointed as the key managerial personnel at the post of Associate Vice President – Legal & Company Secretary |
| R.R. Govindan | April 30, 2015 | Retired as Head - Operations of Oil Palm business |
| Nasim Ali | May 1, 2015 | Appointed as Head - Operations of Oil Palm business |
| Mangesh Wange | September 19, 2016 | Resigned from the post of Head – Animal Feeds Business |
| Rajeev Murthy | September 19, 2016 | Appointed as CEO – Animal Feeds Business |
| Arabind Das | November 2, 2016 | Resigned as chief executive officer of Godrej Tyson |
| Prashant Vatkar | November 2, 2016 | Appointed as chief executive officer of Godrej Tyson |
| P. Gopalakrishna | December 31, 2016 | Retired as chief executive officer of Creamline Dairy |
| Raj Kanwar Singh | January 1, 2017 | Appointed as chief executive officer of Creamline Dairy |

***Payment or Benefit to officers of our Company***

Except for the payment of remuneration or commission for services rendered by our officers, no amount or benefit has been paid or given within the two preceding years or intended to be paid or given to any officer.

***Corporate Governance***

In terms of the Listing Regulations, the disclosure requirements and corporate governance norms as specified for listed companies shall *mutatis mutandis* apply to our Company. Our Company is in compliance with the requirements of the Listing Regulations, the Companies Act and the SEBI ICDR Regulations in respect of corporate governance requirements including constitution of our Board and committees thereof. Our corporate governance framework is based on an effective independent

Board, separation of our Board's supervisory role from the executive management team and constitution of our Board committees, as required under law.

Our Board has been constituted in compliance with the Companies Act, and the Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our executive management provides our Board or its committees detailed reports on its performance periodically.

Currently, our Board has 14 Directors comprising the Managing Director and 13 Non Executive Directors including seven Independent Directors. Further, in compliance with the Listing Regulations and the Companies Act, our Company has at least one woman director on our Board.

***Committees of our Board in accordance with Listing Regulations***

In addition to the committees of our Board detailed below, our Board of Directors may, from time to time, constitute committees for various functions.

**Audit Committee**

The members of the Audit Committee are:

1. Kavas N. Petigara, Independent Director (Chairman);
2. Aditi Kothari Desai, Independent Director (Member);
3. Ritu Anand, Independent Director (Member); and
4. Balram S. Yadav, Managing Director (Member).

The Audit Committee was last re-constituted by our Board on July 18, 2017. Our Audit Committee met six times during the preceding Financial Year. The scope and functions of the Audit Committee are in accordance with Section 177 of the Companies Act, 2013 and Regulation 18(3) of the Listing Regulations and its terms of reference include the following:

(a) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

(b) To recommend the appointment, remuneration and terms of appointment of auditors of the Company as may be applicable;

(c) To approve of payment to statutory auditors for any other services rendered by the statutory auditors;

(d) To review and monitor the auditors' independence and performance, and effectiveness of audit process;

(e) To examine / review the financial statement and the Auditors' report thereon with the management, before submission to the board of directors for approval, with particular reference to:

    (i) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act;

    (ii) changes, if any, in accounting policies and practices and reasons for the same;

    (iii) major accounting entries involving estimates based on the exercise of judgment by management;

    (iv) significant adjustments made in the financial statements arising out of audit findings;

    (v) compliance with listing and other legal requirements relating to financial statements;

    (vi) disclosure of any related party transactions; and

    (vii) modified opinion(s) in the draft audit report.

(f) Reviewing, with the management, the quarterly financial statements before submission to the board of directors for approval;

(g) To grant approval for or any subsequent modification of transactions of the Company with related parties;

(h) To scrutinize inter-corporate loans and investments;

(i) To consider valuation of undertakings or assets of the Company, wherever it is necessary;

(j) To evaluate internal financial controls and risk management systems;

(k) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board of directors to take up steps in this matter;

(l) To monitor the end use of funds raised through public offers and related matters;

(m) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

(n) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

(o) Discussion with internal auditors of any significant findings and follow up there on;

(p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board of directors;

(q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

(r) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;

(s) To review the functioning of the whistle blower mechanism;

(t) To approve of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;

(u) To investigate into any above matter or referred to it by the board of directors and for this purpose, it to have full access to information contained in the records of the Company and external professional advice, if necessary;

(v) To mandatorily review the following information:

    (i) management discussion and analysis of financial condition and results of operations;

    (ii) statement of significant related party transactions (as defined by the audit committee), submitted by management;

    (iii) management letters / letters of internal control weaknesses issued by the statutory auditors;

    (iv) internal audit reports relating to internal control weaknesses;

    (v) the appointment, removal and terms of remuneration of the chief internal auditor; and

    (vi) statements of deviations:

        (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of the Listing Regulations; and

        (b) annual statement of funds utilized for purposes other than those stated in the document/prospectus/notice in terms of the Listing Regulations.

(w) To perform such other functions and duties as may be required to be performed by the Audit Committee under the applicable provisions of the Companies Act and/or the Rules made thereunder and/or the Listing Regulations, including any amendment(s) thereto as may be made from time to time.

**Nomination and Remuneration Committee**

The members of the Nomination and Remuneration Committee are:

1. Ritu Anand, Independent Director, (Chairperson);

2. Roopa Purushothaman, Independent Director (Member); and

3. Nisaba Godrej, Non Executive Director (Member).

The Nomination and Remuneration Committee was last re-constituted by our Board on July 18, 2017. The scope and functions of the Nomination and Remuneration Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19(4) of the Listing Regulations. The terms of reference of the Nomination and Remuneration Committee include the following:

(a) To formulate and recommend to the board of directors for its approval and also to review from time to time, a Nomination and Remuneration policy or processes, as may be required pursuant to the provisions of the Companies Act.

(b) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees.

(c) To identify persons who are qualified to become directors and persons who may be appointed in senior management position including key managerial personnel in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(d) Formulation of criteria for evaluation of performance of independent directors and the board of directors.

(e) To recommend to the board of directors, qualifications, appointment, remuneration and removal of directors, key managerial personnel and persons in senior management positions in accordance with the Nomination and Remuneration policy.

(f) To devise a policy on diversity of board of directors.

(g) To carry out performance evaluation of every Director in accordance with the Nomination and Remuneration policy.

(h) To consider grant of stock options to eligible Directors, to formulate detailed terms and conditions of Employee Stock Option Scheme (ESOS) and to administer and exercise superintendence over ESOS.

(i) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

**Stakeholders' Relationship Committee**

The members of the Stakeholders' Relationship Committee are:

1. Nadir B. Godrej, Non Executive Director (Chairman);

2. Balram S. Yadav, Managing Director (Member); and

3. Amit B. Choudhury, Independent Director (Member).

The Stakeholders' Relationship Committee was constituted by our Board on July 18, 2017. This committee is responsible for the redressal of shareholder grievances.

The scope and functions of the Stakeholders' Relationship Committee are in accordance with Section 178 of the Companies Act, 2013 and Regulation 20(4) of the Listing Regulations.

The terms of reference of the Stakeholders' Relationship Committee of our Company include the following:

a) Consider and resolve grievances of security holders of the Company, including complaints related to transfer of shares, non-receipt of annual report and non-receipt of declared dividends;

b) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;

c) Issue of duplicate certificates and new certificates on split/consolidation/renewal; and

d) Carrying out any other function as may be decided by the Board or prescribed under the Companies Act, the Listing Regulations or by any other regulatory authority.

**Corporate Social Responsibility Committee**

The members of the Corporate Social Responsibility Committee are:

1. Raghunath A. Mashelkar, Independent Director (Chairperson);

2. Nadir B. Godrej, Non Executive Director, member

3. Balram S. Yadav, Managing Director, member; and

4. Roopa Purushothaman, Independent Director, member.

The Corporate Social Responsibility Committee was constituted by our Board on January 27, 2014 and last reconstituted on July 18, 2017. The scope and functions of the Corporate Social Responsibility Committee are in accordance with Section 135 of the Companies Act.

The terms of reference of Corporate Social Responsibility Committee include:

(a) To formulate and recommend to the Board of Directors, the Corporate Social Responsibility Policy, indicating the corporate social responsibility activities to be undertaken;

(b) To recommend the amount of expenditure to be incurred on the corporate social responsibility activities;

(c) To monitor the Corporate Social Responsibility Policy and its implementation by the Company from time to time;

(d) To perform such other functions or responsibilities and exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act and the rules framed thereunder.

## OUR PROMOTERS AND PROMOTER GROUP

**Our Promoters**

Nadir B. Godrej, aged 65, is a citizen of India. For further details, see "*Our Management*" on page 153.

His driving license number is MH01 20090097179. His voter identification number is MT/04/024/0099721.

Adi B. Godrej, aged 75, is a citizen of India. For further details, see "*Our Management*" on page 153.

His driving license number is 224126. His voter identification number is ISD1121946.

With respect to Nadir B. Godrej and Adi B. Godrej, our Company confirms that the permanent account number, bank account number and passport number will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

The Promoters of our Company are GIL, Nadir B. Godrej and Adi B. Godrej.

As on date of this Draft Red Herring Prospectus, Nadir B. Godrej holds 4,146,156 Equity Shares, representing 2.24%, Adi B. Godrej holds 5,096 Equity Shares, representing 0.003% and GIL holds 117,878,964 Equity Shares, representing 63.68% of the pre-issue and paid-up Equity Share capital of our Company.

**Details of our Promoters**

**1. GIL**

***Corporate Information***

Godrej Industries Limited was incorporated on March 7, 1988 as Gujarat-Godrej Innovative Chemicals Limited ("**GGICL**") in Gujarat. GIL is a conglomerate with a significant presence in home and personal care, animal feeds and agri-products, poultry, oil palm plantation, dairy, real estate development, oleo-chemicals and vegetable oils directly and through subsidiaries/associate companies.

The business and undertaking of the erstwhile Godrej Soaps Limited was transferred to GGICL under a scheme of amalgamation with effect from April 1, 1994 and the name of GGICL was changed to Godrej Soaps Limited ("**GSL**").

Subsequently, under a scheme of arrangement, the consumer products division of the GSL was demerged with effect from April 1, 2001 into a separate company i.e. Godrej Consumer Products Limited ("**GCPL**"). Subsequently the vegetable oils and processed foods manufacturing business of Godrej Foods Limited was transferred to GIL with effect from June 30, 2001. GSL was renamed as Godrej Industries Limited, on April 2, 2001.

Thereafter, the foods division (except wadala factory) was sold to Godrej Beverages & Foods Limited on March 31, 2006.

The registered office of Godrej Industries Limited is located at Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079.

The equity shares of GIL are listed on BSE and NSE.

Our Company confirms that the permanent account number, bank account number, the company registration number of GIL and the address of the registrar of companies where GIL is registered shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus with the Stock Exchanges.

***Board of directors of GIL***

The following table sets forth details of the board of directors of GIL as on the date of this Draft Red Herring Prospectus:

| Sr. No. | Name of the director | Designation |
|---|---|---|
| 1. | Adi B. Godrej | Chairman |
| 2. | Nadir B. Godrej | Managing Director |
| 3. | Jamshyd N. Godrej | Non Executive, Non-Independent Director |
| 4. | Vijay M. Crishna | Non Executive, Non-Independent Director |
| 5. | Tanya A. Dubash | Executive Director & Chief Brand Officer |
| 6. | Nitin S. Nabar | Executive Director & President (Chemicals) |
| 7. | Amit B. Choudhury | Independent Director |
| 8. | Saleem A. Ahmadullah | Independent Director |
| 9. | Kersi K. Dastur | Independent Director |
| 10. | Keki M. Elavia | Independent Director |
| 11. | Kavas N. Petigara | Independent Director |
| 12. | Aspy D. Cooper | Independent Director |

***Shareholding pattern of GIL***

The following table sets forth the shareholding pattern of GIL as of March 31, 2017:

| **Category (I)** | **Category of shareholder (II)** | **Nos. of shareholders (III)** | **No. of fully paid up Equity Shares held (IV)** | **No. of Partly paid-up Equity Shares held (V)** | **No. of shares underlying Depository Receipts (VI)** | **Total nos. shares held (VII) =(IV)+(V)+(VI)** | **Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)** | **Number of Voting Rights held in each class of securities (IX)** | | **No. of Shares Underlying Outstanding convertible securities (including Warrants) (X)** | **Shareholding , as a % assuming full conversion of convertible securities ( as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)** | **Number of Locked in shares (XII)** | | **Number of Shares pledged or otherwise encumbered (XIII)** | | **Number of Equity Shares held in dematerialised form (XIV)** |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | **No of Voting Rights** | **Total as a % of (A+B+C)** | | | **No. (a)** | **As a % of total Shares held** (b) | **Number (a)** | **As a % of total shares held(b)** | |
| **(A)** | **Promoter & Promoter Group** | 203 | 251,338,228 | 0 | 0 | 251,338,228 | 74.77% | 251,338,228 | 74.77% | 0 | 74.77% | 0 | 0.00% | 0 | 0.00% | 25,13,38,228 |
| **(B)** | **Public** | 56,085 | 84,531,058 | 0 | 0 | 84,531,058 | 25.15% | 84,531,058 | 25.15% | 0 | 25.15% | 0 | 0.00% | 1,215,296 | 0.36% | 8,39,02,321 |
| **(C)** | **Non Promoter-Non Public** | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| **(C1)** | **Shares underlying DRs** | 0 | 0 | 0 | 0 | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 0 |
| **(C2)** | **Shares held by Employee Trusts** | 1 | 270,500 | 0 | 0 | 2,70,500 | 0.08% | 270,500 | 0.08% | 0 | 0.08% | 0 | 0.00% | 0 | 0.00% | 2,70,500 |
| | **Total** | **56,289** | **336,139,786** | **0** | **0** | **336,139,786** | **100.00%** | **336,139,786** | **100.00%** | **0** | **100.00%** | **0** | **0.00%** | **1,215,296** | **0.36%** | **33,55,11,049** |

There has been a change in control of GIL, from Godrej & Boyce Manufacturing Company Limited to Vora Soaps Limited on March 30 2017, however the control remains with the Godrej group/Godrej family members.

**Interests of Promoters**

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividends payable, if any, and any other distributions in respect of the Equity Shares held by them. For details on the shareholding of our Promoters in our Company, see "*Capital Structure*" from page 71.

The directors of our Promoters who have been appointed on our Board are interested in our Company to the extent of their remuneration, sitting fees and commission, as the case may be. For further details, see "*Our Management – Interests of Directors*" on page 166.

Our Promoters are not interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus with SEBI.

Other than as disclosed in our Financial Statements, our Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract which is not on arm's length basis and in the ordinary course of business, in which our Promoters are directly or indirectly interested, and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them. For the disclosure of related party transactions in accordance with Ind AS 24, see "*Related Party Transactions*" on page 207.

Our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by our Company, except Nadir B. Godrej is a director of ACI Godrej Agrovet, a Joint Venture of our Company, which is involved in the manufacture of animal feed.

Our Promoters are not related to any sundry debtors of our Company.

Our Promoters are not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by them or by such firm or company in connection with the promotion or formation of our Company.

Our Promoters are the original promoters of our Company and there has not been any change in the management or control of our Company.

Our Promoters are not interested in any transaction for acquisition of land, construction of building and supply of machinery to be acquired by our Company.

***Companies with which our Promoters have disassociated in the last three years***

Our Promoters have not disassociated itself from any other companies during the preceding three years.

***Confirmations***

Our Promoters and members of the Promoter Group have not been declared as Wilful Defaulters.

Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Our Promoters and members of the Promoter Group are not and have never been promoters, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

**Promoter Group**

Persons constituting the Promoter Group of our Company in terms of Regulation 2(1)(zb) of the SEBI ICDR Regulations are set out below:

***Natural Persons Forming Part of the Promoter Group***

The persons forming part of the Promoter Group who are related to our Promoters (other than our Promoters) are as follows:

1. Pirojsha A. Godrej

2. Tanya A. Dubash

3. Nisaba Godrej
4. Harinder Mader
5. Burjis N. Godrej
6. Sohrab N. Godrej
7. Hormazd N. Godrej
8. Rati N. Godrej
9. Aloo Vaghaiwalla
10. Behram Vaghaiwalla
11. Freny Mody
12. Armaity Vaghaiwalla

***Entities and Body Corporate Forming Part of the Promoter Group***

The entities and body corporate forming part of the Promoter Group are as follows:

1. Godrej Consoveyo Logistics Automation Limited
2. Godrej (Singapore) Pte. Ltd.
3. India Circus Retail Private Limited
4. Veromatic International BV
5. Godrej Infotech Limited
6. Busbar Systems (India) Limited
7. Mercury Manufacturing Company Limited
8. Godrej Americas Inc.
9. Sheetak Inc.
10. Godrej & Boyce Enterprise LLP
11. Future Factory LLP
12. Urban Electric Power Inc.
13. Godrej & Boyce Manufacturing Co. Limited
14. Vora Soaps Limited
15. Godrej Investments Private Limited
16. Innovia Multiventures Private Limited
17. Godrej Seeds & Genetics Limited
18. Godrej Consumer Products Limited
19. Godrej Holdings Private Limited
20. NBG Enterprise LLP
21. ABG Venture LLP
22. Anamudi Real Estates LLP

23. Godrej Properties Limited
24. Ensemble Holdings & Finance Limited
25. Godrej International Limited, Isle of Man
26. Natures Basket Limited
27. Godrej International Trading & Investments Pte. Ltd.
28. Godrej International Limited, Labuan Malaysia
29. Godrej One Premises Management Private Limited
30. Happy Highrises Limited
31. Godrej Fund Management Pte. Ltd.
32. Citystar Infraprojects Limited
33. Godrej Realty Private Limited
34. Godrej Real Estate Private Limited
35. Godrej Buildcon Private Limited
36. Godrej Projects Development Private Limited
37. Godrej Redevelopers (Mumbai) Private Limited
38. Godrej Garden City Properties Private Limited
39. Godrej Landmark Redevelopers Private Limited
40. Godrej Green Homes Limited
41. Godrej Home Developers Private Limited
42. Godrej Hillside Properties Private Limited
43. Godrej Prakriti Facilities Private Limited
44. Godrej Investment Advisers Private Limited
45. Godrej Highrises Properties Private Limited
46. Godrej Genesis Facilities Management Private Limited
47. Godrej Residency Private Limited
48. Godrej Skyline Developers Private Limited
49. Godrej Vikhroli Properties India Limited
50. Prakritiplaza Facilities Management Private Limited
51. Godvet Agrochem Limited
52. Astec LifeSciences Limited
53. Behram Chemicals Private Limited
54. Astec Europe Sprl
55. Comercializadora Agricola Agroastrachem Cia Ltda
56. Creamline Dairy Products Limited

57. Nagavalli Milkline Private Limited

58. Godrej Property Developers LLP

59. Mosiac Landmarks LLP

60. Dream World Landmarks LLP

61. Oxford Realty LLP

62. Godrej SSPDL Green Acres LLP

63. Oasis Landmarks LLP

64. M S Ramaiah Ventures LLP

65. Caroa Properties LLP

66. Godrej Construction Projects LLP

67. Godrej Housing Projects LLP

68. Godrej Land Developers LLP

69. Godrej Developers & Properties LLP

70. Godrej Highrises Realty LLP

71. Godrej Project Developers & Properties LLP

72. Godrej Highview LLP

73. Prakhhyat Dwellings LLP

74. Godrej Skyview LLP

75. Bavdhan Realty @ Pune 21 LLP

76. Godrej Green Properties LLP

77. Godrej Projects (Pune) LLP

78. Godrej Projects (Bluejay) LLP

79. Godrej Projects (Soma) LLP

80. Godrej Century LLP

81. A R Landcraft LLP

## OUR GROUP COMPANIES

Pursuant to resolution dated July 18, 2017, our Board has noted that in accordance with the SEBI ICDR Regulations, Group Companies shall include companies covered under applicable accounting standards and such other companies as considered material by our Board. Our Board has approved that for the purpose of disclosure in connection with the Issue, a company shall be considered material and disclosed as a Group Company if a material adverse change in such company, can lead to a material adverse effect on our Company, our revenues and profitability. Pursuant to the aforesaid resolution, our Board has approved that other than companies which constitute part of the related parties of our Company in accordance with the applicable accounting standards (IND AS 24) as per the consolidated Restated Financial Stattements as of and for the Financial Year 2017 (except such companies that are consolidated in accordance with IND AS 110 and the joint ventures of our Company), there are no material group companies of our Company. Accordingly, we have set out below the details of our Group Companies which have also been disclosed in this Draft Red Herring Prospectus in "*Financial Statements*" beginning on page 209.

The following companies are our Group Companies:

1. Godrej Consumer Products Limited
2. Godrej Properties Limited
3. Godrej and Boyce Manufacturing Company Limited
4. P T Intrasari Raya, Indonesia
5. PT Megasari Makmur, Indonesia
6. Godrej Infotech Limited
7. Godrej Infotech Americas Inc.
8. Godrej (Singapore) Pte. Ltd., Singapore
9. Veromatic International B.V.
10. Busbar Systems (India) Limited
11. Mercury Manufacturing Company Limited
12. Godrej Americas Inc.
13. India Circus Retail Private Limited
14. Ensemble Holdings & Finance Limited
15. Godrej International Limited, Isle of Man
16. Natures Basket Limited
17. Godrej International Trading & Investments Pte. Ltd.
18. Citystar Infraprojects Limited
19. Godrej Realty Private Limited
20. Godrej Real Estate Private Limited
21. Godrej Buildcon Private Limited
22. Godrej Projects Development Private Limited
23. Godrej Redevelopers (Mumbai) Private Limited
24. Godrej Garden City Properties Private Limited
25. Godrej Landmark Redevelopers Private Limited
26. Godrej Green Homes Limited

27. Godrej Home Developers Private Limited
28. Godrej Hillside Properties Private Limited
29. Godrej Prakriti Facilities Private Limited
30. Godrej Investment Advisors Private Limited
31. Godrej Highrises Properties Private Limited
32. Godrej Genesis Facilities Management Private Limited
33. Godrej Residency Private Limited
34. Godrej Skyline Developers Private Limited
35. Godrej Vikhroli Properties India Limited
36. Prakritiplaza Facilities Management Private Limited
37. Godrej Infotech (Singapore) Pte. Limited
38. LVD Godrej Infotech NV
39. JT Dragon Pte. Limited
40. Godrej (Vietnam) Company Limited
41. Godrej One Premises Management Private Limited
42. Godrej South Africa (Proprietary) Limited
43. Godrej Netherlands BV
44. Godrej UK Limited
45. Godrej Consumer Products Holding (Mauritius) Limited
46. Godrej Global Mid East FZE
47. Godrej Consumer Products Mauritius Limited
48. Godrej Household Products Lanka (Private) Limited
49. Godrej Household Products (Bangladesh) Private Limited
50. Godrej Consumer Products Bangladesh Limited
51. Godrej Mauritius Africa Holdings Limited
52. Godrej West Africa Holdings Limited
53. Godrej Consumer Products (UK) Limited
54. Godrej Consumer Investments (Chile) Spa
55. Godrej Mideast Holdings Limited
56. Godrej Holdings (Chile) Limitada
57. Cosmetica Nacional
58. Plasticos Nacionales SpA
59. Kinky Group (Proprietary) Limited
60. Godrej Nigeria Limited

61. Indovest Capital Limited
62. Godrej Consumer Products Dutch Cooperatief UA
63. Godrej Consumer Products (Netherlands) BV
64. Godrej Consumer Holdings (Netherlands) B.V.
65. PT Ekamas Sarijaya
66. PT Indomas Susemi Jaya
67. PT Sarico Indah
68. Panamar Produccioness S.A.
69. Argencos S.A.
70. Laboratoria Cuenca S.A.
71. Deciral Limited
72. Issue Group Brazil Ltda.
73. Consell S.A.
74. Subinite Pty Ltd.
75. Lorna Nigeria Ltd.
76. Weave IP Holdings Mauritius Pvt. Ltd.
77. Weave Trading Mauritius Pvt. Ltd.
78. Hair Trading (Offshore) S.A.L
79. Weave Mozambique Limitada
80. Godrej East Africa Holdings Limited
81. Style Industries Limited
82. DGH Phase Two Mauritius
83. Godrej Tanzania Holdings Limited
84. DGH Tanzania Limited
85. Sigma Hair Ind Limited
86. Weave Ghana Limited
87. Godrej Consumer Products US Holding Limited
88. Darling Trading Company Mauritius Limited
89. Godrej Africa Holdings Limited
90. Godrej Indonesia IP Holdings Limited
91. Frika Weave (Pty) Limited
92. Beleza Mozambique LDA
93. Charm Industries Limited
94. Canon Chemicals Limited

95. Godrej Hair Weave Nigeria Limited

96. Godrej International Trading Company (Sharjah)

97. Godrej Hair Care Nigeria Limited

98. Godrej Household Insecticide Nigeria Limited

99. Hair Credentials Zambia Limited

100. Godrej SON Holdings Inc.

101. Old Pro International Inc.

102. Strength of Nature LLC

103. Strength of Nature South Africa Proprietary Limited

104. Style Industries Uganda Limited

105. Weave Senegal Limited

106. DGH Uganda

107. Godrej Consumer Products FZCO

108. Al Rahba International Trading LLC

109. Vora Soaps Limited

110. Godrej International LM, Labuan Malaysia

**Details of the top five Group Companies**:

The top five Group Companies on the basis of turnover are as follows:

1. **Godrej Consumer Products Limited ("Godrej Consumer")**

*Corporate Information*

Godrej Consumer was incorporated on November 29, 2000 as a public limited company under the Companies Act, 1956 at Mumbai, Maharashtra. Godrej Consumer is engaged in the business of household and personal care.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Consumer as on June 30, 2017:

| Sr. No. | Name of the Promoter | No. of equity shares held by the Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 161,875,240 | 23.76 |
| 2. | Nadir B. Godrej | 1,834,908 | 0.27 |
| 3. | Adi B. Godrej | 1,000 | Negligible |

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej Consumer for the Financial Years 2017, 2016 and 2015:

*(in ₹ million, except per share data)*

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Equity Capital | 3,406.00 | 3,405.00 | 3,404.00 |
| Reserves (excluding revaluation reserves) and Surplus | 43,638.00 | 37,498.40 | 33,490.10 |
| Revenue from operations & other income | 51,525.90 | 49,447.70 | 44,873.10 |
| Profit/(Loss) after Tax | 8,480.30 | 7,226.70 | 6,544.50 |
| Basic EPS (in ₹) | 24.90 | 21.22 | 19.22 |

*(in ₹ million, except per share data)*

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Diluted EPS (in ₹) | 24.89 | 21.22 | 19.22 |
| Net asset value per share (in ₹) | 129.12 | 111.12 | 96.42 |

**Financial information is as per Ind AS*
*** Financial information is as per Indian GAAP*

*Share Price Information*

The equity shares of Godrej Consumer having a face value of ₹ 1 each are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of Godrej Consumer during the preceding six months are set forth below:

| Month | BSE | | NSE | |
|---|---|---|---|---|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| June, 2017 | 1,964.00 | 937.00 | 1,965.50 | 936.00 |
| May, 2017 | 1,956.20 | 1,727.80 | 1,958.35 | 1,727.00 |
| April, 2017 | 1,795.00 | 1,633.35 | 1,798.00 | 1,631.00 |
| March, 2017 | 1,712.00 | 1,595.00 | 1,720.00 | 1,591.00 |
| February, 2017 | 1,748.90 | 1,539.00 | 1,715.00 | 1,536.00 |
| January, 2017 | 1,615.40 | 1,497.20 | 1,615.80 | 1,492.90 |

*Source: www.bseindia.com and www.nseindia.com*

The closing market price of the equity shares of Godrej Consumer as on July 13, 2017 on NSE and BSE was ₹ 982.00 per equity share and ₹ 981.65 per equity share, respectively.

The market capitalisation of Godrej Consumer as of July 13, 2017 was ₹ 668,701.58 million.

There has been no change in the capital structure of Godrej Consumer in the last six months, other than the issue of bonus shares in the ratio of one equity share for every equity share held, for which the allotment was made on June 27, 2017.

*Previous public issues or rights issues in the last three years*

Godrej Consumer has not undertaken any public issue or rights issue in the last three years.

*Shortfall in performance vis-à-vis the objects of the Issue*

Purusant to the resolution adopted by the shareholders of Godrej Consumer at their meeting held on July 25, 2009, the letter of offer dated March 14, 2008 ("**Letter of Offer**") issued by Godrej Consumer was amended to extend the time for attainment of the objects of the issue of shares on rights basis out of the remainder of the issue proceeds upto a period of three years from April 1, 2009 to March 31, 2012. Further, the object of the remainder of the issue proceeds arising out of the issue of equity shares allotted pursuant to the Letter of Offer was changed to utilisation of the proceeds for, *inter alia*, funding of capital expenditure and prepayment/repayment of debt.

2. **Godrej Properties Limited ("Godrej Properties")**

*Corporate Information*

Godrej Properties was incorporated on February 8, 1985 as Sea Breeze Constructions and Investments Private Limited, a private limited company under the Companies Act, 1956 at Mumbai, Maharashtra. The name of Godrej Properties was changed to Godrej Properties and Investments Private Limited pursuant to a special resolution of the shareholders dated July 2, 1990. In the year 1991, the status of Godrej Properties was changed to a deemed public company by deletion of the word "Private" from the name of Godrej Properties. Subsequently the status was changed to a public limited company pursuant to a special resolution of the members passed at the extraordinary general meeting on August 1, 2001. Godrej Properties is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Properties as on March 31, 2017:

| Sr. No. | Name of the Promoter | No. of equity shares held by the Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 122,681,066 | 56.70 |

| Sr. No. | Name of the Promoter | No. of equity shares held by the Promoter | Percentage of interest (%) |
|---|---|---|---|
| 2. | Nadir B. Godrej | 3,986,430 | 1.84 |
| 3. | Adi B. Godrej | Nil | Nil |

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej Properties for the Financial Years 2017, 2016 and 2015:

*(in ₹ million, except per share data)*

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Equity Capital | 1,081.82 | 1,081.30 | 996.80 |
| Reserves (excluding revaluation reserves) and Surplus | 18,362.44 | 19,932.50 | 18,185.70 |
| Revenue from operations & other income | 7,052.78 | 5,630.80 | 7,187.00 |
| Profit/(Loss) after Tax | 1,239.49 | 303.70 | 1,279.20 |
| Basic EPS (in ₹) | 57.70 | 14.40 | 64.20 |
| Diluted EPS (in ₹) | 57.40 | 14.40 | 64.10 |
| Net asset value per share (in ₹) | 89.87 | 97.17 | 96.22 |

**Financial information is as per Ind AS*
*** Financial information is as per Indian GAAP*

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

*Share Price Information*

The equity shares of Godrej Properties having a face value of ₹ 5 each are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of Godrej Properties during the preceding six months are set forth below:

| Month | BSE | | NSE | |
|---|---|---|---|---|
| | High (₹) | Low (₹) | High (₹) | Low (₹) |
| June, 2017 | 566.70 | 484.60 | 564.50 | 483.50 |
| May, 2017 | 566.70 | 484.60 | 588.70 | 466.25 |
| April, 2017 | 488.10 | 387.65 | 489.00 | 387.15 |
| March, 2017 | 406.80 | 345.00 | 406.90 | 357.10 |
| February, 2017 | 394.80 | 332.35 | 394.40 | 330.70 |
| January, 2017 | 341.35 | 306.70 | 340.85 | 305.20 |

*Source: www.bseindia.com and www.nseindia.com*

The closing market price of the equity shares of Godrej Properties as on July 13, 2017 on NSE and BSE was ₹ 509.25 per equity share and ₹509.80 per equity share, respectively.

The market capitalisation of Godrej Properties as of July 13, 2017 was ₹109,448.10 million.

There has been no change in the capital structure of Godrej Properties in the last six months, other than allotments pursuant to the GPL Employees Stock Grant Scheme.

*Previous public issues or rights issues in the last three years*

Godrej Properties has not undertaken any public issue or rights issue in the last three years.

*Shortfall in performance vis-à-vis the objects of the Issue*

Godrej Properties, a listed group company of our Company offered for subscription, by way of initial public offer, 9,429,750 equity shares of ₹ 10 each at a price band of ₹ 490 to ₹ 530 per equity share aggregating to ₹ 4,688.5 million. The issue opened on December 9, 2009 and closed on December 11, 2009. The proceeds of the issue were used for (i) acquisition of land development rights for their forthcoming projects; and (ii) construction of their forthcoming project; and repayment of loans. There were certain amendments in the schedule of deployment and utilization of Net Proceeds and the schedule of implementation of the Net Proceeds done with the approval of the

Members of the Company. The details of the amendments approved by the Members are given in the notice convening the Annual General Meeting held on July 17, 2010, July 22, 2011, July 28, 2012 and July 27, 2013.

3. **Godrej And Boyce Manufacturing Company Limited ("Godrej & Boyce")**

*Corporate Information*

Godrej & Boyce was incorporated on March 3, 1992 as a public limited company in Maharashtra. Godrej & Boyce is engaged in the business of manufacturing and marketing of various consumer durables, office equipments, industrial products and real estate development.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej & Boyce:

| Sr. No. | Name of the Promoter | No. of equity shares held by the Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | 67,193 | 9.90 |
| 3. | Adi B. Godrej | 36,746 | 5.41 |

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej & Boyce for the Financial Years 2016, 2015 and 2014:

*(in ₹ million, except per share data)*

| Particulars | Financial Year 2016 | Financial Year 2015 | Financial Year 2014 |
|---|---|---|---|
| Equity Capital | 66.30 | 66.30 | 66.30 |
| Reserves (excluding revaluation reserves) and Surplus | 34,245.20 | 33,715.10 | 28,468.50 |
| Revenue from operations & other income | 89,898.90 | 84,024.30 | 75,772.50 |
| Profit/(Loss) after Tax | 3,298.5 | 5,117.40 | 3,524.20 |
| Basic EPS (in ₹) | 4,976 | 7,720 | 5,316 |
| Diluted EPS (in ₹) | 4,976 | 7,720 | 5,316 |
| Net asset value per share (in ₹) | 30,696 | 26,812 | 24,581 |

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

4. **P T Intrasari Raya, Indonesia ("PT Intrasari")**

*Corporate Information*

P T Intrasari was incorporated on August 22, 1990 in Indonesia. P T Intrasari is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in PT Intrasari.

*Financial Performance*

The following table sets forth details of the audited financial results of PT Intrasari for the Financial Years 2017, 2016 and 2015:

*(in Indonesian Rupiah million, except per share data)*

| | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Equity Capital | 0.49 | 0.50 | 0.48 |
| Reserves (excluding revaluation reserves) and Surplus | 60.99 | 45.19 | 30.43 |
| Revenue from operations & other income | 1,580.16 | 1,567.88 | 1,385.85 |
| Profit/(Loss) after Tax | 16.80 | 13.45 | 10.59 |
| Basic EPS (in Indonesian Rupiah) | 167,987.40 | 134,537.04 | 105,867.75 |

| | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Diluted EPS (in Indonesian Rupiah) | 167,987.40 | 134,537.04 | 105,867.75 |
| Net asset value per share (in Indonesian Rupiah) | 614,766.32 | 456,938.98 | 309,037.41 |

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

5. **PT Megasari Makmur, Indonesia ("PT Megasari")**

*Corporate Information*

PT Megasari was incorporated on January 29, 1996 in Indonesia. PT Megasari is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in PT Megasari.

*Financial Performance*

The following table sets forth details of the audited financial results of PT Megasari for the Financial Years 2017, 2016 and 2015:

*(in Indonesian Rupiah million, except per share data)*

| Particulars | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Equity Capital | 71.66 | 73.21 | 70.18 |
| Reserves (excluding revaluation reserves) and Surplus | 466.02 | 429.63 | 306.23 |
| Revenue from operations & other income | 1,319.29 | 1,348.53 | 1,225.56 |
| Profit/(Loss) after Tax | 150.60 | 148.96 | 121.13 |
| Basic EPS (in ₹) (in Indonesian Rupiah) | 10,269.46 | 10,159.36 | 8,261.46 |
| Diluted EPS (in ₹) (in Indonesian Rupiah) | 10,269.46 | 10,159.36 | 8,261.46 |
| Net asset value per share (in ₹) (in Indonesian Rupiah) | 36,665.56 | 34,294.83 | 25,671.61 |

There are no significant notes of the auditors in relation to the aforementioned financial statements for the last three financial years.

**Details of Group Companies with negative net worth**

**1. Godrej Skyline Developers Private Limited**

*Corporate Information*

Godrej Skyline Developers Private Limited ("**Godrej Skyline Developers**") was incorporated on November 22, 2016 as a private limited company in Mumbai, Maharashtra. Godrej Skyline Developers is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Skyline Developers.

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej Skyline Developers for the Financial Years 2017, 2016 and 2015:

(₹ *million, except per share data)*

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Equity Share Capital | 0.01 | N.A. | N.A. |
| Reserves (excluding revaluation reserves) and Surplus | (0.05) | N.A. | N.A. |

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Revenue from operations & other income | - | N.A. | N.A. |
| Profit/(Loss) after Tax | (0.05) | N.A. | N.A. |
| Basic EPS (in ₹) | (51.45) | N.A. | N.A. |
| Diluted EPS (in ₹) | (51.45) | N.A. | N.A. |
| Net asset value per share (in ₹) | (41.45) | N.A. | N.A. |

**Financial information is as per Ind AS*
*** Financial information is as per Indian GAAP*

## 2. Godrej Real Estate Private Limited

Godrej Real Estate Private Limited ("**Godrej Real Estate**") was incorporated on March 15, 2007 as a private limited company in Mumbai, Maharashtra. Godrej Real Estate is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Real Estate:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | 1 | Negligible |

*Financial Performance*

The following table sets forth details of the audited financial results of India Circus for the Financial Years 2017, 2016 and 2015:

(₹ *million, except per share data)*

| Particulars | Financial Year 2017* | Financial Year 2016** | Financial Year 2015** |
|---|---|---|---|
| Equity Share Capital | 4.50 | 4.50 | 0.50 |
| Reserves (excluding revaluation reserves) and Surplus | (136.28) | (2.56) | (2.32) |
| Revenue from operations & other income | 1.03 | - | - |
| Profit/(Loss) after Tax | (13.52) | (0.24) | (0.62) |
| Basic EPS (in ₹) | (30.04) | (0.74) | (12.49) |
| Diluted EPS (in ₹) | (30.04) | (0.74) | (12.49) |
| Net asset value per share (in ₹) | (292.84) | 4.31 | (36.45) |

**Financial information is as per Ind AS*
*** Financial information is as per Indian GAAP*

## 3. Godrej Consumer Products Bangladesh Limited

*Corporate Information*

Godrej Consumer Products Bangladesh Limited ("**Godrej Consumer Products Bangladesh**") was incorporated on April 13, 2010 in Bangladesh. Godrej Consumer Products Bangladesh is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Bangladesh.

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej Consumer Products Bangladesh for the Financial Years 2017, 2016 and 2015:

(₹ *million, except per share data)*

| Particulars | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Equity Share Capital | 0.04 | 0.04 | - |
| Reserves (excluding revaluation reserves) | (0.05) | 0.00 | - |

| Particulars | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| and Surplus | | | |
| Revenue from operations & other income | - | - | - |
| Profit/(Loss) after Tax | (0.05) | 0.00 | - |
| Basic EPS (in ₹) | 0.00 | 0.00 | - |
| Diluted EPS (in ₹) | 0.00 | 0.00 | |
| Net asset value per share (in ₹) | 12.13 | 92.30 | - |

**4. Godrej International Trading Company (Sharjah)**

*Corporate Information*

Godrej International Trading Company (Sharjah) ("**Godrej International Trading Company**") was incorporated on September 1, 2016 in Sharjah. Godrej International Trading Company is engaged in the business as a trading company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej International Trading Company.

*Financial Performance*

The following table sets forth details of the audited financial results of Godrej International Trading Company for the Financial Years 2017, 2016 and 2015:

(₹ *million, except per share data)*

| Particulars | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Equity Share Capital | 0.00 | N.A. | N.A. |
| Reserves (excluding revaluation reserves) and Surplus | (0.19) | N.A. | N.A. |
| Revenue from operations & other income | (0.00) | N.A. | N.A. |
| Profit/(Loss) after Tax | (0.19) | N.A. | N.A. |
| Basic EPS (in ₹) | (0.01) | N.A. | N.A. |
| Diluted EPS (in ₹) | (0.01) | N.A. | N.A. |
| Net asset value per share (in ₹) | 1,869,754.31 | N.A. | N.A. |

**5. Issue Group Brazil Ltda**

*Corporate Information*

Issue Group Brasil Ltda. ("**Issue Group Brasil**") was incorporated on April 4, 2002 in Brazil. Issue Group Brasil is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Issue Group Brasil.

*Financial Performance*

The following table sets forth details of the audited financial results of Issue Group Brasil for the Financial Years 2017, 2016 and 2015:

(₹ *million, except per share data)*

| Particulars | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
|---|---|---|---|
| Equity Share Capital | 22.71 | 20.58 | 21.57 |
| Reserves (excluding revaluation reserves) and Surplus | (25.69) | (23.38) | (22.62) |
| Revenue from operations & other income | 0.26 | 0.00 | 3.22 |
| Profit/(Loss) after Tax | 0.09 | 1.17 | (5.43) |
| Basic EPS (in ₹) | 0.00 | (0.03) | (0.16) |
| Diluted EPS (in ₹) | 0.00 | (0.03) | (0.16) |
| Net asset value per share (in ₹) | 2.70 | (2.54) | (0.95) |

**Other Group Companies**

The details of other Group Companies are provided below:

1. Godrej Infotech Limited ("**Godrej Infotech**") was incorporated on February 25, 1997 as public limited company in Maharashtra. Godrej Infotech is engaged in the business of providing consultancy services for ERP implementation and support.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in Godrej Infotech.

2. Godrej Infotech Americas Inc. **("Godrej Infotech Americas")** was incorporated on February 28, 2014 as Business Corporation in North Carolina. Godrej Infotech Americas is engaged in the business of providing consultancy services for ERP implementation and support.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in Godrej Infotech Americas.

3. Godrej (Singapore) Pte. Ltd., Singapore ("**Godrej Singapore**") was incorporated on October 16, 1971 as private company limited by share in the Republic of Singapore. Godrej Singapore is engaged in the business of sales assembly of office furniture, equipment, safes and locks.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in Godrej Singapore.

4. India Circus Retail Private Limited ("**India Circus**") was incorporated on November 16, 2011 as Design India Retail Private Limited, a private limited company in Maharashtra. The name of India Circus was changed to India Circus Retail Private Limited on March 17, 2012. India Circus is engaged in the business of online and offline marketing of various home décor and life style products.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in India Circus.

5. Busbar Systems (India) Limited ("**Busbar Systems**") was incorporated on February 18, 2009 as a private limited company in the State of Karnataka. Subsequently the name was changed to Busbar Systems (India) Limited on March 15, 2013. Busbar Systems is engaged in the business of busbar systems and accessories.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in Busbar Systems.

6. Godrej Americas Inc. ("**Godrej Americas**") was incorporated on April 1, 2014 as a wholly owned subsidiary of Godrej and Boyce Manufacturing Company Limited in the USA. Godrej Americas is engaged in the business of marketing and sales of its products and services largely consisting of fabricated pressure vessels reactors, heat exchangers and other critical unit static equipments for the oil and gas, fertilizers, petrochemicals, power and allied industries.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in Godrej Americas.

7. LVD Godrej Infotech NV ("**LVD Godrej Infotech**") was incorporated on December 18, 2009 in Belgium. LVD Godrej Infotech is engaged in the business of providing consultancy services for ERP implementation and support.

   *Interest of our Promoters*

   None of our Promoters hold any equity shares in LVD Godrej Infotech.

8. Godrej Infotech Americas Inc. **("Godrej Infotech Americas")** was incorporated on February 28, 2014 as Business Corporation in North Carolina. Godrej Infotech Americas is engaged in the business of providing consultancy services for ERP implementation and support.

   *Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Infotech Americas.

9. Mercury Manufacturing Company Limited ("**Mercury Manufacturing**") was incorporated on November 11, 1992 as a private limited company in Tamil Nadu. Subsequently, Mercury Manufacturing was converted into a public limited company on February 27, 1995. Mercury Manufacturing is engaged in the business of manufacturing industrial storage equipment and furniture designed and manufactured of customer specification.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Mercury Manufacturing.

10. Ensemble Holdings & Finance Limited ("**Ensemble Holdings**") was incorporated on February 17, 1992 as a private limited company in Mumbai, Maharashtra. Ensemble Holdings is engaged in the business of an investment company.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Ensemble Holdings:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 6,399,159 | 100 |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | Nil | Nil |

11. Godrej International Limited, Isle of Man ("**Godrej International**") was incorporated on January 27, 1993 as Limited Liability Company in Isle of Man. Godrej International is engaged in the business of trading in vegetable oils, oilseeds and commodities.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej International:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 2,105,000 | 100 |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | Nil | Nil |

12. Natures Basket Limited ("**Natures Basket**") was incorporated on May 29, 2008 as a public limited company in Mumbai. Natures Basket is engaged in the business of retail food stores for fresh vegetables, fruits, non-veg., wine and beer, bakery and other fresh farm produce, named and styled as "Godrej Nature's Basket" and having its operations at various locations in India.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Natures Basket:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 309,229,994 | 99.99 |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | Nil | Nil |

13. Godrej International Trading & Investments Pte. Ltd. ("**Godrej International Trading**") was incorporated on September 1, 2016 as a limited liability company in Sharjah. Godrej International Trading is engaged in the business of a general wholesale trade including general import and export.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej International Trading.

14. Citystar Infraprojects Limited ("**Citystar Infraprojects**") was incorporated on February 19, 2008 as a public limited company in Kolkata. Citystar Infraprojects is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Citystar Infraprojects.

15. Godrej Realty Private Limited ("**Godrej Realty**") was incorporated on June 27, 2005 as a private limited company in Mumbai, Maharashtra. Godrej Realty is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Realty.

16. Godrej Real Estate Private Limited ("**Godrej Real Estate**") was incorporated on March 15, 2007 as a private limited company in Mumbai, Maharashtra. Godrej Real Estate is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Real Estate:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | 1 | Negligible |

17. Godrej Buildcon Private Limited ("**Godrej Buildcon**") was incorporated on September 21, 2010 as a private limited company in Mumbai, Maharashtra. Godrej Buildcon is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Buildcon:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | 1 | Negligible |

18. Godrej Projects Development Private Limited ("**Godrej Projects Development**") was incorporated on November 22, 2010 as a private limited company in Mumbai, Maharashtra. Godrej Projects Development is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Projects Development:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej jointly with Godrej Properties Limited | 1 | Negligible |

19. Godrej Redevelopers (Mumbai) Private Limited ("**Godrej Redevelopers Mumbai**") was incorporated on February 8, 2013 as private limited company in Mumbai, Maharashtra. Godrej Redevelopers Mumbai is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Redevelopers Mumbai.

20. Godrej Garden City Properties Private Limited ("**Godrej Garden City**") was incorporated on February 18, 2011 as a private limited company in Mumbai, Maharashtra. Godrej Garden City is engaged in the business of real estate and construction.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej Garden City:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej jointly with Godrej Properties Limited | 1 | Negligible |

21. Godrej Landmark Redevelopers Private Limited ("**Godrej Landmark Redevelopers**") was incorporated on March 14, 2012 as a private limited company in Mumbai, Maharashtra. Godrej Landmark Redevelopers is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Landmark Redevelopers.

22. Godrej Green Homes Limited ("**Godrej Green Homes**") was incorporated on December 24, 2013 as a public limited company in Mumbai, Maharashtra. Godrej Green Homes is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Green Homes.

23. Godrej Home Developers Private Limited ("**Godrej Home Developers**") was incorporated on March 30, 2015 as a private limited company in Mumbai, Maharashtra. Godrej Home Developers is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Home Developers.

24. Godrej Hillside Properties Private Limited ("**Godrej Hillside Properties**") was incorporated on March 31, 2015 as a private limited company in Mumbai, Maharashtra. Godrej Hillside Properties is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Hillside Properties.

25. Godrej Prakriti Facilities Private Limited ("**Godrej Prakriti Facilities**") was incorporated on June 9, 2015 as a private limited company in Mumbai, Maharashtra. Godrej Prakriti Facilities is engaged in the business of facilities management services.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Prakriti Facilities.

26. Godrej Investment Advisors Private Limited ("**Godrej Investment Advisors**") was incorporated on June 17, 2015 as a private limited company in Mumbai, Maharashtra. Godrej Investment Advisors is engaged in the business of investment advisory services.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Investment Advisors.

27. Godrej Highrises Properties Private Limited ("**Godrej Highrises Properties**") was incorporated on June 26, 2015 as a private limited company in Mumbai, Maharashtra. Godrej Highrises Properties is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Highrises Properties.

28. Godrej Genesis Facilities Management Private Limited ("**Godrej Genesis Facilities Management**") was incorporated on February 19, 2016 as a private limited company in Mumbai, Maharashtra. Godrej Genesis Facilities Management is engaged in the business of facilities management services.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Genesis Facilities Management.

29. Godrej Residency Private Limited ("**Godrej Residency**") was incorporated on March 16, 2017 as a private limited company in Mumbai, Maharashtra. Godrej Residency is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Residency.

30. Godrej Skyline Developers Private Limited ("**Godrej Skyline Developers**") was incorporated on November 22, 2016 as a private limited company in Mumbai, Maharashtra. Godrej Skyline Developers is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Skyline Developers.

31. Godrej Vikhroli Properties India Limited ("**Godrej Vikhroli Properties**") was incorporated on January 25, 2017 as a public limited company in Mumbai, Maharashtra. Godrej Vikhroli Properties is engaged in the business of real estate and construction.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Vikhroli Properties.

32. Prakritiplaza Facilities Management Private Limited ("**Prakritiplaza Facilities**") was incorporated on July 28, 2016 as a private limited company in Mumbai, Maharashtra. Prakritiplaza Facilities is engaged in the business of facility management services.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Prakritiplaza Facilities.

33. Godrej Infotech (Singapore) Pte. Limited ("**Godrej Infotech Singapore**") was incorporated on May 27, 2014 in Singapore. Godrej Infotech Singapore is engaged in the business of business of providing consultancy services for ERP implementation and support.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Infotech Singapore.

34. JT Dragon Pte. Limited ("**JT Dragon**") was incorporated on June 29, 1990 as a private limited company in The Republic of Singapore. JT Dragon is engaged in the business of an investment holding company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in JT Dragon.

35. Godrej (Vietnam) Company Limited ("**Godrej Vietnam**") was incorporated on April 28, 1997 as a 100% foreign owned private company in The Socialist Republic of Vietnam. Godrej Vietnam is engaged in the business of manufacture of steel equipment and appliances for office, household and kitchen, steel shelves, other steel equipment for hospitals.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Vietnam.

36. Godrej One Premises Management Private Limited ("**Godrej One Premises Management**") was incorporated on July 22, 2015 as a private limited company in Mumbai. Godrej One Premises Management is engaged in the business of rendering facility management services.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej One Premises Management:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 1,400 | 14 |
| 2. | Nadir B. Godrej* | Nil | Nil |
| 3. | Adi B. Godrej | Nil | Nil |

* *holds 1 share as a second holder with GIL*

37. Godrej South Africa (Pty) Limited ("**Godrej South Africa**") was incorporated on March 31, 2006 in South Africa. Godrej South Africa is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej South Africa.

38. Godrej Netherlands BV ("**Godrej Netherlands**") was incorporated on October 19, 2005 in Netherlands. Godrej Netherlands is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Netherlands.

39. Godrej UK Limited ("**Godrej UK**") was incorporated on October 24, 2005 in England. Godrej UK is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej UK.

40. Godrej Consumer Products Holding (Mauritius) Limited ("**Godrej Consumer Products Holding (Mauritius)**") was incorporated on February 23, 2010 in Mauritius. Godrej Consumer Products Holding (Mauritius) is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Holding (Mauritius).

41. Godrej Global Mid East FZE ("**Godrej Global Mid East**") was incorporated on February 17, 1999 in Sharjah. Godrej Global Mid East is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Global Mid East.

42. Godrej Consumer Products Mauritius Limited ("**Godrej Consumer Products Mauritius**") was incorporated on February 15, 2008 in Mauritius. Godrej Consumer Products Mauritius is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Mauritius.

43. Godrej Household Products Lanka (Private) Limited ("**Godrej Household Products Lanka**") was incorporated on August 5, 2010 in Colombo. Godrej Household Products Lanka is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Household Products Lanka.

44. Godrej Household Products (Bangladesh) Private Limited ("**Godrej Household Products Bangladesh**") was incorporated on May 9, 2001 in Bangladesh. Godrej Household Products Bangladesh is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Household Products Bangladesh.

45. Godrej Consumer Products Bangladesh Limited ("**Godrej Consumer Products Bangladesh**") was incorporated on April 13, 2010 in Bangladesh. Godrej Consumer Products Bangladesh is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Bangladesh.

46. Godrej Mauritius Africa Holdings Limited ("**Godrej Mauritius Africa Holdings**") was incorporated on March 14, 2011 in Mauritius. Godrej Mauritius Africa Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Mauritius Africa Holdings.

47. Godrej West Africa Holdings Limited ("**Godrej West Africa Holdings**") was incorporated on February 11, 2014 in Mauritius. Godrej West Africa Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej West Africa Holdings.

48. Godrej Consumer Products (UK) Limited ("**Godrej Consumer Products (UK)**") was incorporated on August 14, 1990 in England. Godrej Consumer Products (UK) is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products (UK).

49. Godrej Consumer Investments (Chile) Spa ("**Godrej Consumer Investments (Chile)**") was incorporated on March 28, 2012 in Chile. Godrej Consumer Investments (Chile) is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Investments (Chile).

50. Godrej Mid East Holdings Limited ("**Godrej Mid East Holdings**") was incorporated on July 28, 2015 in Dubai. Godrej Mid East Holdings is engaged in the business of trademark holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Mid East Holdings.

51. Godrej Holdings (Chile) Limitada ("**Godrej Holdings (Chile)**") was incorporated on March 29, 2012 in Chile. Godrej Holdings (Chile) is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Holdings (Chile).

52. Cosmetica Nacional ("**Cosmetica Nacional**") was incorporated on June 6, 2002 in Chile. Cosmetica Nacional is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Cosmetica Nacional.

53. Plasticos Nacionales ("**Plasticos Nacionales**") was incorporated on October 3, 2001 in Chile. Plasticos Nacionales is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Plasticos Nacionales.

54. Kinky Group (Pty) Limited ("**Kinky Group**") was incorporated on January 9, 2008 in South Africa. Kinky Group is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Kinky Group.

55. Godrej Nigeria Limited ("**Godrej Nigeria**") was incorporated on March 26, 2010 in Nigeria. Godrej Nigeria is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Nigeria.

56. Indovest Capital Limited ("**Indovest Capital**") was incorporated on April 27, 2004 in Labuan, Malaysia. Indovest Capital is engaged in the business of trademark holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Indovest Capital.

57. Godrej Consumer Products Dutch Cooperatief UA ("**Godrej Consumer Products Dutch**") was incorporated on March 24, 2010 in Netherlands. Godrej Consumer Products Dutch is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Dutch.

58. Godrej Consumer Products (Netherlands) BV ("**Godrej Consumer Products Netherlands**") was incorporated on March 31, 2010 in Netherlands. Godrej Consumer Products Netherlands is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products Netherlands.

59. Godrej Consumer Holdings (Netherlands) B.V. ("**Godrej Consumer Holdings Netherlands**") was incorporated on March 31, 2010 in Netherlands. Godrej Consumer Holdings Netherlands is engaged in the business of investment Holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Holdings Netherlands.

60. PT Ekamas Sarijaya ("**Ekamas Sarijaya**") was incorporated on January 19, 1996 in Indonesia. Ekamas Sarijaya is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Ekamas Sarijaya.

61. PT Indomas Susemi Jaya ("**Indomas Susemi Jaya**") was incorporated on June 10, 1987 in Indonesia. Indomas Susemi Jaya is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Indomas Susemi Jaya.

62. PT Sarico Indah ("**Sarico Indah**") was incorporated on April 15, 2002 in Indonesia. Sarico Indah is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Sarico Indah.

63. Panamar Produccioness S.A. ("**Panamar Produccioness**") was incorporated on September 3, 1996 in Argentina. Panamar Produccioness is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Panamar Produccioness.

64. Argencos S.A. ("**Argencos**") was incorporated on August 7, 1985 in Argentina. Argencos is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Argencos.

65. Laboratoria Cuenca S.A. ("**Laboratoria Cuenca**") was incorporated on August 21, 1981 in Argentina. Laboratoria Cuenca is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Laboratoria Cuenca.

66. Deciral Limited ("**Deciral**") was incorporated on December 14, 2000 in Uruguay. Deciral is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Deciral.

67. Issue Group Brasil Ltda. ("**Issue Group Brasil**") was incorporated on April 4, 2002 in Brazil. Issue Group Brasil is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Issue Group Brasil.

68. Consell S.A. ("**Consell**") was incorporated on October 16, 1973 in Argentina. Consell is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Consell.

69. Subinite Pty Ltd. ("**Subinite**") was incorporated on September 14, 2010 in South Africa. Subinite is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Subinite.

70. Lorna Nigeria Ltd. ("**Lorna Nigeria**") was incorporated on March 23, 2011 in Nigeria. Lorna Nigeria is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Lorna Nigeria.

71. Weave IP Holdings Mauritius Pvt. Ltd. ("**Weave IP Holdings**") was incorporated on July 11, 2011 in Mauritius. Weave IP Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Weave IP Holdings.

72. Weave Trading Mauritius Pvt. Ltd. ("**Weave Trading**") was incorporated on July 5, 2011 in Mauritius. Weave Trading is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Weave Trading.

73. Hair Trading (Offshore) S.A.L ("**Hair Trading**") was incorporated on December 23, 2015 in Lebanon. Hair Trading is engaged in the business as a trading company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Hair Trading.

74. Weave Mozambique Limitada ("**Weave Mozambique**") was incorporated on April 8, 2011 in Mozambique. Weave Mozambique is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Weave Mozambique.

75. Godrej East Africa Holdings Limited ("**Godrej East Africa Holdings**") was incorporated on July 20, 2012 in Mauritius. Godrej East Africa Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej East Africa Holdings.

76. Style Industries Limited ("**Style Industries**") was incorporated on December 8, 2012 in Kenya. Style Industries is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Style Industries.

77. DGH Phase Two Mauritius ("**DGH Phase Two**") was incorporated on May 9, 2012 in Mauritius. DGH Phase Two is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in DGH Phase Two.

78. Godrej Tanzania Holdings Limited ("**Godrej Tanzania Holdings**") was incorporated on November 30, 2012 in Mauritius. Godrej Tanzania Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Tanzania Holdings.

79. DGH Tanzania Limited ("**DGH Tanzania**") was incorporated on December 6, 2012 in Mauritius. DGH Tanzania is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in DGH Tanzania.

80. Sigma Hair Ind Limited ("**Sigma Hair**") was incorporated on December 19, 2012 in Tanzania. Sigma Hair is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Sigma Hair.

81. Weave Ghana Limited ("**Weave Ghana**") was incorporated on September 16, 2014 in Ghana. Weave Ghana is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Weave Ghana.

82. Godrej Consumer Products US Holding Limited ("**Godrej Consumer Products US Holding**") was incorporated on March 29, 2016 in Mauritius. Godrej Consumer Products US Holding is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products US Holding.

83. Darling Trading Company Mauritius Limited ("**Darling Trading Company Mauritius**") was incorporated on January 22, 2015 in Mauritius. Darling Trading Company Mauritius is engaged in the business as a trading company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Darling Trading Company Mauritius.

84. Godrej Africa Holdings Limited ("**Godrej Africa Holdings**") was incorporated on January 19, 2015 in Mauritius. Godrej Africa Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Africa Holdings.

85. Godrej Indonesia IP Holdings Limited ("**Godrej Indonesia IP Holdings**") was incorporated on March 17, 2015 in Mauritius. Godrej Indonesia IP Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Indonesia IP Holdings.

86. Frika Weave (Pty) Limited ("**Frika Weave**") was incorporated on October 17, 2014 in South Africa. Frika Weave is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Frika Weave.

87. Beleza Mozambique LDA ("**Beleza Mozambique**") was incorporated on April 30, 2015 in Mozambique. Beleza Mozambique is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Beleza Mozambique.

88. Charm Industries Limited ("**Charm Industries**") was incorporated on September 9, 2014 in Kenya. Charm Industries is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Charm Industries.

89. Canon Chemicals Limited ("**Canon Chemicals**") was incorporated on November 13, 2009 in Kenya. Canon Chemicals is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Canon Chemicals.

90. Godrej Hair Weave Nigeria Limited ("**Godrej Hair Weave Nigeria**") was incorporated on March 2, 2016 in Nigeria. Godrej Hair Weave Nigeria is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Hair Weave Nigeria.

91. Godrej International Trading Company (Sharjah) ("**Godrej International Trading Company**") was incorporated on September 1, 2016 in Sharjah. Godrej International Trading Company is engaged in the business as a trading company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej International Trading Company.

92. Godrej Hair Care Nigeria Limited ("**Godrej Hair Care Nigeria**") was incorporated on January 12, 2016 in Nigeria. Godrej Hair Care Nigeria is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Hair Care Nigeria.

93. Godrej Household Insecticide Nigeria Limited ("**Godrej Household Insecticide Nigeria**") was incorporated on January 12, 2016 in Nigeria. Godrej Household Insecticide Nigeria is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Household Insecticide Nigeria.

94. Hair Credentials Zambia Limited ("**Hair Credentials Zambia**") was incorporated on December 23, 2015 in Zambia. Hair Credentials Zambia is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Hair Credentials Zambia.

95. Godrej SON Holdings Inc. ("**Godrej SON Holdings**") was incorporated on March 22, 2016 in USA. Godrej SON Holdings is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej SON Holdings.

96. Old Pro International Inc. ("**Old Pro International**") was incorporated on June 19, 1998 in U.S. Old Pro International is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Old Pro International.

97. Strength of Nature LLC ("**Strength of Nature**") was incorporated on February 25, 2000 in U.S. Strength of Nature is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Strength of Nature.

98. Strength of Nature South Africa Proprietary Limited ("**Strength of Nature South Africa**") was incorporated on November 19, 2009 in South Africa. Strength of Nature South Africa is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Strength of Nature South Africa.

99. Style Industries Uganda Limited ("**Style Industries Uganda**") was incorporated on June 15, 2016 in Uganda. Style Industries Uganda is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Style Industries Uganda.

100. Weave Senegal Limited ("**Weave Senegal**") was incorporated on April 8, 2016 in Senegal. Weave Senegal is engaged in the business of household and personal care.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Weave Senegal.

101. DGH Uganda ("**DGH Uganda**") was incorporated on January 31, 2017 in Mauritius. DGH Uganda is engaged in the business of investment holding.

*Interest of our Promoters*

None of our Promoters hold any equity shares in DGH Uganda.

102. Godrej Consumer Products International FZCO ("**Godrej Consumer Products FZCO**") was incorporated on February 28, 2017 in Dubai. Godrej Consumer Products FZCO is engaged in the business as trading company.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Godrej Consumer Products FZCO.

103. Al Rahba International Trading LLC ("**Al Rahba International**") was incorporated on December 25, 2004 as a limited liability company in Abu Dhabi (UAE). Al Rahba International is engaged in the business of poultry business.

*Interest of our Promoters*

None of our Promoters hold any equity shares in Al Rahba International.

104. Vora Soaps Limited ("**Vora Soaps**") was incorporated on October 18, 1979 as a private limited company in Mumbai. Subsequently, the name of the company was changed to Vora Soaps Limited as a result of change in the status of the company from a private company to a public limited company on September 23, 1988. Vora Soaps is engaged in the business of manufacturing.

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Vora Soaps:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | Nil | Nil |
| 2. | Nadir B. Godrej | 30,269 | 15.13% |
| 3. | Adi B. Godrej | 12,116 | 6.06% |

105. Godrej International Limited, Labuan Malaysia ("**Godrej International LM**") was incorporated on February 12, 2015 as a private limited company in the Federal Territory of Labuan.Godrej International LM is engaged in the business of undertaking international trade in vegetable oils and their co-products. Godrej International LM has not undertaken any trading activity to date .

*Interest of our Promoters*

Please see below details of interest held by each of our Promoters in Godrej International LM:

| Sr. No. | Name of our Promoter | No. of equity shares held by our Promoter | Percentage of interest (%) |
|---|---|---|---|
| 1. | GIL | 1 | 100 |
| 2. | Nadir B. Godrej | Nil | Nil |
| 3. | Adi B. Godrej | Nil | Nil |

**Nature and Extent of Interest of Group Companies**

- ***In the promotion of our Company***

  None of our Group Companies have any interest in the promotion of our Company.

- ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus***

  Except as disclosed under "*Related Party Transactions*" on page 207, none of our Group Companies is interested in the properties acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus, or proposed to be acquired.

- ***In transactions for acquisition of land, construction of building and supply of machinery***

Except as disclosed under "*Related Party Transactions*" on page 207, none of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery involving our Company.

Our Company has entered into a development management agreement with Godrej Properties Limited with respect to development of a certain parcel of land owned by our Company situated near Bangalore.

**Common Pursuits between our Group Companies and our Company**

There are no common pursuits among any of our Group Companies and our Company.

**Related Business Transactions within our Group Companies and significance on the financial performance of our Company**

For further details in relation to related business transactions, see "*Related Party Transactions*" beginning on page 207.

**Significant Sale / Purchase with our Group Companies**

Our Company is not involved in any sales or purchases with any of our Group Companies where such sales or purchases exceed in value in the aggregate of 10% of the total sales or purchases of our Company.

**Business Interest of Group Companies**

Except as disclosed in "*Related Party Transactions*" on page 207, our Group Companies do not have any business interest in our Company.

**Defunct Group Companies**

None of our Group Companies remain defunct and no application has been made to the relevant registrar of companies for striking off the name of any of our Group Companies, during the five years preceding the date of this Draft Red Herring Prospectus.

**Loss making Group Companies**

***(in ₹ million)***

| Name of Group Company | Profit / (loss) | | |
|---|---|---|---|
| | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
| Argencos S.A. | (0.01) | 2.10 | 4.07 |
| DGH Tanzania Limited | (0.11) | (0.10) | (0.11) |
| Frika Weave (Pty) Limited | (1.08) | (1.77) | 0.05 |
| Godrej Consumer Products Mauritius Limited | (0.31) | 1.68 | (0.41) |
| Godrej Consumer Investments (Chile) Spa | (0.00) | 0.05 | (0.05) |
| Godrej Consumer Products Bangladesh Limited | (0.05) | (0.00) | - |
| Godrej Consumer Products US Holding Limited | (0.06) | N.A. | N.A. |
| Godrej East Africa Holdings Limited | (27.32) | 0.00 | (12.46) |
| Godrej Household Products (Bangladesh) Private Limited | (23.62) | (16.48) | (6.30) |
| Godrej Household Products (Lanka) Private Limited | (4.59) | (0.57) | (1.16) |
| Godrej International Trading Company (Sharjah) | (0.19) | N.A. | N.A. |
| Godrej Nigeria Limited | (1.06) | 3.99 | (2.56) |
| Godrej SON Holdings Inc. | (12.28) | N.A. | N.A. |
| Godrej Tanzania Holdings Limited | (0.40) | (0.11) | (0.09) |
| Godrej West Africa Holdings Limited | (0.11) | 4.05 | 30.85 |
| Hair Credentials Zambia Limited | (3.50) | - | N.A. |
| Indovest Capital Limited | (0.19) | 1227.03 | 43.16 |
| Kinky Group (Proprietary) Limited | (4.51) | (4.62) | (30.06) |
| Lorna Nigeria Ltd. | (15.30) | 35.42 | 15.05 |
| Panamar Produccioness S.A. | (0.05) | (0.22) | (0.03) |
| Plasticos Nacionales SpA | (0.17) | (0.44) | 0.06 |
| PT Sarico Indah | (0.05) | 1.63 | 0.29 |
| Style Industries Limited | (15.52) | (5.28) | (1.81) |
| Subinite (Pty) Ltd. | (8.20) | 1.28 | 3.75 |
| Weave Ghana Limited | (3.28) | 1.32 | 0.39 |
| Weave IP Holdings Mauritius Pvt. Ltd. | (2.00) | (0.42) | 19.63 |
| Weave Senegal Limited | (2.35) | N.A. | N.A. |

| Name of Group Company | Profit / (loss) | | |
|---|---|---|---|
| | Financial Year 2017 | Financial Year 2016 | Financial Year 2015 |
| Godrej Americas Inc (in USD) | (0.08) | (0.04) | (0.01) |
| Al Rahba International Trading LLC (in AED) | (4.85) | (1.51) | (5.23) |
| Godrej Realty Private Limited[(1) (2)] | (9.82) | (1.93) | (0.76) |
| Godrej Real Estate Private Limited[(1) (2)] | (13.52) | (0.24) | (0.62) |
| Godrej Projects Development Private Limited[(1) (2)] | (266.02) | 776.95 | (56.38) |
| Citystar Infra Projects Limited[(1) (2)] | (0.10) | - | - |
| Godrej Skyline Developers Private Limited[(1) (2)] | (0.05) | N.A. | N.A. |
| Natures Basket Limited[(1) (2)] | (953.69) | (622.33) | (428.11) |

(1) *Financial information for Financial Year 2017 is as per Ind AS*

(2 *Financial information for Financial Years 2016 and 2015 are as per Indian GAAP*

*(in  million)*

| Name of Group Company | Profit / (loss) | | |
|---|---|---|---|
| | Financial Year 2016 | Financial Year 2015 | Financial Year 2014 |
| India Circus Retail Private Limited (in ₹) | (52.30) | (48.21) | (32.57) |
| Godrej Infotech Americas Inc (in USD) | (0.005) | (0.01) | (0.005) |

**Other Confirmations**

None of our Group Companies fall under the definition of sick companies under erstwhile SICA and none of them is under winding up.

None of our Group Companies have been identified as Wilful Defaulters.

## RELATED PARTY TRANSACTIONS

For details of the related party transactions during the last five financial years, as per the requirement under Ind AS 24 "Related Party Disclosures", see "*Financial Statements- Related Party disclosures*" beginning on pages 316 and 418.

## DIVIDEND POLICY

The declaration and payment of dividends will be recommended by the Board and approved by the Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. The dividend, if any, will depend on a number of factors, including but not limited to capital requirements, applicable legal restrictions, and overall financial position of our Company.

The amounts paid as dividends in the past are not necessarily indicative of our Company's dividend policy or dividend amounts, if any, in the future. For details of risks in relation to our capability to pay dividend, see "*Risk Factors – Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements*" on page 31.

The details of dividend paid by our Company in the last five Financial Years are given below:

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|---|---|---|---|---|
| No. of Equity Shares | 185,130,876 | 92,565,438 | 92,565,438 | 13,223,634 | 12,118,752 |
| Dividend per Equity Share (in ₹)* | 4.50 | 4.43 | 25.86 | 27.50 | 19.00 |
| Rate of dividend | 45% | 44.3% | 258.6% | 275% | 190% |
| Total dividend (in ₹ million) | 833.09 | 410.07 | 341.96 | 363.65 | 251.24 |
| Dividend Tax (in ₹ million) | 169.60 | 83.48 | 58.12 | 61.80 | 42.70 |

* *Dividend was paid by way of interim dividends during the Financial Years 2015 and 2016.*

Our past practices with respect to the declaration of dividend are not necessarily indicative of our future dividend declaration.

## SECTION V: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

To,
The Board of Directors
Godrej Agrovet Limited,
3rd Floor, Godrej One,
Pirojsha Nagar,
Vikhroli (East)
**Mumbai.**

**Auditors Report on the Restated Consolidated Financial Information in connection with the Initial Public Offering of Godrej Agrovet Limited**

Dear Sirs,

1. We have examined the accompanying Restated Consolidated Financial Information of **GODREJ AGROVET LIMITED** ("the Holding Company") and its subsidiaries, joint ventures and associates (hereinafter together referred to as the "Group") which comprises the Restated Consolidated Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Restated Consolidated Summary Statement of Profit and Loss (including other comprehensive income), the Restated Consolidated Summary Statement of Cash Flows and the Restated Consolidated summary Statement of Changes in Equity for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Holding Company prepared in terms of the requirement of Section 26 of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date issued by SEBI on August 26, 2009 read along with the SEBI circular SEBI HO/CFD/DIL/CIR/P2016/47 dated March 31, 2016 (the SEBI regulations) issued by the Securities and Exchange Board of India (the SEBI) in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the Issue) and has been approved by the Board of Directors and initialed by us for identification purpose only.

2. The preparation of the Restated Consolidated Financial Information, which is to be included in Draft Red Hearing Prospectus (DRHP), is the responsibility of the Management of the Company and has been approved by the Board of Directors, at its meeting held on July 18, 2017 for the purpose set out in paragraph 11 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

3. Our work has been carried out in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, Guidance Note on Reports in Company Prospectus (Revised) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and SEBI Regulations in connection with the issue.

   Our examination of the Restated Consolidated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America (U.S.), Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

4. We have examined the following summarized Financial Statements of the Group contained in Restated Financial Information of the Group,

   (a) the Restated Consolidated Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure I)

   (b) the Restated Consolidated Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure II)

   (c) the Restated Statement of Changes in Equity for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure III)

   (d) the Restated Consolidated Statement of Cash Flows for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure IV)

5. We have examined such Restated Consolidated Financial Information taking into consideration:

   The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 26, 2017 in connection with the proposed issue of equity shares of the Company; and The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note").

   The Restated Consolidated Financial Information, expressed in Indian Rupees, in millions, has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 and have been compiled by the management of the Company from the audited consolidated financial statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 (all of which were expressed in Indian Rupees in lakh) prepared under Ind AS for the year March 31, 2017 and 2016 and prepared under the previous generally accepted accounting principles followed in India ("Previous GAAP or Indian GAAP") for the year March

31, 2015, 2014 and 2013, which have been approved by Board of Directors at their meetings held on May 12, 2017, May 17, 2016, May 19, 2015, May 14, 2014, May 15, 2013 respectively.

6. Based on the above and according to the Information and explanations given to us, we further report that the Restated Consolidated Financial Information have been made after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods; have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Consolidated Financial Information and do not contain any qualification requiring adjustments.

7. We draw your attention that the Restated Consolidated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure V.

8. We have not audited any Financial Statements of the Group as of any date or for any period subsequent of March 31, 2017. Accordingly we do not express any opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to March 31, 2017.

**Other Consolidated Financial Information**

9. We have also examined the following restated Consolidated Financial Information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors on July 18, 2017 for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

   (a) Basis of preparation and Significant Accounting Policies as enclosed in Annexure V
   (b) Notes to the Restated Consolidated Financial Information as enclosed in Annexure VI
   (c) Statement of Adjustments to the Audited Financial Statements as enclosed in Annexure VII
   (d) Statement of Other Income as enclosed in Annexure VIII
   (e) Statement of Accounting Ratios as enclosed in Annexure XI
   (f) Statement of Capitalisation as enclosed in Annexure X

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

***11. Basis for Qualified Opinion***

*The Holding Company has paid remuneration to its Managing Director during the year March 31, 2017, which is in excess of limit given under section 197 read with Schedule V of the Companies Act, 2013 by Rs. 866.11 million. Pending approval from the Central Government, the amount has been debited to the Statement of Profit and Loss. Refer Note No. 57 of the Restated Consolidated Financial Information.*

**Qualified Opinion**

In our Opinion and to the best of our information and according to explanation given to us, *except for the effect of matters described in Basis for Qualified Opinion paragraph,,* the Restated Consolidated Financial Information of the Company, as attached to this report, read with basis of preparation and respective significant accounting policies disclosed in Annexure V are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Section 26 of Part I of Chapter III of the Companies Act, 2013 read with rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

**12. Emphasis of Matters**

We draw attention to the following matters in the Notes to the consolidated Restated Financial Information:

a) Note 48 to the Restated Consolidated Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on April 1, 2011.

   i. Amortisation amounting to Rs 42.51 million on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company in the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. Had this amount been charged to the Statement of Profit and Loss, the profit for the year March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 would have been lower by Rs. 42.51 million, the Surplus in statement of Profit and Loss would have been lower by Rs. 255.07 million as at March 31, 2017, Rs. 212.56 million as at March 31, 2016, Rs. 170.05 million as at March 31, 2015, Rs. 127.54 million as at March 31, 2014 and Rs. 85.02 million as at March 31, 2013 and the balance in the general reserve would have been higher by Rs. 255.07 million as at March 31, 2017, Rs. 212.56 million as at March 31, 2016, Rs. 170.05 million as at March 31, 2015, Rs. 127.54 million as at March 31, 2014 and Rs. 85.02 million as at March 31, 2013

   ii. In accordance with the Scheme of Arrangement, an amount of Rs. 605.53 million on account of Goodwill on merger has been charged to Securities Premium Account. Had the scheme not prescribed this treatment, the opening balance in the Surplus in statement of Profit and Loss would have been lower by Rs. 605.53 million as on March 31, 2013 and the Securities Premium Account would have been higher by Rs. 605.53 million as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013

b) Note 49 to the Restated Consolidated Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Godrej Gold Coin Aquafeed Limited) have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of Rs. 166.91 million on account of book values of Intangible Assets and an amount of Rs. 250.57 million on account of Goodwill on merger, aggregating to Rs. 417.48 million has been charged to Securities Premium Account instead of amortising the same in the Statement of Profit & Loss. Had the scheme not prescribed these treatment the balance in securities premium account would have been higher by Rs. 417.48 million as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Intangible Assets would have been higher by Rs. 15.74 million as at March 31, 2016, Rs. 40.94 million as at March 31, 2015, Rs. 66.13 million as at March 31, 2014, and Rs. 91.33 million as at March 31, 2013, the balance at the beginning of the year in Surplus of Profit and Loss Account would have been lower by Rs. 151.16 million as at March 31, 2017, Rs. 125.97 million as at March 31, 2016, Rs. 100.77 million as at March 31, 2015, Rs. Rs. 75.58 million as at March 31, 2014 and Rs. 50.38 million as at March 31, 2013 and the profit would have been lower by Rs. 15.74 million for the year ended March 31, 2017 and Rs. 25.19 million for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

c) Note 50 to the Restated Consolidated Financial Information wherein the Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Goldmuhor Agrochem & Feeds Limited) have been taken over and recorded at their book values as on October 01, 2013.

   i. In accordance with the Scheme of Arrangement an amount of Rs. 7.11 million on account of Goodwill on Merger has been charged to the General Reserve Account.

   ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 4.07 million have been directly charged against the balance in the General Reserve Account of the Company.

   iii. An amount of Rs. 200 million has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses.

Had the scheme not prescribed this treatment the balance in the General Reserve Account would have been higher by Rs. 211.18 million as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

d) Note 51 to the Restated Consolidated Financial Information wherein the Honorable High Court of Judicature at Bombay had approved as Scheme of Arrangement whereby the assets and liabilities of the transferor company (Golden Feed Products Limited) have been taken over and recorded at their book values as on March 31, 2014.

i. In accordance with the Scheme of Arrangement an amount of Rs. 9.71 million on account of Goodwill on Merger has been charged against the balance in the Surplus in Statement of Profit and Loss.

ii. An Amount of Rs. 350.58 million from the Surplus in Statement of Profit and Loss has been utilised to restate/revise value of certain assets of the Company.

iii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.35 million have been directly charged against the balance in Surplus in Statement of Profit and Loss of the Company.

Had the scheme not prescribed this treatment, surplus in the Statement of Profit and Loss would have been higher by Rs. 360.29 million as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

e) Note 52 to the Restated Consolidated Financial information where in Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of Seeds business of the transferor company (Godrej Seeds & Genetics Limited) have been taken over and record at their book values as on April 01, 2015.

i. In accordance with the Scheme of Arrangement an amount of Rs. 169.45 million on account of Goodwill on Merger had been charged to the Surplus in Statement of Profit & Loss of the Company.

ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.94 million have been directly charged against the Surplus in Statement of Profit & Loss of the Company.

Had the scheme not prescribed this treatment, the Surplus in the Statement of Profit & Loss would have been higher by Rs. 169.45 million as at March 31, 2017 and March 31, 2016.

f) Note 54 to the Restated Consolidated Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme for the reduction of Capital (Securities Premium Account). As per the scheme an amount of Rs. 1,100.40 million has been transferred from the Securities Premium Account and used to create the Reserve for Employee Compensation Expenses of which Rs. 113.66 million for the year March 31, 2016, Rs. 113.88 million for the year March 31, 2015, Rs. 113.47 million for the year March 31, 2014 and Rs. 720.40 million for the year March 31, 2013 for Employee Compensation Expenses incurred during the respective years has been adjusted. Had the scheme not prescribed this treatment the Profit would have been lower by Rs. 113.66 million for the year March 31, 2016, Rs. 113.88 million for the year March 31, 2015, Rs. 113.47 million for the year March 31, 2014 and Rs. 720.41 million for the year March 31, 2013, the opening balance in the Surplus in Statement of Profit and Loss would have been lower by Rs. 947.76 million for the year March 31, 2016, Rs. 833.88 million for the year March 31, 2015, Rs. 720.41 million for the year March 31, 2014, the Reserve for Employee Compensation Expenses would have been lower by Rs. 238.98 million for the year March 31, 2016, Rs. 352.64 million for the year March 31, 2015, Rs. 466.52 million for the year March 31, 2014 and Rs. 379.99 million for the year March 31, 2013 and the Securities Premium Account would have been higher by Rs. 11,00.40 million for the year March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

Our report is not qualified in respect of these matters.

(a) We did not audit the Financial Statements of certain subsidiaries, whose Financial Statements reflect total assets of Rs. 7,439.55 million and Rs. 7,181.84 million, Rs. 244.08 million as at March 31, 2017, March 31, 2016 and March 31, 2013 respectively, total revenues of Rs. 13,239.96 million, Rs. 3,895.73 million, Rs. 2.29 million, Rs. 1.18 million for the year ended March 31, 2017, March 31, 2016, March 31, 2014 and March 31, 2013 and net cash flows amounting to Rs. 46.20 million, Rs. 11.74 million and cash out flow of Rs. 0.91 million for the year ended on March 31, 2017, March 31, 2016 and March 31, 2013, as considered in the Restated Consolidated Financial Information. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts included in respect of these subsidiaries is based solely on the report of the other auditors.

(b) We did not audit the Financial Statements of two joint ventures and certain associates, whose Financial Statements reflect group share of net profit of Rs. 112.81 million, Rs. 310.18 million, Rs. 129.13 million, Rs. 139.88 million, Rs. 56.66 million as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 respectively, as considered in the Restated Consolidated Financial Information. These Financial Statements have been audited by another auditor whose reports have been furnished to us by the Management and our opinion on the Restated Consolidated Financial Information, in so far as it relates to the amounts included in respect of aforesaid joint venture and associates, is based solely on the report of the another auditor.

(c) We did not audit the Financial Statements of a joint venture and two associates, whose Financial Statements reflect group share of net loss of Rs. 28.96 million as at March 31, 2017, as considered in the Restated Consolidated Financial Information. These financial statements are unaudited and have been provided to us by the Management and our opinion on the Restated Consolidated Financial Information in so far as it relates to the amounts relates to the aforesaid joint venture and associates, is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

**Restriction on Use**

14. Our report is intended solely for use of the management for inclusion in the offer document to be filed with Securities and Exchange Board of India, Registrar of Companies, Mumbai and concern stock exchange in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For KALYANIWALLA & MISTRY LLP**
**CHARTERED ACCOUNTANTS**
**Firm Reg. No. 104607W / W100166**

**Ermin K. Irani**
**Partner**
**Membership No.: 35646**

Place: Mumbai
Dated: July 18, 2017

Godrej Agrovet Limited

Annexure I: Restated Consolidated Statement of Assets and Liabilities

(Rs. in millions)

| | Note | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 2 | 12,220.52 | 10,987.26 | 5,224.59 | 4,395.86 | 2,872.76 |
| Capital work in progress | | 502.08 | 620.23 | 1,380.49 | 1,491.57 | 1,245.83 |
| Goodwill | | 1,948.67 | 1,948.67 | - | - | 10.14 |
| Other Intangible assets | 3 | 558.78 | 588.39 | 217.99 | 259.47 | 317.57 |
| Intangible assets under development | | 2.34 | 18.05 | - | 0.73 | - |
| Biological assets other than bearer plants | 4 | 46.70 | 88.68 | 123.36 | 184.29 | 178.79 |
| Equity accounted investees | 5 | 1,754.50 | 1,547.05 | 1,492.14 | 1,287.60 | 1,102.16 |
| Financial Assets | | | | | | |
| (i) Investments | 6 | 0.09 | 0.13 | 0.08 | 0.08 | 2.58 |
| (ii) Loans | 8 | 149.78 | 130.51 | 100.84 | 88.99 | 219.14 |
| (iii) Others | 9 | 49.19 | 58.02 | 17.71 | 17.46 | 16.59 |
| Deferred tax assets (net) | | 67.81 | 117.09 | 110.33 | 24.78 | 23.32 |
| Other tax assets | | 138.54 | 86.43 | 118.18 | 104.18 | 111.94 |
| Other non-current assets | 10 | 484.11 | 362.90 | 174.27 | 118.89 | 242.77 |
| **Total non current assets** | | **17,923.11** | **16,553.41** | **8,959.98** | **7,973.90** | **6,343.59** |
| **Current Assets** | | | | | | |
| Inventories | 11 | 7,380.68 | 6,665.39 | 3,887.79 | 3,192.82 | 2,781.93 |
| Financial Assets | | | | | | |
| (i) Investments | 12 | - | 592.56 | 366.11 | - | - |
| (ii) Trade receivables | 13 | 5,219.50 | 4,545.12 | 2,692.49 | 2,258.53 | 1,817.74 |
| (iii) Cash and cash equivalents | 14 | 538.19 | 314.30 | 130.39 | 1,138.59 | 212.51 |
| (iv) Bank balance other than (iii) above | 15 | 84.78 | 105.34 | 44.53 | 6.42 | 6.41 |
| (v) Loans | 16 | 255.35 | 1,389.26 | 958.92 | 851.50 | 778.21 |
| (vi) Others | 17 | 112.14 | 544.87 | 132.84 | 129.31 | 45.12 |
| Current Tax assets (Net) | | 4.13 | - | - | - | - |
| Other current assets | 18 | 626.45 | 519.00 | 353.12 | 207.48 | 155.45 |
| **Total current assets** | | **14,221.22** | **14,675.84** | **8,566.19** | **7,784.65** | **5,797.37** |
| **I. TOTAL ASSETS** | | **32,144.33** | **31,229.25** | **17,526.17** | **15,758.55** | **12,140.96** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| Equity share capital | 19 | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| Other equity | 20 | 8,236.55 | 6,902.70 | 5,475.53 | 5,052.38 | 4,003.21 |
| (i) Retained earnings | | 6,910.25 | 5,428.02 | 4,173.57 | 3,707.05 | 2,726.76 |
| (ii) Other reserves | | 1,326.30 | 1,474.68 | 1,301.96 | 1,345.33 | 1,276.45 |
| **Equity attributable to equity holders of the parent** | | 10,087.86 | 7,828.35 | 6,401.18 | 5,184.62 | 4,135.45 |
| Non-controlling interests | | 2,540.68 | 2,322.50 | - | - | - |
| **Total equity** | | **12,628.54** | **10,150.85** | **6,401.18** | **5,184.62** | **4,135.45** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 21 | 205.58 | 207.78 | 719.34 | 1,642.44 | 1,046.40 |
| (ii) Others | 22 | - | 65.37 | 44.60 | 11.15 | - |
| Long term provisions | 23 | 50.15 | 28.77 | 15.87 | 17.16 | 20.66 |
| Deferred tax liabilities(net) | | 1,663.36 | 1,455.89 | 563.92 | 433.38 | 257.99 |
| Other non-current liabilities | 24 | 505.63 | 471.01 | 72.04 | 70.86 | 7.82 |
| **Total non current liabilities** | | 2,424.72 | 2,228.82 | 1,415.77 | 2,174.99 | 1,332.87 |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 25 | 6,392.53 | 12,604.94 | 6,123.61 | 4,552.91 | 3,704.63 |
| (ii) Trade Payables | 26 | 8,408.47 | 3,352.75 | 2,142.73 | 2,297.07 | 1,827.42 |
| (iii) Others | 27 | 1,692.66 | 2,218.52 | 1,047.59 | 1,120.26 | 840.35 |
| Other current liabilities | 28 | 382.10 | 500.50 | 275.35 | 326.32 | 229.06 |
| Short term provisions | 29 | 215.31 | 172.87 | 119.94 | 102.38 | 71.18 |
| **Total current liabilities** | | **17,091.07** | **18,849.58** | **9,709.22** | **8,398.94** | **6,672.64** |
| **Total liabilities** | | **19,515.79** | **21,078.40** | **11,124.99** | **10,573.93** | **8,005.51** |
| **II. TOTAL EQUITY AND LIABILITIES** | | **32,144.33** | **31,229.25** | **17,526.17** | **15,758.55** | **12,140.96** |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Annexure II: Restated Consolidated statement of Profit and Loss**

(Rs. in millions)

| Particulars | Note | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| I. Revenue from Operations | 30 | 49,264.02 | 37,549.55 | 33,118.24 | 31,024.73 | 27,608.75 |
| II. Other income | 31 | 568.96 | 627.14 | 136.64 | 149.41 | 106.96 |
| **III. Total Income (I+II)** | | **49,832.98** | **38,176.69** | **33,254.88** | **31,174.14** | **27,715.71** |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 32 | 36,171.24 | 28,571.49 | 25,062.48 | 23,370.56 | 21,550.29 |
| Purchases of Stock-in-Trade | 33 | 1,836.28 | 1,735.13 | 1,464.01 | 1,908.76 | 1,172.67 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 34 | (46.05) | (855.40) | (369.61) | (238.13) | (290.52) |
| Excise duty | | 153.15 | 47.98 | - | - | 3.64 |
| Employee Benefits Expenses | 35 | 2,327.49 | 1,556.82 | 1,334.01 | 1,297.56 | 1,042.49 |
| Finance costs | 36 | 863.42 | 976.70 | 654.64 | 402.89 | 485.12 |
| Depreciation and Amortisation Expenses | 37 | 746.65 | 523.75 | 369.76 | 275.74 | 193.20 |
| Other Expenses | 38 | 4,441.50 | 3,528.63 | 2,568.01 | 2,271.47 | 2,184.46 |
| **Total Expenses** | | **46,493.68** | **36,085.10** | **31,083.30** | **29,288.85** | **26,341.35** |
| **V. Profit before share of net profits of investments accounted for using equity method and tax (III-IV)** | | **3,339.30** | **2,091.59** | **2,171.58** | **1,885.29** | **1,374.36** |
| **VI. Share of equity-accounted investees, net of tax** | | 187.46 | 326.58 | 169.66 | 186.02 | (7.36) |
| **VII. Profit Before exceptional items and tax (V+VI)** | | **3,526.76** | **2,418.17** | **2,341.24** | **2,071.31** | **1,367.00** |
| **VIII.** Exceptional Items | | 200.00 | 945.93 | 364.48 | - | - |
| **IX. Profit before tax (VII+VIII)** | | **3,726.76** | **3,364.10** | **2,705.72** | **2,071.31** | **1,367.00** |
| **X. Tax expense:** | | **991.46** | **754.35** | **605.27** | **506.17** | **401.20** |
| Current Tax | | 743.75 | 484.95 | 550.62 | 430.98 | 273.98 |
| Deferred Tax | | 247.71 | 269.40 | 54.65 | 75.19 | 127.22 |
| **XI. Profit for the period (IX-X)** | | **2,735.30** | **2,609.75** | **2,100.45** | **1,565.14** | **965.80** |
| **XII. Other comprehensive income** | | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | | (39.36) | (20.17) | (22.82) | (1.43) | (17.28) |
| Equity accounted investee's share of other comprehensive income | | (2.37) | 1.53 | 1.72 | (0.65) | 0.86 |
| Income tax related to items that will not be reclassified to profit or loss | | 14.44 | 8.92 | 7.17 | 0.70 | 5.58 |
| **Items that will be reclassified to profit or loss** | | | | | | |
| Foreign operations – foreign currency translation differences | | 0.57 | (11.98) | (10.50) | (26.42) | (19.33) |
| Deferred gains/(losses) on cash flow hedges | | 31.52 | - | - | - | - |
| Income tax related to items that will be reclassified to profit or loss | | (10.91) | - | - | - | - |
| **Other comprehensive income (net of tax)** | | **(6.11)** | **(21.70)** | **(24.43)** | **(27.80)** | **(30.17)** |
| **XIII. Total comprehensive income for the year** | | **2,729.19** | **2,588.05** | **2,076.02** | **1,537.34** | **935.63** |
| **Profit attributable to:** | | | | | | |
| Equity holders of the Company | | 2,487.70 | 2,639.25 | 2,100.45 | 1,565.14 | 965.80 |
| Non-controlling interest | | 247.60 | (29.50) | - | - | - |
| **Total other comprehensive income attributable to:** | | | | | | |
| Equity holders of the Company | | (2.58) | (22.70) | (24.43) | (27.80) | (30.17) |
| Non-controlling interest | | (3.53) | 1.00 | - | - | - |
| **Total comprehensive income attributable to:** | | | | | | |
| Equity holders of the Company | | 2,485.12 | 2,616.55 | 2,076.02 | 1,537.34 | 935.63 |
| Non-controlling interest | | 244.07 | (28.50) | - | - | - |
| **XIV. Earnings per equity share** | 39 | | | | | |
| Basic | | 11.42 | 9.78 | 8.98 | 7.13 | 1.20 |
| Diluted | | 10.92 | 9.35 | 8.58 | 6.81 | 1.19 |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Godrej Agrovet Limited**

**Annexure III: Restated Consolidated Statement of Changes in Equity**

**(a) Equity share capital**

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Balance at the beginning of the reporting period | 925.65 | 925.65 | 132.24 | 132.24 | 121.19 |
| Changes in equity share capital during the year | | | | | |
| Issue of equity shares to V-Sciences Investments Pte Ltd | - | - | - | - | 5.18 |
| Issue of equity shares to Company's ESOP Trust | - | - | - | - | 5.87 |
| Bonus shared issued | 925.66 | - | 793.41 | - | - |
| **Balance at the end of the reporting period** | **1,851.31** | **925.65** | **925.65** | **132.24** | **132.24** |

(Rs. in millions)

**(b) Other equity**

| | Retained earnings | General reserve | Capital Reserve | Reserve for employee compensation expense | Debenture redemption reserve | Employee share option outstanding | Securities Premium Account | Treasury share reserve | Cash Flow Hedge Reserve | Foreign Currency Translation reserve | Total attributable to the owners of the Company | Non - controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at March 31, 2016** | **5,428.02** | **50.73** | **-** | **238.98** | **187.50** | **1,074.70** | **-** | **(5.87)** | **-** | **(71.36)** | **6,902.70** | **2,322.50** | **9,225.20** |
| **Total comprehensive income for the year** | | | | | | | | | | | - | | |
| Profit for the year | 2,487.70 | | | | | | | | | | **2,487.70** | 247.60 | **2,735.30** |
| Other comprehensive income for the year | (23.68) | | | | | | | | 20.79 | 0.31 | **(2.58)** | (3.53) | **(6.11)** |
| **Total comprehensive income for the year** | **2,464.02** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **20.79** | **0.31** | **2,485.12** | **244.07** | **2,729.19** |
| **Transactions with the owners of the Company** | | | | | | | | | | | | | |
| **Contributions and distributions** | | | | | | | | | | | | | |
| **Others** | | | | | | | | | | | | | |
| Bonus shares issued | (925.66) | - | - | - | - | - | - | - | - | - | (925.66) | - | **(925.66)** |
| Adjustments for earlier years | 1.64 | - | - | - | - | - | - | - | - | - | 1.64 | - | **1.64** |
| Liability towards Put Option arrangement | (26.69) | - | - | - | - | - | - | - | - | - | (26.69) | - | **(26.69)** |
| Transfer to Debenture Redemption Reserve from Retained Earnings | 187.50 | - | - | - | (187.50) | - | - | - | - | - | - | - | **-** |
| Transfer to General Reserve | (12.50) | 12.50 | - | - | - | - | - | - | - | - | - | - | **-** |
| Additions during the year | - | - | 17.29 | - | - | - | - | - | - | - | 17.29 | - | **17.29** |
| Transfer to Reserve for employee compensation expenses | - | 1.41 | - | (1.41) | - | - | - | - | - | - | - | - | **-** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court | - | (27.80) | - | - | - | - | - | - | - | - | (27.80) | - | **(27.80)** |
| Employee compensation expenses recognised during the period | - | - | - | (237.57) | - | 246.38 | - | - | - | - | 8.81 | - | **8.81** |
| Exercise of Stock Options | - | - | - | - | - | (5.87) | - | 5.87 | - | - | - | - | **-** |
| Transfer from employee stock option outstanding on issue of ESOP shares to beneficiaries | - | - | - | - | - | (1,298.99) | 1,306.21 | - | - | - | 7.22 | - | **7.22** |
| Adjustment for excess of investment over share of non controlling interest | (208.98) | - | - | - | - | - | - | - | - | - | (208.98) | - | **(208.98)** |
| Others | 2.90 | - | - | - | - | - | - | - | - | - | 2.90 | - | **2.90** |
| ***Changes in ownership interests in subsidiaries that do not result in loss of control*** | | | | | | | | | | | | - | **-** |
| Acquisition of non-controlling interests | - | - | - | - | - | - | - | - | - | - | - | (25.88) | **(25.88)** |
| **Balance at March 31, 2017** | **6,910.25** | **36.84** | **17.29** | **-** | **-** | **16.22** | **1,306.21** | **-** | **20.79** | **(71.05)** | **8,236.55** | **2,540.68** | **10,777.23** |

(b) Other equity

(Rs. in millions)

| | Retained earnings | General reserve | Capital Reserve | Reserve for employee compensation expense | Debenture redemption reserve | Employee share option outstanding | Securities Premium Account | Treasury share reserve | Cash Flow Hedge Reserve | Foreign Currency Translation reserve | Total attributable to the owners of the Company | Non - controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at March 31, 2015** | **4,173.57** | **66.81** | **-** | **352.64** | **-** | **947.76** | **-** | **(5.87)** | | **(59.38)** | **5,475.53** | **-** | **5,475.53** |
| **Total comprehensive income for the year** | | | | | | | | | | | **-** | | **-** |
| Profit for the year | 2,639.25 | | | | | | | | | | **2,639.25** | (29.50) | **2,609.75** |
| Other comprehensive income for the year | (10.72) | | | | | | | | | (11.98) | **(22.70)** | 1.00 | **(21.70)** |
| **Total comprehensive income for the year** | **2,628.53** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | | **(11.98)** | **2,616.55** | **(28.50)** | **2,588.05** |
| **Transactions with the owners of the Company, recorded directly in equity** | | | | | | | | | | | | | |
| **Contributions and distributions** | | | | | | | | | | | | | |
| Dividends | (411.32) | - | - | - | - | - | - | - | - | - | **(411.32)** | | **(411.32)** |
| Dividend distribution tax | (84.44) | - | - | - | - | - | - | - | - | - | **(84.44)** | | **(84.44)** |
| | | | | | | | | | | | **-** | | **-** |
| **Others** | | | | | | | | | | | **-** | | **-** |
| Excess of Investment over book value of net assets adjusted as per scheme of Merger | (0.06) | - | - | - | - | - | - | - | - | - | **(0.06)** | | **(0.06)** |
| Acquired during the year | (0.44) | - | - | - | - | - | - | - | - | - | **(0.44)** | | **(0.44)** |
| Adjustments on Merger/Demerger | (1.94) | - | - | - | - | - | - | - | - | - | **(1.94)** | | **(1.94)** |
| Income recognized during the period on Deferred Govt Grants | (3.64) | - | - | - | - | - | - | - | - | - | **(3.64)** | | **(3.64)** |
| Transfer to General Reserve | (12.50) | 12.50 | - | - | - | - | - | - | - | - | **-** | | **-** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme | - | (28.58) | - | - | - | - | - | - | - | - | **(28.58)** | | **(28.58)** |
| Employee compensation expenses recognized | - | - | - | (113.66) | - | 126.94 | - | - | - | - | **13.28** | | **13.28** |
| Currency translation adjustments relating to joint venture | - | - | - | - | - | - | - | - | - | - | **-** | | **-** |
| Transfer to Debenture redemption reserve | (187.50) | - | - | - | 187.50 | - | - | - | - | - | **-** | | **-** |
| Adjustment in respect of overseas subsidiaries | (0.94) | - | - | - | - | - | - | - | - | - | **(0.94)** | | **(0.94)** |
| Adjustment on Demerger of Seed business | (341.06) | - | - | - | - | - | - | - | - | - | **(341.06)** | | **(341.06)** |
| Adjustments on Business combination | (326.57) | - | - | - | - | - | - | - | - | - | **(326.57)** | 2,236.33 | **1,909.76** |
| Others | (3.67) | - | - | - | - | - | - | - | - | - | **(3.67)** | (3.91) | **(7.58)** |
| **Changes in ownership interests in subsidiaries that do not result in loss of control** | | | | | | | | | | | **-** | | **-** |
| Acquisition of non-controlling interests | | | | | | | | | | | **-** | 118.59 | **118.59** |
| **Balance at March 31, 2016** | **5,428.02** | **50.73** | **-** | **238.98** | **187.50** | **1,074.70** | **-** | **(5.87)** | | **(71.36)** | **6,902.70** | **2,322.50** | **9,225.20** |

(Rs. in millions)

**(b) Other equity**

| | Retained earnings | General reserve | Capital Reserve | Reserve for employee compensation expense | Debenture redemption reserve | Employee share option outstanding | Securities Premium Account | Treasury share reserve | Cash Flow Hedge Reserve | Foreign Currency Translation reserve | Total attributable to the owners of the Company | Non - controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at March 31, 2014** | **3,707.05** | **99.68** | **-** | **466.52** | **-** | **833.88** | **-** | **(5.87)** | | **(48.88)** | **5,052.38** | **-** | **5,052.38** |
| **Total comprehensive income for the year** | | | | | | | | | | | **-** | | **-** |
| Profit for the year | 2,100.45 | | | | | | | | | - | **2,100.45** | | **2,100.45** |
| Other comprehensive income for the year | (13.93) | | | | | | | | | (10.50) | **(24.43)** | | **(24.43)** |
| **Total comprehensive income for the year** | **2,086.52** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | | **(10.50)** | **2,076.02** | **-** | **2,076.02** |
| **Transactions with the owners of the Company, recorded directly in equity** | | | | | | | | | | | | | **-** |
| **Contributions and distributions** | | | | | | | | | | | | | **-** |
| Dividends | (705.61) | - | - | - | - | - | - | - | - | - | **(705.61)** | | **(705.61)** |
| Dividend distribution tax | (119.88) | - | - | - | - | - | - | - | - | - | **(119.88)** | | **(119.88)** |
| | | | | | | | | | | | **-** | | **-** |
| **Others** | | | | | | | | | | | **-** | | **-** |
| Share of Minority interest of current Profit after tax | 8.54 | - | - | - | - | - | - | - | - | - | **8.54** | | **8.54** |
| Share of Minority interest of Reserves | 9.01 | - | - | - | - | - | - | - | - | - | **9.01** | | **9.01** |
| Utilised for issuing Bonus Shares | (793.42) | - | - | - | - | - | - | - | - | - | **(793.42)** | | **(793.42)** |
| Employee compensation expenses recognized | - | - | - | (113.88) | - | 113.88 | - | - | - | - | **-** | | **-** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme | - | (32.87) | - | - | - | - | - | - | - | - | **(32.87)** | | **(32.87)** |
| Currency translation adjustments relating to joint venture | - | - | - | - | - | - | - | - | - | - | **-** | | **-** |
| Unabsorbed share of minority interest to majority shareholder | (17.55) | - | - | - | - | - | - | - | - | - | **(17.55)** | | **(17.55)** |
| Recognition of guarantee commission | (1.09) | - | - | - | - | - | - | - | - | - | **(1.09)** | | **(1.09)** |
| **Balance at March 31, 2015** | **4,173.57** | **66.81** | **-** | **352.64** | **-** | **947.76** | **-** | **(5.87)** | | **(59.38)** | **5,475.53** | **-** | **5,475.53** |
| | | | | | | | | | | | | | |
| **Balance at March 31, 2013** | **2,726.76** | **200.50** | **3.88** | **379.99** | **-** | **720.41** | **-** | **(5.87)** | | **(22.46)** | **4,003.21** | **-** | **4,003.21** |
| **Total comprehensive income for the year** | | | | | | | | | | | **-** | | **-** |
| Profit for the year | 1,565.14 | | | | | | | | | | **1,565.14** | | **1,565.14** |
| Other comprehensive income for the year | (1.38) | | | | | | | | | (26.42) | **(27.80)** | | **(27.80)** |
| **Total comprehensive income for the year** | **1,563.76** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | | **(26.42)** | **1,537.34** | **-** | **1,537.34** |
| **Transactions with the owners of the Company, recorded directly in equity** | | | | | | | | | | | | | **-** |
| **Contributions and distributions** | | | | | | | | | | | | | **-** |
| Dividends | (251.25) | - | - | - | - | - | - | - | - | - | **(251.25)** | | **(251.25)** |
| Dividend distribution tax | (42.70) | - | - | - | - | - | - | - | - | - | **(42.70)** | | **(42.70)** |
| | | | | | | | | | | | **-** | | **-** |
| **Others** | | | | | | | | | | | **-** | | **-** |
| Adjustments on Merger/Demerger | (1.35) | - | - | - | - | - | - | - | - | - | **(1.35)** | | **(1.35)** |
| Restatement/revision in the Value of certain Assets as approved | (144.65) | - | - | - | - | - | - | - | - | - | **(144.65)** | | **(144.65)** |
| Transfer from retained earnings | (143.87) | 143.87 | - | - | - | - | - | - | - | - | **-** | | **-** |
| Transfer from General Reserve Account as approved by Bombay High Court | - | (200.00) | - | 200.00 | - | - | - | - | - | - | **-** | | **-** |
| Employee compensation expenses recognized | - | - | - | (113.47) | - | 113.47 | - | - | - | - | **-** | | **-** |
| Expenses on Merger | - | (4.07) | - | - | - | - | - | - | - | - | **(4.07)** | | **(4.07)** |
| Excess of Investment over book value adjusted as per scheme of Merger | - | (6.14) | - | - | - | - | - | - | - | - | **(6.14)** | | **(6.14)** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme | - | (34.48) | - | - | - | - | - | - | - | - | **(34.48)** | | **(34.48)** |
| Utilised during the year | - | - | (3.88) | - | - | - | - | - | - | - | **(3.88)** | | **(3.88)** |
| Share of Minority interest of current Profit after tax | 1.16 | - | - | - | - | - | - | - | - | - | **1.16** | | **1.16** |
| Share of Minority interest of Reserves | 7.79 | - | - | - | - | - | - | - | - | - | **7.79** | | **7.79** |
| Unabsorbed share of minority interest to majority shareholder | (9.01) | - | - | - | - | - | - | - | - | - | **(9.01)** | | **(9.01)** |
| Adjustment on application of deemed cost exemption | 1.46 | - | - | - | - | - | - | - | - | - | **1.46** | | **1.46** |
| Recognition of guarantee commission | (1.05) | - | - | - | - | - | - | - | - | - | **(1.05)** | | **(1.05)** |
| **Balance at March 31, 2014** | **3,707.05** | **99.68** | **-** | **466.52** | **-** | **833.88** | **-** | **(5.87)** | | **(48.88)** | **5,052.38** | **-** | **5,052.38** |

(Rs. in millions)

**(b) Other equity**

| | Retained earnings | General reserve | Capital Reserve | Reserve for employee compensation expense | Debenture redemption reserve | Employee share option outstanding | Securities Premium Account | Treasury share reserve | Cash Flow Hedge Reserve | Foreign Currency Translation reserve | Total attributable to the owners of the Company | Non - controlling interest | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Balance at April 1, 2012** | **1,888.54** | **139.99** | **-** | **-** | **-** | **-** | **46.77** | **-** | **-** | **(3.13)** | **2,072.17** | **-** | **2,072.17** |
| **Total comprehensive income for the year** | | | | | | | | | | | | | |
| Profit for the year | 965.80 | | | | | | | | | | **965.80** | | **965.80** |
| Other comprehensive income for the year | (10.84) | | | | | | | | | (19.33) | **(30.17)** | | **(30.17)** |
| **Total comprehensive income for the year** | **954.96** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | | **(19.33)** | **935.63** | **-** | **935.63** |
| **Transactions with the owners of the Company, recorded directly in equity** | | | | | | | | | | | | | |
| **Others** | | | | | | | | | | | | | |
| Transfer from retained earnings | (100.16) | 100.16 | 3.88 | - | - | - | - | - | - | - | **3.88** | | **3.88** |
| Share premium on 1,104,882 Equity Shares, each fully paid issued during the year ended March 31, 2013 | - | - | - | - | - | - | 2,380.37 | - | - | - | **2,380.37** | | **2,380.37** |
| Amount recoverable from GAVL ESOP Trust | - | - | - | - | - | - | (1,264.13) | - | - | - | **(1,264.13)** | | **(1,264.13)** |
| Share issue expenses charged to Share premium Account. | - | - | - | - | - | - | (62.61) | - | - | - | **(62.61)** | | **(62.61)** |
| Transferred to Employee Compensation Reserve Account as per scheme of Capital Reduction approved by Bombay High Court | - | - | - | 1,100.40 | - | - | (1,100.40) | - | - | - | **-** | | **-** |
| Employee compensation expenses recognized | - | - | - | (720.41) | - | 720.41 | - | - | - | - | **-** | | **-** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme | - | (39.65) | - | - | - | - | - | - | - | - | **(39.65)** | | **(39.65)** |
| Adjustment on application of deemed cost exemption | 4.20 | - | - | - | - | - | - | - | - | - | **4.20** | | **4.20** |
| Shares held by company's ESOP Trust | - | - | - | - | - | - | - | (5.87) | - | - | **(5.87)** | | **(5.87)** |
| Other adjustments | (20.78) | - | - | - | - | - | - | - | - | - | **(20.78)** | | **(20.78)** |
| **Balance at March 31, 2013** | **2,726.76** | **200.50** | **3.88** | **379.99** | **-** | **720.41** | **-** | **(5.87)** | | **(22.46)** | **4,003.21** | **-** | **4,003.21** |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Godrej Agrovet Limited**

**Annexure IV: Restated Consolidated Cash flow statement** **(Rs. in millions)**

| | Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| A. | **Cash Flow from Operating Activities :** | | | | | |
| | **Net Profit Before Taxes** | **3,726.76** | **3,364.10** | **2,705.72** | **2,071.31** | **1,367.00** |
| | Adjustment for: | | | | | |
| | Depreciation | 746.65 | 523.75 | 369.76 | 275.74 | 193.20 |
| | (Profit)/loss on sale of fixed assets | 23.81 | (49.27) | (5.27) | (19.57) | 1.47 |
| | (Profit)/loss on sale of investments | (279.90) | (257.19) | - | - | (0.08) |
| | Unrealised foreign exchange and MTM gain/loss | (11.04) | 5.79 | 11.32 | (5.87) | (7.71) |
| | Dividend income | (0.00) | (0.17) | - | - | - |
| | Grant amortisation | (11.62) | (12.14) | (4.73) | (0.95) | (0.45) |
| | Interest income | (148.01) | (91.61) | (34.26) | (28.39) | (25.71) |
| | Employee share based compensation cost | 8.77 | 9.24 | - | - | - |
| | Share of equity-accounted investees, net of tax | (187.46) | (326.58) | (169.66) | (186.02) | 7.36 |
| | Actuarial gains and losses | (39.36) | (20.17) | (22.82) | (1.43) | (17.28) |
| | Guarantee commission | - | (0.95) | (1.07) | (1.05) | (0.85) |
| | Finance Cost | 863.42 | 976.70 | 654.64 | 402.89 | 485.12 |
| | Provision for Doubtful Debts and Advances | 53.77 | 24.42 | (9.47) | (7.79) | (3.61) |
| | Exceptional /Other Income | (198.37) | (945.93) | (364.48) | (2.72) | - |
| | Fair value of investment | - | (85.54) | 24.89 | (7.40) | 6.09 |
| | Employee Cost (Issue of Sweat equity Shares) | - | - | - | - | - |
| | Bad Debts Written off | 80.07 | 48.97 | 42.71 | 60.53 | 59.98 |
| | | **900.73** | **(200.68)** | **491.56** | **477.97** | **697.53** |
| | **Operating Profit Before Working Capital Changes** | **4,627.49** | **3,163.42** | **3,197.28** | **2,549.28** | **2,064.53** |
| | Adjustments for: | | | | | |
| | Inventories | (752.50) | (1,292.13) | (642.67) | (522.58) | (878.02) |
| | Biological assets other than bearer plants | 41.98 | 34.68 | 8.64 | 17.41 | (36.59) |
| | Trade Receivables | (820.35) | (1,217.14) | (465.22) | (499.48) | (630.90) |
| | Long Term Loans and Advances and Other Non-current Assets | 2,299.38 | 45.66 | 9.10 | 143.66 | 260.12 |
| | Short Term Loans and Advances and Other Current Assets | (101.00) | 825.39 | (52.19) | 56.96 | 137.26 |
| | Trade Payables & Other Current Liabilities | 5,099.40 | 525.58 | (131.00) | 482.29 | 292.43 |
| | Long Term Provisions and Other Long Term Liabilities | (32.62) | 10.64 | (2.23) | 9.13 | (16.38) |
| | Short Term Provisions and Other Short Term Liabilities | (589.17) | 42.98 | (276.64) | 283.38 | (416.31) |
| | | **5,145.12** | **(1,024.34)** | **(1,552.21)** | **(29.23)** | **(1,288.39)** |
| | **Cash Generated from Operations** | **9,772.61** | **2,139.08** | **1,645.07** | **2,520.05** | **776.14** |
| | Direct Taxes paid (net of refunds received) | (799.58) | (455.89) | (556.79) | (421.18) | (330.99) |
| | **Net Cash Flow from Operating Activities** | **8,973.03** | **1,683.19** | **1,088.28** | **2,098.87** | **445.15** |
| B. | **Cash Flow from Investing Activities :** | | | | | |
| | Capital subsidy received | - | 30.00 | 5.00 | 20.58 | - |
| | Acquisition of fixed assets | (2,048.98) | (1,331.81) | (1,118.48) | (1,878.81) | (1,594.28) |
| | Proceeds from sale of fixed assets | 99.84 | 78.95 | 19.81 | 40.75 | 7.89 |
| | Intercorporate Deposits Given | 300.00 | (715.30) | (110.03) | (64.00) | (120.00) |
| | Purchase of Investments | (258.99) | (47.49) | (130.75) | (67.74) | (7.52) |
| | Acquisition of subsidiaries, net of cash acquired (Refer note 60) | - | (3,013.73) | - | - | - |
| | Proceeds from sale of investments | 868.57 | 628.50 | - | - | 0.46 |
| | Deposits Redeemed | 24.13 | - | - | - | - |
| | Other Income | - | 4.98 | - | - | - |
| | Interest Received | 147.24 | 87.77 | 27.83 | 46.64 | 43.03 |
| | Dividend Received | 0.00 | 0.17 | - | - | - |
| | Adjustments on Merger/Demerger of Business | - | - | - | (5.42) | - |
| | **Net Cash Flow from Investing Activities** | **(868.19)** | **(4,277.96)** | **(1,306.62)** | **(1,908.00)** | **(1,670.42)** |
| C. | **Cash Flow from Financing Activities :** | | | | | |
| | Proceeds from Issue of Equity Shares | 7.83 | 39.00 | - | - | 1,093.29 |
| | Merger Expenses charged directly to Reserves | - | (1.94) | - | - | - |
| | Share Issue Expenses charged directly to Reserves | - | - | - | (5.43) | (62.61) |
| | Redemption of Preference Share Capital | - | (35.00) | - | - | - |
| | Repayment of Short Term Borrowings | (11,406.59) | (6,192.16) | (4,478.93) | (3,605.64) | (4,190.08) |
| | Proceeds from Short Term Borrowings | 4,806.10 | 10,955.97 | 6,087.58 | 4,457.33 | 3,705.64 |
| | Repayment of Long Term Borrowings | (60.18) | (823.31) | (1,602.70) | (501.53) | - |
| | Proceeds from Long Term Borrowings | (366.41) | 807.00 | 680.00 | 1,100.00 | 1,202.30 |
| | Finance Cost | (861.42) | (971.62) | (650.28) | (421.40) | (502.63) |
| | Transactions with non-controlling interests | - | (452.78) | - | - | - |
| | Dividend Paid | - | (451.88) | (705.61) | (251.25) | - |
| | Dividend Tax Paid | - | (89.42) | (119.92) | (42.70) | - |
| | **Net Cash Flow from Financing Activities** | **(7,880.67)** | **2,783.86** | **(789.86)** | **729.38** | **1,245.91** |
| | **Net increase in Cash and Cash equivalents** | **224.17** | **189.09** | **(1,008.20)** | **920.25** | **20.64** |
| | **Cash and Cash equivalents (Opening balance)** | 314.30 | 130.39 | 1,138.59 | 212.51 | 191.87 |
| | **Less: Opening Cash & Cash equivalents removed** | (0.28) | - | - | - | - |
| | **Cash and Cash equivalents (Opening balance taken over)** | - | - | - | - | - |
| | Goldmuhor Agrochem & Feeds Limited | - | - | - | 4.51 | - |
| | Golden Feed Products Limited | - | - | - | 1.32 | - |
| | Cash & Cash Equivalent removed of subsidiary disposed off | - | (5.18) | - | - | - |
| | **Cash and Cash equivalents (Closing balance)** | **538.19** | **314.30** | **130.39** | **1,138.59** | **212.51** |

1. The above restated cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards ) Rules 2015 and the relevant provisions of the Act.

2. During the previous year the group has acquired Creamline Dairy Product Limited and Astec Lifescience Limited (Refer Note No.60).The figures of the previous year to that extent are not comparable with those of current year.

3. Figures in bracket indicate cash outflow.

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Consolidated Financial information appearing in Annexure VI and Statement of adjustments to Audited Consolidated Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Annexure V : Basis of preparation and Significant Accounting Policies**

**Notes to Financial Statements**

## 1. Basis of preparation

The Restated Consolidated Statement of Assets and Liabilities of Godrej Agrovet Limited as at March 31, 2017, 2016, 2015, 2014, and 2013, the Restated Consolidated Statement of Profit and Loss, the Restated Consolidated Statement of Changes in Equity and the Restated Consolidated Statement of Cash flows for the years ended March 31, 2017, 2016, 2015, 2014, and 2013 and Restated Other Consolidated Financial Information (together referred as 'Restated Consolidated Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements of the Group for the respective years ("Audited Consolidated Financial Statements") prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP' or 'Indian GAAP').

The Restated Consolidated Financial Information relates to the Company, its subsidiary companies, joint venture and associates (collectively referred to as "the Group").

In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of Restated Consolidated Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP" or "Indian GAAP") to Ind AS of Restated Consolidated Shareholders' equity as at March 31, 2016, 2015, 2014, 2013, and April 1, 2012 and of the Restated Consolidated Statement of profit and loss for the year ended March 31, 2017, 2016, 2015, 2014 and 2013.

The Restated Consolidated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Mumbai and the concerned Stock Exchange in accordance with the requirements of:

a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI regulations").

c) Guidance note on reports in Company prospectuses issued by the Institute of Chartered Accountants of India.

These Restated Consolidated Financial Information have been compiled by the Company from the Audited Consolidated Financial Statements and:

• there were no audit qualifications on these Restated consolidated financial statements except for the year ended March 31, 2017,

• there were no changes in accounting policies under Previous GAAP during the years of these financial statements,

- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,

- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the condensed audited consolidated financial statements of the Group as at and for the half year ended September 30, 2016 prepared under Ind AS and the requirements of the SEBI Regulations, and

- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

**(i) Historical cost convention**

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;
- asset held for sale and biological Assets – measured at fair value less cost to sell;
- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value

**(ii) Functional and presentation currency**

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

**2. General information**

Godrej Agrovet Ltd. ("the Company" or "Parent") 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. The Company and its subsidiaries, joint ventures and associates (the "Group") is a diversified agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products & milk and milk products.

## 3. Basis of consolidation

### (i) Subsidiaries :

Subsidiaries are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the group. The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter Group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed wherever necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

### (ii) Equity method :

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the group's share of the post-acquisition profits or losses of the investee in the Statement of Profit and Loss, and the group's share of other comprehensive income of the investee in other comprehensive income.

When the group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the unless it has incurred obligations or made payments on behalf of the other entitygroup does not recognise further losses, Unrealised gains on transactions between the group and its subsidiaries are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the group.

## 4. Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the

- Fair value of the assets transferred;
- Liabilities incurred to the former owners of the acquired business;
- Equity interests issued by the group
- Fair value of any asset or liability resulting from contingent consideration arrangement

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. The group recognizes any non-controlling interest in the acquired entity on an acquisition-by-acquisition basis either at their fair value or at the non-controlling interest's proportionate share of the acquired entity's net identifiable assets.

Acquisition related costs are expenses as incurred.

The excess of the

- Consideration transferred;
- Amount of any non-controlling interest in the acquired entity; and
- Acquisition date fair value of any previous equity interest in the acquired entity

over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets acquired, the difference is recognized in other comprehensive income and accumulated in equity as capital reserve provided there is clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. In other cases, the bargain purchase gain is recognized directly in equity as capital reserve.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest is remeasured to fair value at the acquisition date. Any gains arising from such remeasurement are recognized in the Statement of Profit and Loss or Other Comprehensive Income, as appropriate.

## 5. Key estimates and assumptions

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

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

Judgement, estimates and assumptions are required in particular for:

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

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

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

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

- **Recognition and measurement of other provisions**

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

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

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

- **Fair valuation of employee share options**

  The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

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

  At inception of an arrangement, the Group determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Group separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Group's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

  Rebates are generally provided to distributors or customers as an incentive to sell the Group's products. Rebates are based on purchases made during the period by distributor / customer. The Group determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

- **Fair value of financial instruments**

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

## 6. Measurement of fair values

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

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

## 7. Standards issued but not yet effective

i) Ind AS 102 Share-based Payment:

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30–31, 33 and 52 of Ind AS 102 were amended and paragraphs 33A–33H, 59A–59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounting for a modification of a share-based payment transaction that changes its classification from cash-settled to equity settled.

The Group is in the process of making an assessment of the impact of amendments to Ind AS 102. As at the date of this report, the Group's management does not expect that the impact on the Group's results of operations and financial position will be material upon adoption of amendments to Ind AS 102.

## 8. Significant accounting policies

### A. Revenue

i. Sale of goods

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

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be measured reliably.

iii. 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 and Loss.

## B. Foreign currency

i. Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the Group.

ii. Transactions and balances

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

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

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

Exchange differences are generally recognised in the Statement of Profit and Loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

## C. Employee benefits

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the

Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

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

ii. <u>Defined contribution plans</u>

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

iii. <u>Defined benefit plans</u>

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

- 

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

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

  The Group’s net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

  Gratuity Fund

  The Group provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Group. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

iv. Other long-term employee benefits

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

v. Terminal Benefits:

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

## D. Income Tax

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

### i. Current tax

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

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

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 Group 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 Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

a) the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

## E. Inventories

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at lower of cost and net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

(d) Land development project in progress includes cost of land, development management fees, construction cost, allocated interest and expenses attributable to the construction of the project undertaken by the Group.

**F. Property, plant and equipment**

**i. Recognition and measurement**

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

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 and 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 and Loss.

On transition to Ind AS, the Group has elected to continue with the carrying value of all if 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 Group.

**iii. Depreciation/ Amortizations**

Depreciation on tangible fixed assets is provided in accordance with the provisions of Schedule II of the Companies Act 2013, on Straight Line Method. Depreciation on additions / deductions is calculated on pro rata basis from/up to the month of additions/deductions. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

(a) Plant and Machinery: - 20 Years

(b) Computer HardwareCrates, cans and milko testers:
Depreciated over the estimated useful life of 4 years.

(c) Leasehold Land:
Amortized over the primary lease period.

(d) Leasehold improvements and equipments:
Amortised over the Primary lease period or 16 years whichever is less

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

**G. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**I. Intangible assets**

**Recognition and measurement**

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

Intangible assets viz. Technical Know-how fees, Grant of Licenses and Computer software, which are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

The cost of intangible assets at 1st April 2015, the Group's date of transition to Ind AS, was determined with reference to its carrying value at that date.

**Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the Statement of Profit and Loss.

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

| | |
|---|---|
| - Grant of licenses | : 10 years |
| - Computer Software | : 6 years |
| - Tree Development Cost | : 15 years |
| - Technical Know-how of a capital nature & Product Registration expenses | : 6 years |

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

**<u>Research and Development Expenditure</u>**

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

## J. Share-based payments:

a. Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit and Loss.

e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

## K. 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 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 Group 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 Group'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 Group 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 and Loss, transaction costs that are attributable to the acquisition of the financial asset.

**Equity investments (other than investments in associates and joint venture)**

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at FVOCI or FVTPL. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- If the Group decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**Derecognition**

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

- The rights to receive cash flows from the asset have expired, or
- The Group 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 Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group 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 Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group 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 Group 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 Group could be required to repay.

**Impairment of financial assets**

In accordance with Ind-AS 109, the Group 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 Group 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 Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

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

**Financial guarantee contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

### 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.

### Derivative financial instruments

The Group uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

## L. 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 Group 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.

## M. Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

## N. Leases

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

### i. Lease payments

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**ii. Lease assets**

Assets held by the Group under leases that transfer to the Group substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Group's statement of financial position.

**O. Impairment of non-financial assets**

Goodwill and intangible assets that have infinite useful life are not subjected to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired.

The carrying values of other 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.

**P. 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 Group's cash management.

**Q. Grants / subsidies**

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

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

Revenue grants are recognized in the statement of profit and loss in the same period as the related cost which they are intended to compensate are accounted for.

**R. Construction contracts**

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract by reference to the stage of completion.

Contract costs are recognized as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.

Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

*Measurement of construction contract revenue and expense:*

The Group uses the 'percentage-of-completion' method to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

**S. Biological assets**

Biological assets are measured at fair value less costs to sell, with any change therein recognized in profit or loss.

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note - 2 Property, plant and equipment**

(Rs. in millions)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Year ended March 31, 2017** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2016 | 2,986.88 | 332.26 | 3,000.59 | 4,662.16 | 82.74 | 228.62 | 165.97 | 8.05 | 2.91 | 4.58 | 0.07 | 11,474.83 |
| Taken over | 163.88 | - | 248.03 | 184.19 | 0.94 | 47.25 | 2.21 | - | - | - | - | 646.50 |
| Additions | 164.40 | - | 299.01 | 791.36 | 14.16 | 82.76 | 69.28 | - | 8.00 | 0.56 | - | 1,429.53 |
| Disposals | (62.16) | - | (0.02) | (59.17) | (2.70) | (20.25) | (2.79) | - | - | (0.57) | (0.06) | (147.72) |
| **Closing Gross Block** | 3,253.00 | 332.26 | 3,547.61 | 5,578.54 | 95.14 | 338.38 | 234.67 | 8.05 | 10.91 | 4.57 | 0.01 | 13,403.14 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2016 | - | 2.64 | 83.58 | 339.75 | 7.67 | 26.50 | 22.49 | 4.03 | 0.54 | 0.37 | - | 487.57 |
| Depreciation charge during the year | - | 3.78 | 118.54 | 507.10 | 11.18 | 38.90 | 33.91 | 4.02 | 1.00 | 0.45 | - | 718.88 |
| Disposals | - | - | (0.00) | (17.63) | (0.60) | (4.72) | (0.80) | - | - | (0.08) | - | (23.83) |
| **Closing Accumulated Depreciation** | - | 6.42 | 202.12 | 829.22 | 18.25 | 60.68 | 55.60 | 8.05 | 1.54 | 0.74 | - | 1,182.62 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2017** | **3,253.00** | **325.84** | **3,345.49** | **4,749.32** | **76.89** | **277.70** | **179.07** | **-** | **9.37** | **3.83** | **0.01** | **12,220.52** |
| **Year ended March 31, 2016** | | | | | | | | | | | | |
| **Deemed Cost as at April 1, 2015** | **462.11** | **137.01** | **1,236.17** | **3,109.30** | **24.20** | **151.79** | **89.67** | **8.05** | **1.76** | **4.45** | **0.08** | **5,224.59** |
| Taken over | 2,502.07 | 25.00 | 617.42 | 722.54 | 13.94 | 28.97 | 19.43 | - | - | - | - | 3,929.37 |
| Additions | 27.94 | 170.25 | 1,153.45 | 841.19 | 45.13 | 54.93 | 57.60 | - | 1.15 | 1.15 | - | 2,352.79 |
| Disposals | (5.24) | - | (6.45) | (10.87) | (0.53) | (7.07) | (0.73) | - | - | (1.02) | (0.01) | (31.92) |
| **Closing Gross Block** | 2,986.88 | 332.26 | 3,000.59 | 4,662.16 | 82.74 | 228.62 | 165.97 | 8.05 | 2.91 | 4.58 | 0.07 | 11,474.83 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Depreciation charge during the year | - | 2.64 | 83.89 | 340.79 | 7.76 | 27.10 | 22.65 | 4.03 | 0.54 | 0.42 | - | 489.82 |
| Disposals | - | - | (0.31) | (1.04) | (0.09) | (0.60) | (0.16) | - | - | (0.05) | - | (2.25) |
| **Closing Accumulated Depreciation** | - | 2.64 | 83.58 | 339.75 | 7.67 | 26.50 | 22.49 | 4.03 | 0.54 | 0.37 | - | 487.57 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2016** | **2,986.88** | **329.62** | **2,917.01** | **4,322.41** | **75.07** | **202.12** | **143.48** | **4.02** | **2.37** | **4.21** | **0.07** | **10,987.26** |
| **Year ended March 31, 2015** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2014 | 443.28 | 105.75 | 1,054.67 | 3,055.57 | 27.70 | 86.18 | 68.23 | 14.92 | 2.28 | - | 0.13 | 4,858.71 |
| Additions | 18.83 | 35.55 | 316.03 | 650.65 | 11.51 | 104.60 | 53.65 | - | 0.05 | 4.66 | - | 1,195.53 |
| Disposals | - | - | (4.74) | (15.88) | (0.63) | (8.22) | (0.75) | - | (0.29) | - | (0.05) | (30.56) |
| **Closing Gross Block** | 462.11 | 141.30 | 1,365.96 | 3,690.34 | 38.58 | 182.56 | 121.13 | 14.92 | 2.04 | 4.66 | 0.08 | 6,023.68 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2014 | - | 2.77 | 72.06 | 339.59 | 10.69 | 15.14 | 16.69 | 5.72 | 0.18 | - | 0.01 | 462.85 |
| Depreciation charge during the year | - | 1.52 | 58.81 | 251.34 | 4.30 | 19.15 | 15.33 | 1.15 | 0.40 | 0.21 | 0.02 | 352.23 |
| Disposals | - | - | (1.08) | (9.89) | (0.61) | (3.52) | (0.56) | - | (0.30) | - | (0.03) | (15.99) |
| **Closing Accumulated Depreciation** | - | 4.29 | 129.79 | 581.04 | 14.38 | 30.77 | 31.46 | 6.87 | 0.28 | 0.21 | - | 799.09 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2015** | **462.11** | **137.01** | **1,236.17** | **3,109.30** | **24.20** | **151.79** | **89.67** | **8.05** | **1.76** | **4.45** | **0.08** | **5,224.59** |

(Rs. in millions)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Year ended March 31, 2014** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2013 | 287.08 | 105.42 | 738.46 | 1,793.41 | 21.90 | 60.94 | 59.12 | 14.92 | 1.11 | - | 0.17 | 3,082.53 |
| Taken over | 1.06 | 0.00 | 0.00 | 1.57 | (0.00) | 0.05 | (0.00) | - | - | - | - | 2.68 |
| Additions | 159.96 | 0.33 | 317.33 | 1,274.33 | 6.00 | 31.99 | 9.87 | - | 1.24 | - | | 1,801.05 |
| Disposals | (4.82) | - | (1.12) | (13.74) | (0.20) | (6.80) | (0.76) | - | (0.07) | - | (0.04) | (27.55) |
| **Closing Gross Block** | 443.28 | 105.75 | 1,054.67 | 3,055.57 | 27.70 | 86.18 | 68.23 | 14.92 | 2.28 | - | 0.13 | 4,858.71 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2013 | - | 1.43 | 32.75 | 154.25 | 2.80 | 7.08 | 7.38 | 3.97 | 0.10 | - | 0.01 | 209.77 |
| Depreciation charge during the year | - | 1.34 | 39.46 | 189.63 | 7.92 | 9.78 | 9.33 | 1.75 | 0.15 | - | 0.00 | 259.36 |
| Disposals | - | - | (0.15) | (4.29) | (0.03) | (1.72) | (0.02) | - | (0.07) | - | - | (6.28) |
| **Closing Accumulated Depreciation** | - | 2.77 | 72.06 | 339.59 | 10.69 | 15.14 | 16.69 | 5.72 | 0.18 | - | 0.01 | 462.85 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2014** | **443.28** | **102.98** | **982.61** | **2,715.98** | **17.01** | **71.04** | **51.54** | **9.20** | **2.10** | **-** | **0.12** | **4,395.86** |
| **Year ended March 31, 2013** | | | | | | | | | | | | |
| Deemed Cost as at April 1, 2012 | 250.28 | 104.94 | 314.11 | 812.93 | 17.19 | 42.95 | 39.84 | 14.92 | 0.07 | - | 0.13 | 1,597.36 |
| Taken over | - | 0.48 | 13.87 | 41.56 | 0.42 | 0.45 | 1.80 | - | - | - | - | 58.58 |
| Additions | 36.80 | - | 410.48 | 944.89 | 4.35 | 22.54 | 18.05 | - | 1.04 | - | 0.04 | 1,438.19 |
| Disposals | - | - | - | (5.97) | (0.06) | (5.00) | (0.57) | - | - | - | - | (11.60) |
| **Closing Gross Block** | 287.08 | 105.42 | 738.46 | 1,793.41 | 21.90 | 60.94 | 59.12 | 14.92 | 1.11 | - | 0.17 | 3,082.53 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Depreciation charge during the year | - | 1.33 | 25.06 | 131.88 | 2.42 | 7.44 | 6.85 | 3.97 | 0.10 | - | 0.01 | 179.06 |
| Taken over | - | 0.10 | 7.69 | 23.44 | 0.38 | 0.18 | 0.56 | - | - | - | - | 32.35 |
| Disposals | - | - | - | (1.07) | (0.00) | (0.54) | (0.03) | - | - | - | - | (1.64) |
| **Closing Accumulated Depreciation** | - | 1.43 | 32.75 | 154.25 | 2.80 | 7.08 | 7.38 | 3.97 | 0.10 | - | 0.01 | 209.77 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2013** | **287.08** | **103.99** | **705.71** | **1,639.16** | **19.10** | **53.86** | **51.74** | **10.95** | **1.01** | **-** | **0.16** | **2,872.76** |

On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Group has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated schedule for the years ended March 31, March 31,2015, March 31,2014, March 31,2013 and March 31,2012.

**Deemed cost as on 1 April 2015** **(Rs. In millions)**

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2015 | 462.11 | 143.43 | 1,452.64 | 4,149.12 | 54.79 | 190.22 | 133.35 | 41.48 | 2.91 | 4.66 | 1.58 | 6,636.29 |
| Accumulated Depreciation till 1 April 2015 | - | 6.42 | 216.47 | 1,039.82 | 30.59 | 38.43 | 43.68 | 33.43 | 1.15 | 0.21 | 1.50 | 1,411.70 |
| Net Block treated as Deemed cost upon transition | 462.11 | 137.01 | 1,236.17 | 3,109.30 | 24.20 | 151.79 | 89.67 | 8.05 | 1.76 | 4.45 | 0.08 | 5,224.59 |

**Deemed cost as on 1 April 2012** **(Rs. In millions)**

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2012 (proforma) | 250.28 | 107.13 | 409.29 | 1,303.80 | 34.09 | 61.12 | 58.31 | 41.48 | 2.21 | - | 1.72 | 2,269.43 |
| Accumulated Depreciation till 1 April 2012 | - | 2.19 | 95.18 | 490.87 | 16.90 | 18.17 | 18.47 | 26.56 | 2.14 | - | 1.59 | 672.07 |
| Net Block treated as Deemed cost upon transition (proforma) | 250.28 | 104.94 | 314.11 | 812.93 | 17.19 | 42.95 | 39.84 | 14.92 | 0.07 | - | 0.13 | 1,597.36 |

**Note:**

2.1. Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd), Chintampalli (as part of the merger of Godrej Gokarna Oil palm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.

2.2. Figures under Taken over relates to Assets taken over by the Group as per the scheme of Arrangement for the demerger of Seeds business of Godrej Seeds and Genetics Limited into Godrej Agrovet Limited during the year March 31, 2016, and as per the scheme of amalgamation of Goldmuhor Agrochem & Feeds Limited. & Golden Feed Products Limited during the year as at March 31, 2014

2.3. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Group has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated schedule for the years ended March 31, March 31,2015, March 31,2014, March 31,2013 and March 31,2012.

2.4. Capital expenses incurred on Research & Development Centre Activities are included under the respective heads.

2.5. Plant & Machinery is net of capital subsidy received during the year as on March 31,2016 of Rs. 30 Mn , March 31, 2015 Rs.5 Mn, March 31,2014 Rs.0.08 Mn and Net of capital subsidy received for Capital work-in-progress Rs. 20 Mn and Vehicle Rs. 0.51 Mn.

2.6. As at year ended Mar 31,2016, Assets under Taken over relates to assets of Astec Lifesciences Limited & Creamline Dairy Products Limited on the date these became subsidiaries.

Godrej Agrovet Limited

Annexure VI: Notes to the Restated Consolidated Financial Information

Note - 3 Intangible assets

(Rs. In millions)

| PARTICULARS | Computer Software | Brand Building | Tech Know How Fees | Grant of Licenses | Product Registration | Total |
|---|---|---|---|---|---|---|
| Year ended March 31, 2017 | | | | | | |
| **Gross carrying amount** | | | | | | |
| Cost as at April 1, 2016 | 85.51 | 382.22 | - | 170.05 | 27.05 | 664.83 |
| Additions | 40.67 | - | - | - | - | 40.67 |
| Disposals | - | - | - | - | - | - |
| **Closing Gross Block** | 126.18 | 382.22 | - | 170.05 | 27.05 | 705.50 |
| **Accumulated amortisation** | | | | | | |
| Accumulated amortisation as at April 1, 2016 | 22.39 | - | - | 42.51 | 11.54 | 76.44 |
| Amortisation charge during the year | 22.13 | - | - | 42.51 | 5.64 | 70.28 |
| Disposals | - | - | - | - | - | - |
| **Closing Accumulated amortisation** | 44.52 | - | - | 85.02 | 17.18 | 146.72 |
| | | | | | | |
| **Net carrying amount as at March 31, 2017** | 81.66 | 382.22 | - | 85.03 | 9.87 | 558.78 |
| Year ended March 31, 2016 | | | | | | |
| **Deemed Cost as at April 1, 2015** | **47.94** | **-** | **-** | **170.05** | **-** | **217.99** |
| Taken over | 16.06 | 382.22 | - | - | 24.49 | 422.77 |
| Additions | 21.51 | - | - | - | 2.56 | 24.07 |
| Disposals | - | - | - | - | - | - |
| **Closing Gross Block** | 85.51 | 382.22 | - | 170.05 | 27.05 | 664.83 |
| **Accumulated amortisation** | | | | | | |
| Amortisation charge during the year | 22.39 | - | - | 42.51 | 11.54 | 76.44 |
| Disposals | - | - | - | - | - | - |
| **Closing Accumulated amortisation** | 22.39 | - | - | 42.51 | 11.54 | 76.44 |
| | | | | | | |
| **Net carrying amount as at March 31, 2016** | **63.12** | **382.22** | **-** | **127.54** | **15.51** | **588.39** |
| Year ended March 31, 2015 | | | | | | |
| **Gross carrying amount** | | | | | | |
| Cost as at April 1, 2014 | 77.43 | - | - | 297.58 | - | 375.01 |
| Additions | 18.56 | - | - | - | - | 18.56 |
| Disposals | - | - | - | - | - | - |
| **Closing Gross Block** | 95.99 | - | - | 297.58 | - | 393.57 |
| **Accumulated amortisation** | | | | | | |
| Accumulated amortisation as at April 1, 2014 | 30.52 | - | - | 85.02 | - | 115.54 |
| Amortisation charge during the year | 17.53 | - | - | 42.51 | - | 60.04 |
| Disposals | - | - | - | - | - | - |
| **Closing Accumulated amortisation** | 48.05 | - | - | 127.53 | - | 175.58 |
| | | | | | | |
| **Net carrying amount as at March 31, 2015** | **47.94** | **-** | **-** | **170.05** | **-** | **217.99** |

(Rs. In millions)

| PARTICULARS | Computer Software | Brand Building | Tech Know How Fees | Grant of Licenses | Product Registration | Total |
|---|---|---|---|---|---|---|
| **Year ended March 31, 2014** | | | | | | |
| **Gross carrying amount** | | | | | | |
| Cost as at April 1, 2013 | 76.64 | - | - | 297.58 | - | 374.22 |
| Additions | 0.79 | - | - | - | - | 0.79 |
| Disposals | - | - | - | - | - | - |
| **Closing Gross Block** | 77.43 | - | - | 297.58 | - | 375.01 |
| **Accumulated amortisation** | | | | | | |
| Accumulated amortisation as at April 1, 2013 | 14.14 | - | - | 42.51 | - | 56.65 |
| amortisation charge during the year | 16.38 | - | - | 42.51 | - | 58.89 |
| Disposals | - | - | - | - | - | - |
| **Closing Accumulated amortisation** | 30.52 | - | - | 85.02 | - | 115.54 |
| | | | | | | |
| **Net carrying amount as at March 31, 2014** | **46.91** | **-** | **-** | **212.56** | **-** | **259.47** |
| **Year ended March 31, 2013** | | | | | | |
| **Deemed Cost as at April 1, 2012** | **52.34** | **-** | **-** | **297.58** | **-** | **349.92** |
| Additions | 24.30 | - | - | - | - | 24.30 |
| Disposals | - | - | - | - | - | - |
| **Closing Gross Block** | 76.64 | - | - | 297.58 | - | 374.22 |
| **Accumulated amortisation** | | | | | | |
| amortisation charge during the year | 14.14 | - | - | 42.51 | - | 56.65 |
| Disposals | - | - | - | - | - | - |
| **Closing Accumulated amortisation** | 14.14 | - | - | 42.51 | - | 56.65 |
| | | | | | | |
| **Net carrying amount as at March 31, 2013** | **62.50** | **-** | **-** | **255.07** | **-** | **317.57** |

3.1. To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during the yeara as on March 31,2012 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account.

3.2. On transition to Ind AS, the Group has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the intangible assets. The Group has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated schedule for the years ended March 31, March 31,2015, March 31,2014, March 31,2013 and March 31,2012.

**Deemed cost as on 1 April 2015** (Rs. In millions)

| PARTICULARS | Computer Software | Brand Building | Tech Know How Fees | Grant of Licenses | Product Registration | Total |
|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2015 | 119.77 | - | 20.00 | 425.12 | - | 564.89 |
| Accumulated Depreciation till 1 April 2015 | 71.83 | - | 20.00 | 255.07 | - | 346.90 |
| Restated Net Block treated as Deemed cost upon transition | 47.94 | - | - | 170.05 | - | 217.99 |

**Deemed cost as on 1 April 2012** (Rs. In millions)

| PARTICULARS | Computer Software | Brand Building | Tech Know How Fees | Grant of Licenses | Product Registration | Total |
|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2012 | 76.12 | - | 20.00 | 425.12 | - | 521.24 |
| Accumulated Depreciation till 1 April 2012 | 23.78 | - | 20.00 | 127.54 | - | 171.32 |
| Restated Net Block treated as Deemed cost upon transition | 52.34 | - | - | 297.58 | - | 349.92 |

**Note - 4 Biological Assets**

**A. Reconciliation of carrying amount**

**March 31, 2017** **(Rs. In millions)**

| Particulars | Poultry | | Oil palm saplings | | Total |
|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2016 | - | - | 1,205,458 | 88.68 | **88.68** |
| Add: | | | | | |
| Purchases | - | - | 60,000 | 1.24 | **1.24** |
| Production/ Cost of Development | - | - | - | 4.22 | **4.22** |
| Less: | | | | | |
| Sales / Disposals | - | - | (653,286) | (46.58) | **(46.58)** |
| Change in fair value less cost to sell: | - | - | - | (0.86) | **(0.86)** |
| **Balance as at March 31, 2017** | **-** | **-** | **612,172** | **46.70** | **46.70** |

**March 31, 2016** **(Rs. in million)**

| Particulars | Poultry | | Oil palm saplings | | Total |
|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2015 | 325,469 | 18.13 | 1,294,667 | 105.23 | **123.36** |
| Add: | | | | | |
| Purchases | 14,013 | 2.53 | 492,200 | 17.81 | **20.34** |
| Production/ Cost of Development | 488,736 | 7.69 | - | 12.02 | **19.71** |
| Less: | | | | | |
| Sales/ Disposals | (828,218) | (30.11) | (581,409) | (45.27) | **(75.38)** |
| Change in fair value less cost to sell: | - | 1.76 | - | (1.11) | **0.65** |
| **Balance as at March 31, 2016** | **-** | **-** | **1,205,458** | **88.68** | **88.68** |

**March 31, 2015** **(Rs. In millions)**

| Particulars | Poultry | | Oil palm saplings | | Plant Biotech | | Total |
|---|---|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2014 | 274,280 | 21.64 | 2,044,696 | 156.27 | 11,486 | 6.38 | **184.29** |
| Add: | | | | | | | |
| Purchases | 10,563 | 1.89 | 125,000 | 2.52 | - | - | **4.41** |
| Production/ Cost of Development | 3,973,501 | 65.90 | - | 13.42 | - | - | **79.32** |
| Less: | | | | | | | |
| Sales/ Disposals | (3,932,875) | (68.97) | (875,029) | (61.13) | (11,486) | (5.92) | **(136.02)** |
| Change in fair value less cost to sell: | - | (2.34) | - | (5.84) | - | (0.46) | **(8.64)** |
| **Balance as at March 31, 2015** | **325,469** | **18.12** | **1,294,667** | **105.24** | **-** | **-** | **123.36** |

**March 31, 2014** (Rs. In millions)

| Particulars | Poultry | | Oil palm saplings | | Plant Biotech | | Total |
|---|---|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2013 | 144,222 | 12.93 | 2,119,857 | 152.11 | 148,617 | 1.30 | **166.44** |
| Opening work in progress | - | - | - | - | - | 12.45 | **12.45** |
| Add: | | | | | | | |
| Purchases | 39,682 | 6.12 | 1,169,000 | 59.37 | 3,465 | 0.02 | **65.51** |
| Production/ Cost of Development | 3,434,566 | 63.56 | - | 46.96 | 5,255,737 | 46.86 | **157.28** |
| Less: | | | | | | | |
| Change in work in progress | - | - | - | - | - | (6.68) | **(6.68)** |
| Sales/ Disposals | (3,344,190) | (62.25) | (1,244,161) | (85.41) | (5,396,333) | (45.65) | **(193.31)** |
| Change in fair value less cost to sell: | - | 1.28 | - | (16.76) | - | (1.92) | **(17.40)** |
| **Balance as at March 31, 2014** | **274,280** | **21.64** | **2,044,696** | **156.27** | **11,486** | **6.38** | **184.29** |

**March 31, 2013** (Rs. In millions)

| Particulars | Poultry | | Oil palm saplings | | Plant Biotech | | Total |
|---|---|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | Qty. | Amount | |
| **Balance as April 1, 2012** | **424,379** | **2.12** | **1,402,388** | **90.63** | **361,217** | **2.93** | **95.68** |
| Opening work in progress | - | - | - | - | - | 15.20 | **15.20** |
| Add: | | | | | | | |
| Purchases | 27,803 | 4.42 | 1,711,000 | 77.45 | 290,486 | 2.34 | **84.21** |
| Production/ Cost of Development | 1,195,923 | 7.56 | - | 55.09 | 5,506,430 | 38.75 | **101.40** |
| Less: | | | | | | | |
| Change in work-in progress | - | - | - | - | - | (2.75) | **(2.75)** |
| Sales/ Disposals | (1,503,883) | (38.13) | (993,531) | (72.48) | (6,009,516) | (40.92) | **(151.53)** |
| Change in fair value less cost to sell: | - | 36.96 | - | 1.42 | - | (1.80) | **36.58** |
| **Balance as at March 31, 2013** | **144,222** | **12.93** | **2,119,857** | **152.11** | **148,617** | **13.75** | **178.79** |

The Group discontinued the poultry operations in 2015-16 and plant biotech operations in 2014-15.

**B. Measurement of Fair value**

**i. Fair Value hierarchy**

The fair value measurements for poultry and oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

**ii. Level 3 Fair values**

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

(Rs. In millions)

| Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|
| **Gain/(loss) included in 'other operating revenue'** | (0.86) | 0.65 | (8.64) | (17.41) | 36.59 |
| Change in fair value (realised) | (1.63) | (0.65) | (12.04) | (29.48) | 7.14 |
| Change in fair value (unrealised) | 0.77 | 1.30 | 3.40 | 12.07 | 29.45 |

**ii. Valuation techniques and significant unobservable inputs**

| Type | Valuation technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|
| Poultry stock - it comprises of parent chicken, eggs and live birds | Discounted cash flows | 1. Estimated price of each component for parent chicken, eggs, and live birds<br>2. Discounting is not done considering the plan to sell the inventory in less than one year. | The estimated fair valuation would increase/(decrease) if<br>- Estimated price of each component of poultry stock was higher (lower)<br>- discounting is done for the expected cash flows |
| Oil Palm Saplings - it comprises the stock under cultivation | Cost approach and percentage completion method | 1. Estimated cost of completing the stock under cultivation per sapling/Plantlets | The estimated fair valuation would increase/(decrease) if<br>- Estimated cost to complete was lower (higher) |

**B. Risk Management strategies related to agricultural activities**

The group is exposed to the following risks relating to its plantations

**i. Regulatory and environmental risks**

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

**ii. Supply and demand risks**

The Group is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

**ii. Climate and other risks**

The Group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys.

**(Rs. In millions)**

| | Profit or (loss) March 31,2017 | | Profit or (loss) March 31,2016 | | Profit or (loss) March 31,2015 | | Profit or (loss) March 31,2014 | | Profit or (loss) March 31,2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** |
| **Cash flow sensitivity (net)** | (0.07) | 0.08 | (0.56) | 0.59 | (2.69) | (0.14) | (1.65) | 5.48 | (16.75) | 19.51 |

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at 31 March 2015 | As at 31 March 2014 | As at 31 March 2013 |
|---|---|---|---|---|---|
| **Note 5** | | | | | |
| **Equity accounted investees** | | | | | |
| **(a) Investment in associates** | | | | | |
| *Unquoted* | | | | | |
| Creamline Dairy Products Limited | - | - | 281.19 | 264.83 | 226.73 |
| Polchem Hygiene Laboratories Private Limited | - | - | 54.03 | 44.75 | 39.99 |
| Al Rahaba International Trading Limited Liability Company | 2.04 | 26.85 | 35.70 | 46.68 | 26.88 |
| Aadhaar Retailing Limited | - | - | - | - | 50.05 |
| **(b) Investment in joint venture** | | | | | |
| *Unquoted* | | | | | |
| Godrej Tyson Foods Limited | 846.54 | 749.21 | 656.27 | 601.60 | 522.48 |
| ACI Godrej Agrovet Private Limited | 627.28 | 511.74 | 343.86 | 241.13 | 197.32 |
| Omnivore India Capital Trust | 278.64 | 259.25 | 121.09 | 88.61 | 38.71 |
| **TOTAL** | **1,754.50** | **1,547.05** | **1,492.14** | **1,287.60** | **1,102.16** |
| Aggregate value of Unquoted Securities | 1,754.50 | 1,547.05 | 1,492.14 | 1,287.60 | 1,102.16 |
| Aggregate value of Quoted Securities | - | - | - | - | - |
| Market value of Quoted Securities | - | - | - | - | - |
| Aggregate amount of Impairment in the value of investments | - | - | - | - | - |
| **Note 6** | | | | | |
| **Non-current Financial assets- Investments** | | | | | |
| **(A) Investments at fair value through profit or loss** | | | | | |
| *Unquoted* | | | | | |
| Investments in Equity Instruments | 0.01 | 0.01 | - | - | 2.50 |
| Investment in Limited Liability Partnership | | - | 0.05 | 0.05 | 0.05 |
| Investments in Co-operative society | 0.08 | 0.08 | 0.03 | 0.03 | 0.03 |
| **(B) Investments at amortised cost** | | | | | |
| Investments in government or trust securities | - | 0.04 | - | - | - |
| **TOTAL** | **0.09** | **0.13** | **0.08** | **0.08** | **2.58** |
| Aggregate value of Unquoted Securities | 0.09 | 0.13 | 0.08 | 0.08 | 2.58 |
| Aggregate value of Quoted Securities | - | - | - | - | - |
| Market value of Quoted Securities | - | - | - | - | - |
| Aggregate amount of Impairment in the value of investments | - | - | - | - | - |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 7** | | | | | |
| **Non-current Financial assets- Trade receivables** | | | | | |
| Unsecured and considered doubtful | 77.78 | 42.45 | 20.80 | 31.79 | 33.14 |
| Less : Allowances for Doubtful Receivables | (77.78) | (42.45) | (20.80) | (31.79) | (33.14) |
| | - | - | - | - | - |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 8** | | | | | |
| **Non-current Financial assets- Loans** | | | | | |
| (Unsecured, considered good unless otherwise stated) | | | | | |
| Loan to ESOP Trust of Holding Company | - | - | - | - | 109.70 |
| Loans And Advances to Related Parties | - | - | - | - | 19.70 |
| Security deposits | | | | | |
| Considered good | 143.85 | 125.49 | 97.09 | 84.88 | 85.81 |
| Considered doubtful | 5.93 | 0.76 | 0.26 | - | - |
| Less : Allowance for doubtful Advance | (5.93) | (0.76) | (0.26) | - | - |
| Net Deposits | 143.85 | 125.49 | 97.09 | 84.88 | 215.21 |
| Loan to Employees | 5.93 | 5.02 | 3.75 | 4.11 | 3.93 |
| **TOTAL** | **149.78** | **130.51** | **100.84** | **88.99** | **219.14** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 9** | | | | | |
| **Non-current Financial assets- Others** | | | | | |
| Claims receivable | 14.61 | 15.90 | 15.30 | 14.61 | 14.72 |
| Interest accrued but not due on fixed deposits | 0.51 | 0.43 | 0.32 | 0.01 | 0.20 |
| Bank Deposit with more than 12 months maturity | 2.46 | 3.64 | 2.09 | 2.74 | 1.67 |
| Finance Lease Receivable | 31.61 | 38.05 | - | - | - |
| Other advances | - | - | - | 0.10 | - |
| **TOTAL** | **49.19** | **58.02** | **17.71** | **17.46** | **16.59** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 10** | | | | | |
| **Other non-current assets** | | | | | |
| Capital advances | 267.53 | 133.01 | 100.34 | 83.14 | 200.56 |
| Balance with Government Authorities | 169.47 | 189.57 | 35.17 | 27.25 | 30.10 |
| Share Application money pending for Allotment | - | - | - | - | 5.00 |
| Others | | | | | |
| i) Considered good | 47.11 | 40.32 | 38.76 | 8.50 | 7.11 |
| ii) Considered doubtful | 9.83 | 5.82 | 1.89 | - | 6.05 |
| Less : Allowance for Doubtful Advances | (9.83) | (5.82) | (1.89) | - | (6.05) |
| **TOTAL** | **484.11** | **362.90** | **174.27** | **118.89** | **242.77** |

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 11** | | | | | |
| **Inventories** | | | | | |
| (Valued at lower of cost and net realizable value) | | | | | |
| Raw materials | 4,264.16 | 4,226.20 | 2,416.09 | 2,169.21 | 1,990.28 |
| Raw Materials in Transit | - | 20.58 | 0.24 | - | 5.78 |
| Work-in-Progress | 372.98 | 223.70 | 230.23 | 40.14 | 76.36 |
| Project-in-Progress | 607.19 | - | - | - | - |
| Finished goods | 1,281.67 | 1,365.30 | 621.94 | 440.09 | 371.99 |
| Stock-in-Trade | 638.56 | 616.18 | 509.72 | 451.12 | 256.39 |
| Stock-in-Trade in Transit | - | - | - | - | 0.36 |
| Stores and Spares | 216.12 | 213.43 | 109.57 | 92.26 | 80.77 |
| **TOTAL** | **7,380.68** | **6,665.39** | **3,887.79** | **3,192.82** | **2,781.93** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 12** | | | | | |
| **Current Financial assets- Investments** | | | | | |
| **(A) Investments at fair value through profit or loss** | | | | | |
| **Investment in mutual funds** | | | | | |
| Investment in Mutual Fund (Debt) | - | 519.89 | - | - | - |
| **Investment in Equity Instruments (Fully paid, Quoted)** | | | | | |
| Investment in associate | | | | | |
| Polchem Hygiene Laboratories Private Limited | - | 72.67 | - | - | - |
| Other Investments | - | - | 366.11 | - | - |
| **Total** | **-** | **592.56** | **366.11** | **-** | **-** |
| | | | | | |
| **b. Market Value of Quoted Investments** | | | | | |
| Quoted | | | | | |
| Book value | - | 519.89 | 366.11 | | |
| Market value | - | 519.89 | 366.11 | | |
| | | | | | |
| Unquoted - Book value | - | 72.67 | - | | |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 13** | | | | | |
| **Trade receivables** | | | | | |
| Trade receivables outstanding | | | | | |
| - Secured and considered good (Refer Note 13.1) | 754.46 | 822.15 | 777.66 | 632.51 | 438.06 |
| - Unsecured and considered good | 4,465.04 | 3,722.97 | 1,914.83 | 1,626.02 | 1,379.68 |
| **TOTAL** | **5,219.50** | **4,545.12** | **2,692.49** | **2,258.53** | **1,817.74** |

13.1. Secured by Security Deposits collected from customers or Bank Guarantees held against them.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 14** | | | | | |
| **Cash and cash equivalents** | | | | | |
| Balances with Banks: | | | | | |
| On Current Accounts | 456.09 | 255.27 | 113.41 | 89.53 | 132.58 |
| Deposit with less than 3 months maturity | - | - | - | 1,000.00 | 0.48 |
| Cheques, Drafts on Hand | 29.90 | 16.57 | 3.81 | 33.01 | 66.81 |
| Saving Bank Account of Company's ESOP Trust | 7.72 | 0.46 | 0.94 | 5.41 | 0.13 |
| Cash on hand | 44.48 | 42.00 | 12.23 | 10.64 | 12.51 |
| **TOTAL** | **538.19** | **314.30** | **130.39** | **1,138.59** | **212.51** |
| | | | | | |
| **Note 15** | | | | | |
| **Other bank balances** | | | | | |
| Deposit with more than 3 months but less than 12 months maturity | 70.90 | 67.33 | 44.53 | 6.42 | 6.41 |
| Margin Money (Refer Note 15.1) | 13.35 | 37.56 | - | - | - |
| Unpaid dividend | 0.53 | 0.45 | - | - | - |
| | **84.78** | **105.34** | **44.53** | **6.42** | **6.41** |

15.1. Margin Money Balance held is towards security for Letter of Credit / Bank Guarantees.

15.2. Fixed deposits pledged with Banks for Guarantees issued, during the year ended March 31, 2017 is Rs.7.70 Mn, March 31, 2016 Rs.2.72 Mn , March 31, 2015 Rs. 2.65 Mn and March 31, 2014 Rs.2.62 Mn.

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 16** | | | | | |
| **Current Financial assets- Loans** | | | | | |
| **Unsecured, Considered Good, Unless Otherwise Stated** | | | | | |
| Loans and advances to related parties | 6.36 | 107.17 | 6.88 | (0.00) | 23.51 |
| Loans and advances to employees | 6.52 | 5.22 | 3.57 | 3.66 | 2.50 |
| Loan to ESOP Trust | - | - | - | - | - |
| Considered good | 163.38 | 556.02 | 598.59 | 613.56 | 512.64 |
| Considered doubtful | - | 200.00 | 200.00 | 200.00 | 200.00 |
| Less : Allowance for doubtful Advance | - | (200.00) | (200.00) | (200.00) | (200.00) |
| Loan to LLP | - | - | 21.00 | - | - |
| Intercorporate Deposits | - | 674.96 | 296.46 | 191.95 | 185.00 |
| Security and other deposits | 15.05 | 12.77 | 4.04 | 20.17 | 1.27 |
| Advances Recoverable in cash or kind | 64.04 | 33.12 | 28.38 | 22.16 | 53.29 |
| **TOTAL** | **255.35** | **1,389.26** | **958.92** | **851.50** | **778.21** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 17** | | | | | |
| **Current Financial assets- Others** | | | | | |
| Interest Accrued on Inter-Corporate Deposits | 0.67 | 76.70 | 49.88 | 31.53 | 17.05 |
| Interest on Bank Fixed Deposit | 0.35 | 0.51 | 0.40 | 1.50 | - |
| Interest Accrued on other Deposits | 1.29 | 0.20 | 0.88 | 0.25 | - |
| Non-Trade Receivables | 74.61 | 388.18 | 30.84 | 30.84 | - |
| Other Income Accrued | 29.61 | 75.12 | 50.84 | 65.19 | 22.77 |
| Derivative asset | - | - | - | - | 5.30 |
| Lease receivable | 5.61 | 4.16 | - | - | - |
| **TOTAL** | **112.14** | **544.87** | **132.84** | **129.31** | **45.12** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 18** | | | | | |
| **Other current assets** | | | | | |
| Advances to suppliers | 170.65 | 134.05 | 184.94 | 85.97 | 79.32 |
| Balance with government authorities | 184.79 | 158.57 | 40.51 | 44.86 | 31.30 |
| Advances Recoverable in cash or kind | 271.01 | 226.38 | 127.67 | 76.65 | 44.83 |
| **TOTAL** | **626.45** | **519.00** | **353.12** | **207.48** | **155.45** |

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. In millions)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 19** | | | | | |
| **Share Capital** | | | | | |
| a **Authorised :** | | | | | |
| 22,49,94,000 (March 31, 2016: 9,99,94,000, March 31, 2015: 1,00,000,000, March 31, 2014: 50,150,000, March 31, 2013: 50,150,000) Equity Shares of Rs. 10 each | 2,249.94 | 999.94 | 1,000.00 | 501.50 | 501.50 |
| 6000 (as at March 31 , 2016 6,000) Preference shares of the par value of Rs. 10 each | 0.06 | 0.06 | - | - | - |
| TOTAL | 2,250.00 | 1,000.00 | 1,000.00 | 501.50 | 501.50 |
| b **Issued, Subscribed and Paid-up:** | | | | | |
| 185,130,876 (9,25,65,438 as at March 31,2016 and March 31, 2015, 13,223,634 as at March 31, 2014 and March 31, 2013) Equity shares of Rs. 10 each fully paid up were issued | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| TOTAL | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |

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

(Rs. In millions)

| **Equity shares :** | **No. of shares** | **Amount** |
|---|---|---|
| Outstanding at the beginning of the year as at April 1, 2012 | 12,118,752 | 121.19 |
| Issued during the year | | |
| Equity Shares of Rs.10 each fully paid to V-Sciences Investments Pte Ltd | 518,118 | 5.18 |
| Equity Shares of Rs.10/- each fully paid to the Company's ESOP Trust. | 586,764 | 5.87 |
| Outstanding as at year ended March 31, 2013 | 13,223,634 | 132.24 |
| Issued during the year | | |
| Outstanding as at year ended March 31, 2014 | 13,223,634 | 132.24 |
| Issued during the year | | |
| Bonus shares issued | 79,341,804 | 793.41 |
| Outstanding as at year ended March 31, 2015 | 92,565,438 | 925.65 |
| Issued during the year | - | - |
| Outstanding as at year ended March 31, 2016 | 92,565,438 | 925.65 |
| Issued during the year | | |
| Bonus shares issued | 92,565,438 | 925.66 |
| Outstanding as at year ended March 31, 2017 | 185,130,876 | 1,851.31 |

d **Rights, preferences and restrictions attached to Equity shares**

i **Equity Shares:** The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

ii **Preference Shares**: The group has Non-Convertible Redeemable Preference Shares having a par value of Rs. 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders.

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

| **Equity shares** | **No. of shares** | **% holding** |
|---|---|---|
| **As at March 31, 2017** | | |
| Godrej Industries Limited (the holding Company) | 117,878,964 | 63.67% |
| V-Sciences Investments Pte Ltd | 37,007,698 | 19.99% |
| **As at March 31, 2016** | | |
| Godrej Industries Limited (the holding Company) | 56,286,482 | 60.81% |
| V-Sciences Investments Pte Ltd | 18,503,849 | 19.99% |
| **As at March 31, 2015** | | |
| Godrej Industries Limited (the holding Company) | 56,286,482 | 60.81% |
| V-Sciences Investments Pte Ltd | 18,503,849 | 19.99% |
| **As at March 31, 2014** | | |
| Godrej Industries Limited (the holding Company) | 8,040,921 | 60.81% |
| V-Sciences Investments Pte Ltd | 26,43,407 | 19.99% |
| **As at March 31, 2013** | | |
| Godrej Industries Limited (the holding Company) | 8,419,921 | 63.67% |
| V-Sciences Investments Pte Ltd | 26,43,407 | 19.99% |

f There are no calls unpaid on equity shares.

g No equity shares have been forfeited.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 20** | | | | | |
| **Other Equity** | | | | | |
| Capital Reserve | 17.29 | - | - | - | 3.88 |
| General Reserve | 36.84 | 50.73 | 66.81 | 99.68 | 200.50 |
| Debenture Redemption Reserve | - | 187.50 | - | - | - |
| Employee Stock Options Outstanding | 16.22 | 1,074.70 | 947.76 | 833.88 | 720.41 |
| Reserve for employee compensation expenses | - | 238.98 | 352.64 | 466.52 | 379.99 |
| Foreign Currency Translation reserve | (71.05) | (71.36) | (59.38) | (48.88) | (22.46) |
| Retained earnings | 6,910.25 | 5,428.02 | 4,173.57 | 3,707.05 | 2,726.76 |
| Treasury stock | - | (5.87) | (5.87) | (5.87) | (5.87) |
| Share Premium Account | 1,306.21 | - | - | - | - |
| Cash Flow hedging reserve | 20.79 | - | - | - | - |
| | **8,236.55** | **6,902.70** | **5,475.53** | **5,052.38** | **4,003.21** |

**Capital Reserve**

Excess of assets recognised over consideration paid on business acquisition made by the group.

**Debenture Redemption Reserve**

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

**Employee Stock Options Outstanding**

The employee share options outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock option plan.

**Reserve for employee compensation expenses**

This reserve was created to give effect to the Honorable Bombay High Court's orders dated March 8, 2013 and September 20, 2013. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense.

**Foreign Currency Translation reserve**

Exchange differences arising on translation of the foreign operations, if any, are recognised in other comprehensive income as described in accounting policy and accumulated in a separate reserve within equity. The cumulative amount is reclassified to profit or loss when the net investment is disposed-off.

**Treasury stock**

Equity share reserve for ESOP Scheme (Refer Note 41).

**Share Premium Account**

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

**Cash Flow hedging reserve**

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.

(Rs. In millions)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 21** | | | | | |
| **Long term borrowings** | | | | | |
| **Secured** | | | | | |
| Term Loans from Bank & NBFC ( Refer Note 21.1) | 5.76 | 88.20 | - | - | - |
| | | - | - | - | - |
| **Unsecured** | | | | | |
| Term Loans from Bank (Refer Note 21.2) | | | | | |
| - Rupee term loans | 132.76 | 50.67 | 680.00 | 1,600.00 | 1,000.00 |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each (Refer Note 19. d. ii) | 0.06 | 0.06 | - | - | - |
| Deferred Sales Tax Loan (Refer Note. 21.3) | 25.82 | 26.78 | 39.34 | 42.44 | 46.40 |
| Deferred payment liabilities (Refer Note. 21.4) | 41.18 | 42.07 | - | - | - |
| **TOTAL** | **205.58** | **207.78** | **719.34** | **1,642.44** | **1,046.40** |

Note No. 21.1 Vehicle Loans/Term loans from Banks for Rs.12.03 Mn are at an Interest Rate of 9.5% to 11.50%, which are payable in 36 instalments from the date of disbursements with current maturity disclosed separately in note no. 27.1.ii at Rs.6.27 Mn. Vehicle Loans are secured by first charge on vehicles specifically financed out of Loans.

During the Financial year 2015-16, Vehicle Loans from NBFC's & Banks for Rs.22.33 Mn, Carrying an Interest Rate of 9.52% to 11.33%, Repayable in 35 to 60 months. Secured Term Loans from Banks for Rs.300.00 Mn with Outstanding as of March 31st 2016 for Rs.31.76 Mn, Carrying an Interest Rate of 11.50%, Repayable in 20 equal quarterly instalments, commencing from 6 months from the date of 1st disbursement. The loan is secured by first paripasu charge on fixed assets of Astec Lifescience Limited, apart from extension of first charge on movable and immovable fixed assets of it already charged with ICICI Bank Ltd on pari pasu basis. Term Loans (Foreign Currency) of Rs.60.26 Mn from IDBI Bank Ltd having Interest rate of 6 months LIBOR Plus 3.50 % and service fees @ 3% p.a. are repayable in 8 semi annual Installments. Last Installment due on 1st January, 2017. Installments falling due in respect of the loan upto 31.03.2017 have been regrouped under Current Maturities of Long Term debt. Term Loan of Rs.44.40 Mn from IDBI Bank Ltd having Interest rate of BBR Plus 3% which is 13% are repayable in 18 Quarterly Installments of Rs. 5.56 Mn each. Last Installment due on 31st December, 2018. Installments falling due in respect of the loan upto 31.03.2017 have been regrouped under Current Maturities of Long Term debt. Term Loans (FCNR) of Rs.65.30 Mn from ICICI Bank Ltd having Interest rate of 12.55% are repayable in 16 equal Quarterly Installments starting from the April 2016. The Loan is fully hedged. Installments falling due in respect of the loan upto 31.03.2017 have been regrouped under Current Maturities of Long Term debt.

Note No. 21.2 Unsecured Term loans from Banks for Rs.149.06 Mn of which Rs.52.00 Mn are with an interest rate of 5.97% and 50% repayable at the end of 18 months from the date of drawn down and 50% at the end of 36 months from the date of drawn down, Rs.37.50Mn are with an interest rate of 9.1% and repayable at Post Moratorium Repayable in 16 structured quarterly instalments commencing from 1st January 2018 and Rs.59.56 Mn are with an interest rate of 9.5% and Repayable in 18 equal quarterly instalments commencing from six months from the date of first disbursement with current maturity of all those loans are disclosed separately in note no. 28.1.ii at Rs.16.30 Mn.

During the Financial year 2015-16, Term loans from Banks for Astec Lifescience Limited are at an Interest Rate of BBR plus 3% to BBR plus 3.50%, which are payable on or before December 31, 2018 for Rs. 73.61 Mn. Unsecured Term Loans from Kotak Mahindra Bank for Rs.90.00 Mn with Outstanding as of March 31st 2016 for Rs.57.00 Lac, Carrying an Interest Rate of 9.50% , Repayable in 18 equal quarterly instalments, commencing from 6 months from the date of 1st disbursement.

During the Financial year 2014-15, Term Loans from Banks are at an Interest Rate of 9.80% to 10.75%. These loans were repayable after 13 months - Rs. 500.00 Mn, after 36 months - Rs. 180.00 Mn.

During the Financial year 2013-14, Term Loans from Banks are at an Interest Rate of 10.20% to 10.50%. These loans are repayable after 13 months - Rs. 450.00 Mn, after 18 months - Rs. 750.00 Mn and after 36 Months - Rs. 400.00 Mn.

During the Financial year 2012-13, Term Loans from Banks are at an Interest Rate of 9.99 % to 10.50%. These loans are repayable after 13 months - Rs. 500.00 Mn and after 18 months - Rs. 500.00 Mn.

Note. No. 21.3 Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was Rs. 46.67 Mn, given below schedule shows the outstanding and current maturity for all the years

| Year | Outstanding Amount | Current maturity |
|---|---|---|
| 2016-17 | 37.68 | 3.52 |
| 2015-16 | 39.34 | 1.66 |
| 2014-15 | 42.44 | 3.11 |
| 2013-14 | 45.15 | 2.71 |
| 2012-13 | 46.67 | 0.27 |

Note No. 21.4 During the year March 31, 2017, Deferred Loan against acquisition of Lease hold Land is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on an Six monthly (period) basis 6years from July 1, 2016 up to January 1, 2022. Total loan availed was Rs.61.77 Mn and outstanding for the year 2016-17 was Rs.51.48 Mn.

The Group does not have any continuing default as on the Balance Sheet date in repayment of loans and interest.

**Details of security:**

Term Loans and foreign currency loan from banks are secured by way of first mortgage/charge over entire movable and immovable fixed assets (present and future) of one of the subsidiary Astec Lifescience Limited and second pari-passu charge over its current assets.

Vehicle loans are secured by first charge on the vehicle specifically financed out of loan.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 22** | | | | | |
| **Other non-current financial liabilities** | | | | | |
| Particulars | | | | | |
| Liability towards beneficiaries of Company's ESOP Trust | - | 65.37 | 44.60 | 11.15 | - |
| Put option liability | - | - | - | - | - |
| Preference dividend payable | 0.00 | 0.00 | - | - | - |
| Tax on preference dividend payable (Refer Note. 22.1) | 0.00 | 0.00 | - | - | - |
| **Total** | **(0.00)** | **65.37** | **44.60** | **11.15** | **-** |

INR 0.00 represents Preference Dividend payable of Rs. 4799 and Rs. 763 as at March 31, 2017 and March 31, 2016 respectively corresponding tax on distributed profit Rs. 1068 and Rs. 169 provided for year ended March 31, 2017 and March 31, 2016 respectively.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 23** | | | | | |
| **Long term provisions** | | | | | |
| Particulars | | | | | |
| Provision for employee benefits : | | | | | |
| - Provision for gratuity (Refer Note.40) | 11.68 | 5.83 | 1.63 | 0.81 | 4.55 |
| - Provision for compensated absences | 38.47 | 22.94 | 14.24 | 16.35 | 16.11 |
| **Total** | **50.15** | **28.77** | **15.87** | **17.16** | **20.66** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 24** | | | | | |
| **Other non-current liabilities** | | | | | |
| Particulars | | | | | |
| Deferred grant | 152.37 | 144.44 | 72.04 | 70.86 | 7.82 |
| Put option liability | 353.26 | 326.57 | - | - | - |
| **Total** | **505.63** | **471.01** | **72.04** | **70.86** | **7.82** |

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 25** | | | | | |
| **Short term borrowings** | | | | | |
| **Secured** | | | | | |
| Cash credit from banks (Refer Note. 25.1) | 214.21 | 208.91 | - | - | - |
| Buyers credit (Refer Note 25.5) | 9.98 | - | - | - | - |
| Working capital loan (Refer Note. 25.2) | 145.38 | 151.74 | - | - | - |
| **Unsecured** | | | | | |
| Term Loans from Banks (Refer Note. 25.3) | 2,003.32 | 3,939.54 | 450.00 | 100.00 | 450.00 |
| Commercial Papers (Refer Note. 25.4) | 2,750.00 | 4,000.00 | 1,250.00 | - | - |
| Cash Credit (Refer Note. 25.1) | 296.43 | 92.32 | 362.43 | 39.13 | - |
| Working capital loan (Refer Note. 25.2) | 973.21 | 4,212.24 | 4,061.18 | 4,413.78 | 3,254.63 |
| Others | - | 0.19 | - | - | - |
| **Total** | **6,392.53** | **12,604.94** | **6,123.61** | **4,552.91** | **3,704.63** |

Note No. 25.1: Cash Credit from banks are repayable on demand and carries interest during the year ended March 31, 2017 at 9.55% to 11.85 % and March 31, 2016 at 9.65% to 10.50%. This cash credit from Bank is secured against inventories and receivables. Cash Credit Loan by Astec Lifescience Limited are repayable on demand and carries interest at BBR + 3.75% to 4% . This cash credit from Bank is secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/Hypothecation of Factory Land & Bldg/Plant & Machinery).

Unsecured Cash credit carries interest during the year ended March 31st 2017 at 9.55% to 11.85 %, March 31st 2016 at 9.65% to 11.25%, March 31st 2015 at 10.35% to 13.65%, March 31st 2014 at 10% to 14.75%, March 31st 2013 at 10.20% to 14.75%.

Note No. 25.2: Working Capital Loans from Banks for Rs.82.79 Mn are payable on demand and at an Interest Rate of HDFC Bank Base rate + 0.25%. Secured Working Capital Loans by Astec Lifescience Limited are payable on 90 to 365 days and at an Interest Rate of LIBOR + 116 bps, which are secured by way of First Pari passu Charge on the Current Assets of Astec Lifescience Limited, including inventory and receivables both present & future and second charge on Fixed Assets of the Astec Lifescience Limited present & future (including Equitable Mortgage/Hypothecation of Factory Land & Bldg/Plant & Machinery). Unsecured Working Capital Loans by Astec Lifesciencce Limited are payable on 60 to 365 days at an Interest Rate of LIBOR + 108 bps for Rs.190.42 Mn and 15 to 180 days at an Interest Rate of 7.85% to 14% for Rs.700.00 Mn. Other unsecured working Capital Loans from Banks are at an Interest Rate of 5.96% to 13.60% . These loans are repayable on different dates upto 6 months from the date of the Financial Statements. During the financial year 2015-16 working capital loan carried an interest rate of 9.5% to 17%

Note No. 25.3: Term Loans from Banks as at year ended March 31, 2017 are at an Interest Rate of 5.96% to 13.60 %., March 31, 2016 at 8.5% to 13.6%, March 31, 2015 at 9.25% to 10.75%, 31st march 2014 at 8.11% to 10.93% and March 31,2013 at 10.25% to 10.45%.These loans are repayable on different dates upto 3 months from the date of the Financial Statements.

Note No. 25.4: As at year ended March 31,2017 Commercial Papers carries interest rate of 5.95% to 8.85% and March 31, 2016 commercial papers raised and repaid of Rs.4,000 Mn at 7.15% to 9.15% , March 31,2015 Rs.3,000 Mn at 8.14% to 9.05%, Mar 31st 2014 Rs.2,500 Mn at 8.11% to 10.93% and March 31, 2013 Rs.2,000 Mn at 8.03% to 10.25%.

Note No. 25.5: During the financial year 2015-16 buyers credit carried interest rate @ three months LIBOR plus 100 bps to LIBOR plus 115 bps.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 26** | | | | | |
| **Trade and other payables** | | | | | |
| Due to Micro, Small and Medium Enterprises (Refer Note 27.1) | 22.07 | 9.72 | - | 0.43 | - |
| Others | 3,105.38 | 3,055.31 | 2,048.62 | 2,266.40 | 1,827.42 |
| Acceptances | 5,281.02 | 287.72 | 94.11 | 30.24 | - |
| **Total** | **8,408.47** | **3,352.75** | **2,142.73** | **2,297.07** | **1,827.42** |

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Note. No. 27.1 Details of due to Micro, Small and Medium Enterprises | | | | | |
| a. Principal amount remaining unpaid | 22.07 | 9.72 | - | 0.43 | - |
| 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 period of delay in making payment ( which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - | - | - |
| e. Interest accrued and remaining unpaid | - | - | - | - | - |
| f. Further interest remaining due and payable even in the succeeding years, until sucl date when the interest dues as above are actually paid to the small enterprise | - | - | - | - | - |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 27** | | | | | |
| **Other financial liabilities** | | | | | |
| Current maturities of long-term debt | | | | | |
| *Unsecured* | | | | | |
| Deferred Sales Tax Loan (Refer Note.21.4) | 3.51 | 1.66 | 3.11 | 2.70 | 0.27 |
| Deferred payment liabilities | 10.30 | 10.30 | - | - | - |
| Debentures-750 (Previous year Nil) 8.63% Unsecured Non-convertible Debentures of Rs.1,00,000 Mn each (Refer Note. 28.1) | - | 748.93 | - | - | - |
| Term Loan from Bank (Refer Note.21.2) | 16.30 | 6.33 | - | - | 35.00 |
| *Secured* | | | | | |
| Term Loan from Bank (Refer Note 21.1) | 6.27 | 138.15 | - | - | - |
| Security Deposit | 641.31 | 623.01 | 531.54 | 435.87 | 246.26 |
| Amount due for payment to Gratuity Fund (Refer Note.40) | 42.06 | 35.38 | 28.89 | 9.09 | 23.45 |
| Non Trade Payables | 339.21 | 296.66 | 113.19 | 124.81 | 111.45 |
| Interest accrued but not due on borrowings | 6.30 | 38.44 | 2.09 | 7.33 | 4.35 |
| Unpaid dividends | 0.53 | 0.45 | - | - | - |
| Derivative liability | 22.29 | 3.99 | 0.79 | 21.25 | 0.33 |
| Liabilities towards beneficiaries of companies ESOP Trust | 69.48 | - | - | - | - |
| Others | 535.10 | 315.22 | 367.98 | 519.21 | 419.24 |
| **Total** | **1,692.66** | **2,218.52** | **1,047.59** | **1,120.26** | **840.35** |

28.1. As at year ended March 31, 2017, 8.63% Debentures are redeemable at par at the end of 15 Months from the date of allotment, viz., 7th December 2016.

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 28** | | | | | |
| **Other current liabilities** | | | | | |
| Advances from Customers | 256.05 | 366.85 | 234.70 | 285.09 | 190.34 |
| Employee Deductions | 25.57 | 47.75 | 10.48 | 9.14 | 8.37 |
| Statutory Liabilities | 87.07 | 62.68 | 25.00 | 28.29 | 29.83 |
| Other liabilities - current | 2.12 | 13.30 | - | - | - |
| Deferred Grants - Current | 11.29 | 9.92 | 5.17 | 3.80 | 0.52 |
| **Total** | **382.10** | **500.50** | **275.35** | **326.32** | **229.06** |

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 29** | | | | | |
| **Short term provisions** | | | | | |
| Provision for employee benefits | | | | | |
| - Provision for compensated absences | 5.71 | 5.90 | 4.60 | 5.53 | 3.64 |
| - Provision for gratuity | 2.15 | 0.94 | 0.02 | 0.01 | 0.33 |
| Provision for sales return | 207.45 | 166.03 | 115.32 | 96.84 | 67.21 |
| **Total** | **215.31** | **172.87** | **119.94** | **102.38** | **71.18** |

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. in million)

| | Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| | **Note 30** | | | | | |
| | **Revenue from operations** | | | | | |
| A | **Sale of products** | 48,921.08 | 37,289.10 | 32,892.11 | 30,841.75 | 27,390.79 |
| B | **Other operating revenue** | | | | | |
| | Sale of Scrap and Empties | 245.74 | 222.24 | 234.77 | 200.39 | 181.37 |
| | Export Incentives | 38.97 | 25.49 | - | - | - |
| | Conversion, Handling and Storage Charges | 0.62 | 12.07 | - | - | - |
| | Service tax rebate | 1.77 | - | - | - | - |
| | Duty Drawback | 1.98 | - | - | - | - |
| | Processing income | 54.72 | - | - | - | - |
| | Change in fair value of biological assets | (0.86) | 0.65 | (8.64) | (17.41) | 36.59 |
| | **Other operating revenue** | **342.94** | **260.45** | **226.13** | **182.98** | **217.96** |
| | **Total Other operating income** | **49,264.02** | **37,549.55** | **33,118.24** | **31,024.73** | **27,608.75** |
| | **Note No. 30.1: Details of Sale- Traded and manufactured** | | | | | |
| | Sale of manufactured products | 46,819.98 | 35,320.82 | 31,136.48 | 28,593.17 | 25,787.76 |
| | Sale of traded products | 2,101.10 | 1,968.28 | 1,755.63 | 2,248.58 | 1,603.03 |
| | **Total Sale of products** | **48,921.08** | **37,289.10** | **32,892.11** | **30,841.75** | **27,390.79** |
| | **Note 31** | | | | | |
| | **Other Income** | | | | | |
| | **Interest Income** | | | | | |
| | ***Interest received on instruments measured at amortised cost*** | | | | | |
| | Interest received on Deposits | 27.14 | 73.82 | 34.24 | 28.39 | 25.71 |
| | Interest Received On Loans & Advance | 74.73 | 14.38 | - | - | - |
| | Interest received from Income Tax | - | 0.02 | 0.02 | - | - |
| | Interest - Others | 46.14 | 3.39 | - | - | - |
| | Dividend received | 0.00 | 0.17 | 0.00 | - | - |
| | Profit on sale of Fixed Assets (net) | - | 49.27 | 5.27 | 19.57 | - |
| | Profit on sale of Investments (net) | 279.90 | 257.19 | - | - | 0.08 |
| | Claims received | 3.63 | 4.74 | 3.41 | 7.87 | 0.57 |
| | Recovery of Bad Debts written off | 2.89 | 4.16 | 10.18 | 7.60 | 2.67 |
| | Royalty & Technical Knowhow | 24.75 | 28.45 | 19.70 | 12.90 | 3.70 |
| | Other Miscellaneous Income and Income from R & D Center | 98.16 | 92.92 | 58.02 | 63.68 | 72.93 |
| | Grant amortization | 11.62 | 12.14 | 4.73 | 0.95 | 0.45 |
| | Change in fair valuation of investments | - | 85.54 | - | 7.40 | - |
| | Guarantee commission | - | 0.95 | 1.07 | 1.05 | 0.85 |
| | **TOTAL** | **568.96** | **627.14** | **136.64** | **149.41** | **106.96** |

31.1. During the year March 31, 2017, Profit on sale of investment includes profit of Rs. 22.09 Mn on sale of investment in subsidiary company Godrej Seeds And Genetics Limited

(Rs. in million)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| **Note 32** | | | | | |
| **Cost of materials consumed** | | | | | |
| Raw Material Stocks at the Commencement of the Year | 4,246.78 | 2,416.33 | 2,169.21 | 1,996.06 | 1,312.00 |
| Add : Taken over during the year | - | - | - | - | 66.25 |
| Add : Purchases | 36,255.25 | 30,438.78 | 25,316.14 | 23,591.79 | 22,168.10 |
| Less : Raw Material sold | (66.63) | (36.84) | (6.54) | - | - |
| Less: Raw Material Stocks at the Close of the Year | (4,264.16) | (4,246.78) | (2,416.33) | (2,169.21) | (1,996.06) |
| Stock Adjustment for subsidiaries merged | - | - | - | (48.08) | - |
| **TOTAL** | **36,171.24** | **28,571.49** | **25,062.48** | **23,370.56** | **21,550.29** |
| **Note 33** | | | | | |
| **Purchase of stock-in-trade** | | | | | |
| Agri inputs | 1,836.05 | 1,692.92 | 1,359.87 | 1,220.39 | 977.99 |
| Animal Feeds | - | - | 61.10 | 688.37 | 194.68 |
| Others | 0.23 | 42.21 | 43.04 | - | - |
| **TOTAL** | **1,836.28** | **1,735.13** | **1,464.01** | **1,908.76** | **1,172.67** |
| **Note 34** | | | | | |
| **Changes in inventories of finished goods and work in progress** | | | | | |
| **Opening Stock :** | | | | | |
| Finished Goods | 1,365.30 | 621.94 | 440.09 | 371.99 | 242.16 |
| Work In Progress | 223.70 | 230.23 | 40.14 | 76.36 | - |
| Poultry Stock | - | 18.12 | 21.64 | 12.93 | 2.12 |
| Stock under cultivation | 88.68 | 105.24 | 162.65 | 165.87 | 113.62 |
| Stock-in-Trade | 616.18 | 509.72 | 451.12 | 256.75 | 181.46 |
| **Taken over during the year :** | | | | | |
| Finished Goods | - | - | - | - | 39.14 |
| Work In Progress | - | - | - | - | 14.88 |
| **Closing Stock :** | | | | | |
| Finished Goods | 1,281.67 | 1,365.30 | 621.94 | 440.09 | 371.99 |
| Work In Progress | 372.98 | 223.70 | 230.23 | 40.14 | 76.36 |
| Poultry Stock | - | - | 18.12 | 21.64 | 12.93 |
| Stock under cultivation | 46.70 | 88.68 | 105.24 | 162.65 | 165.87 |
| Stock-in-Trade | 638.56 | 616.18 | 509.72 | 451.12 | 256.75 |
| Stock Adjustment for subsidiaries merged | - | (46.79) | - | (6.39) | - |
| **Changes in inventories of finished goods and work in progress** | **(46.05)** | **(855.40)** | **(369.61)** | **(238.13)** | **(290.52)** |
| **Note 35** | | | | | |
| **Employee benefit expense** | | | | | |
| Salaries, Wages, Bonus and Allowances | 2,016.21 | 1,309.53 | 1,150.70 | 1,131.91 | 910.25 |
| Contribution to Provident, Gratuity and Other Funds | 134.38 | 105.35 | 71.74 | 61.65 | 52.62 |
| Expense on Employee Stock based payments | 35.54 | 27.94 | 13.50 | 16.00 | 16.00 |
| Staff Welfare Expense | 141.36 | 114.00 | 98.07 | 88.00 | 63.62 |
| **TOTAL** | **2,327.49** | **1,556.82** | **1,334.01** | **1,297.56** | **1,042.49** |
| **Note 36** | | | | | |
| **Finance Costs** | | | | | |
| Interest Expense - Paid to Banks on Loans and Cash Credit | 186.95 | 119.18 | 70.64 | 35.53 | 87.76 |
| Interest Expense - Others | 636.43 | 457.99 | 222.78 | 52.24 | 139.93 |
| Other Borrowing Costs. | 31.63 | 399.53 | 361.23 | 315.12 | 257.43 |
| Exchange differences regarded as a adjustment to borrowing cost | 8.40 | - | - | - | - |
| Preference dividend and tax on preference dividend | 0.01 | 0.00 | - | - | - |
| **TOTAL** | **863.42** | **976.70** | **654.64** | **402.89** | **485.12** |

36.1. Finance costs are net of interest capitalised to Project in Progress during the year ended March 31, 2017, 29.42 Mn and march 31, 2016 net of interest capitalised to Fixed Assets Rs. 8.13 Mn, March 31, 2015 Rs.6.24 Mn, March 31, 2014 Rs.131.00 Mn and March 31, 2013 Rs. 60.97 Mn.

**Annexure VI: Notes to the Restated Consolidated Financial Information**

(Rs. in million)

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| **Note 37** | | | | | |
| **Depreciation and Amortisation Expenses** | | | | | |
| Depreciation | 718.88 | 489.82 | 352.23 | 259.36 | 179.06 |
| Amortization | 70.28 | 76.44 | 60.04 | 58.89 | 56.65 |
| Less : Transfer from General Reserve (Refer Note.48) | (42.51) | (42.51) | (42.51) | (42.51) | (42.51) |
| **TOTAL** | **746.65** | **523.75** | **369.76** | **275.74** | **193.20** |
| **Note 38** | | | | | |
| **Other Expenses** | | | | | |
| Stores and Spares consumed | 213.88 | 135.76 | 144.11 | 109.32 | 106.32 |
| Power and Fuel | 768.63 | 640.76 | 429.47 | 353.59 | 335.48 |
| Processing Charges | 889.06 | 667.76 | 675.45 | 589.87 | 619.02 |
| Carriage Inwards | 12.98 | 9.08 | - | - | - |
| Rent | 94.27 | 89.63 | 77.90 | 69.22 | 71.16 |
| Rates and Taxes | 77.72 | 105.62 | 69.72 | 47.43 | 37.77 |
| Repairs and Maintenance - Machinery | 109.54 | 60.55 | 51.49 | 34.45 | 29.80 |
| Repairs and Maintenance - Buildings | 20.41 | 47.54 | 7.12 | 4.72 | 2.39 |
| Repairs and Maintenance - Other assets | 42.28 | 16.40 | 14.88 | 10.85 | 9.25 |
| Insurance | 28.19 | 21.48 | 15.14 | 12.51 | 9.91 |
| Auditor's Remuneration | 11.95 | 10.54 | 9.69 | 9.82 | 8.09 |
| Freight | 272.80 | 253.01 | 66.80 | 85.26 | 323.78 |
| Advertisement, Selling and Distribution Expenses | 758.46 | 621.84 | 386.79 | 372.76 | 204.90 |
| Bad Debts/Advances Written Off | 80.07 | 48.97 | 42.71 | 60.53 | 59.98 |
| Provision for Doubtful Debts and Advances/(Written back) | 53.77 | 24.42 | (9.47) | (7.79) | (3.61) |
| Acquisition cost | - | 14.67 | - | - | - |
| Loss on Sale/Write off of Fixed Assets | 23.81 | - | - | - | 1.47 |
| Research Expenses | 18.25 | 16.88 | 29.35 | 18.31 | 8.30 |
| Applicable net gain/loss on foreign currency transactions and translation | 9.55 | 21.88 | 40.23 | (18.06) | 2.80 |
| MTM on forward contracts | - | - | - | - | - |
| Corporate Social Responsibility Expenses | 48.40 | 22.76 | 13.12 | - | - |
| Miscellaneous Expenses | 907.48 | 699.08 | 477.02 | 517.25 | 349.96 |
| Access Fees | - | - | 1.60 | 1.43 | 1.60 |
| Change in fair valuation of investments | - | - | 24.89 | - | 6.09 |
| **TOTAL** | **4,441.50** | **3,528.63** | **2,568.01** | **2,271.47** | **2,184.46** |
| Note No. 38.2: Auditor's Remuneration | | | | | |
| Audit Fees | 5.68 | 5.78 | 5.52 | 5.57 | 4.69 |
| Audit under Other Statutes | 1.92 | 1.96 | 1.74 | 1.68 | 1.40 |
| Taxation matters | 3.08 | 1.15 | 1.24 | 0.74 | 0.93 |
| Management Consultancy , Certification & Company Law Matters | 0.28 | 0.62 | 0.56 | 0.92 | 0.32 |
| Reimbursement of Expenses | 0.99 | 1.03 | 0.63 | 0.91 | 0.75 |
| Total | 11.95 | 10.54 | 9.69 | 9.82 | 8.09 |
| | (0.00) | (0.00) | (0.01) | 0.00 | (0.00) |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 39 Earnings per share**

**(Rs. In millions)**

| | **Particulars** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|---|
| 1 | Calculation of weighted average number of equity shares - Basic | | | | | |
| (a) | Number of shares at the beginning of the year | 88,458,090 | 88,458,090 | 12,636,870 | 12,636,870 | 12,118,752 |
| | Effect of bonus issue | 88,458,090 | 88,458,090 | 164,279,310 | 164,279,310 | 157,543,776 |
| | Revised number of shares at the beginning of the year | 176,916,180 | 176,916,180 | 176,916,180 | 176,916,180 | 169,662,528 |
| (b) | Number of equity shares outstanding at the end of the year | 185,130,876 | 88,458,090 | 88,458,090 | 12,636,870 | 12,636,870 |
| | Effect of bonus issue | - | 88,458,090 | 88,458,090 | 164,279,310 | 164,279,310 |
| | Revised number of shares outstanding at the end of the year | 185,130,876 | 176,916,180 | 176,916,180 | 176,916,180 | 176,916,180 |
| | Weighted average number of equity shares outstanding during the year | **177,141,240** | **176,916,180** | **176,916,180** | **176,916,180** | **171,475,941** |
| 2 | Calculation of weighted average number of equity shares - Diluted | | | | | |
| (a) | Number of potential shares at the beginning of the year | 176,916,180 | 176,916,180 | 176,916,180 | 176,916,180 | 169,662,528 |
| | Effect of potential equity shares | 8,214,696 | 8,214,696 | 8,214,696 | 8,214,696 | - |
| | Revised number of potential shares at the beginning of the year | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 | 169,662,528 |
| (b) | Number of potential equity shares outstanding at the end of the year | 185,130,876 | 176,916,180 | 176,916,180 | 176,916,180 | 176,916,180 |
| | Effect of potential equity shares | | 8,214,696 | 8,214,696 | 8,214,696 | 8,214,696 |
| | Revised number of potential equity shares outstanding at the end of the year | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 |
| | Weighted average number of potential equity shares outstanding during the year | **185,130,876** | **185,130,876** | **185,130,876** | **185,130,876** | **172,885,101** |
| 3 | **Profit attributable to ordinary shareholders.** | | | | | |
| | Profit (loss) for the year, attributable to the owners of the Group | 2,487.70 | 2,639.25 | 2,100.45 | 1,565.14 | 965.80 |
| | Less : Extra ordinary income / Exceptional income after tax | (200.00) | (764.80) | (364.48) | - | - |
| | Less : Income/(Expense) recognized in Reserves | (265.37) | (144.18) | (146.75) | (304.16) | (760.06) |
| | Net Profit (loss) for the year, attributable to ordinary shareholders | **2,022.33** | **1,730.27** | **1,589.22** | **1,260.98** | **205.74** |
| **4** | Basic Earnings per share (Rs.) | **11.42** | **9.78** | **8.98** | **7.13** | **1.20** |
| **5** | Diluted Earnings per share (Rs.) | **10.92** | **9.35** | **8.58** | **6.81** | **1.19** |
| **6** | Nominal Value of Shares (Rs.) | **10.00** | **10.00** | **10.00** | **10.00** | **10.00** |

**Note 40 Employee benefits**
The Group contributes to the following post-employment plans in India.

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

The Group recognised Rs. 92.91 Mn for the year ended March 31, 2017, Rs. 77.52 Mn for March 31, 2016, Rs. 53.64 Mn for March 31, 2015, Rs.44.15 Mn for March 31, 2014, Rs.35.95 Mn for March 31, 2013 towards provident fund contribution and Rs. 5.79 Mn for the year ended March 31, 2017 Rs. 5.57 Mn for March 31, 2016, Rs. 5.25 Mn for March 31, 2015, Rs.5.32 Mn for March 31, 2014, Rs.4.99 Mn for March 31, 2013 towards super-annuation fund contribution in the Statement of Profit and Loss.

**Defined Benefit Plan:**

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

Provident Fund contributions other than those made to the Regional Provident Fund office of the Government which are made to the Trust administrated by the Group are considered as a Defined Benefit Plan because, as per the rules of Group's Provident Fund Scheme, 1952, if the return on investment is less or for any other reason, then the deficiency shall be made good by the Group. The Group's net obligations in respect of such plans is calculated by estimating the amount of future benefit that the employees have earned in return for their services and the current and prior periods that benefit is discounted to determine its present value and the fair value of the plan asset is deducted. Any actuarial losses are recognised immediately in the Statement of Profit and Loss.

The Holding Group makes annual contributions to the Employees' Group Gratuity-cum-Life Assurance Scheme of ICICI Prudential Ltd, a funded defined benefit plan for qualifying employees. Gratuity is payable to all eligible employees on superannuation, death or on separation/termination in terms of the provisions of The Payment of Gratuity Act, 1972 or as per the Group's policy whichever is beneficial to the employees.

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

**(Rs. In millions)**

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Defined benefit obligation | (226.48) | (170.85) | (120.40) | (88.23) | (80.77) |
| Fair value of plan assets | 170.68 | 128.84 | 89.87 | 78.33 | 56.82 |
| **Net defined benefit (obligation)/assets** | **(55.80)** | **(42.01)** | **(30.53)** | **(9.90)** | **(23.95)** |

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

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components **(Rs. In millions)**

| | Defined benefit obligation | | | | | Fair value of plan assets | | | | | Net defined benefit | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Opening balance | 170.85 | 142.37 | 88.23 | 80.77 | 62.21 | 128.84 | 110.56 | 78.33 | 56.82 | 43.04 | 42.01 | 31.81 | 9.90 | 23.95 | 19.17 |
| Included in profit or loss | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Current service cost | 15.15 | 11.20 | 6.60 | 6.30 | 5.11 | - | - | - | - | - | 15.15 | 11.20 | 6.60 | 6.30 | 5.11 |
| Past service cost | - | - | | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest cost (income) | 13.72 | 11.01 | 8.44 | 6.66 | 5.29 | 10.40 | 8.45 | - | - | - | 3.32 | 2.56 | 8.44 | 6.66 | 5.29 |
| | | | | | | | | | | | - | - | - | - | - |
| Included in OCI | | | | | | | | | | | - | - | - | - | - |
| Remeasurement loss (gain): | | | | | | | | | | | - | - | - | - | - |
| Actuarial loss (gain) arising from: | 44.00 | 24.04 | 28.28 | 2.42 | 15.31 | - | - | 5.46 | 0.98 | (1.96) | 44.00 | 24.04 | 22.82 | 1.44 | 17.27 |
| Demographic assumptions | - | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Financial assumptions | 11.82 | (1.10) | 13.22 | - | - | - | - | - | - | - | 11.82 | (1.10) | 13.22 | - | - |
| Experience adjustment | 32.18 | 25.14 | 15.06 | - | - | - | - | 5.46 | - | - | 32.18 | 25.14 | 9.60 | - | - |
| Return on plan assets excluding interest income | - | - | - | - | - | 5.98 | (4.21) | 7.31 | 4.95 | 3.66 | (5.98) | 4.21 | (7.31) | (4.95) | (3.66) |
| | **243.72** | **188.62** | **131.55** | **96.15** | **87.92** | **145.22** | **114.80** | **91.10** | **62.75** | **44.74** | **98.50** | **73.82** | **40.45** | **33.40** | **43.18** |
| **Other** | | | | | | | | | | | | | | | |
| Contributions paid by the employer | - | - | - | - | - | 42.70 | 31.81 | 9.92 | 23.50 | 19.13 | (42.70) | (31.81) | (9.92) | (23.50) | (19.13) |
| Benefits paid | (17.24) | (17.77) | (11.15) | (7.92) | (7.15) | (17.24) | (17.77) | (11.15) | (7.92) | (7.05) | - | - | - | - | (0.10) |
| Closing balance | **226.48** | **170.85** | **120.40** | **88.23** | **80.77** | **170.68** | **128.84** | **89.87** | **78.33** | **56.82** | **55.80** | **42.01** | **30.53** | **9.90** | **23.95** |

**Represented by**

| | | | | | |
|---|---|---|---|---|---|
| Net defined benefit asset | - | (0.06) | - | - | - |
| Net defined benefit liability | 55.80 | 42.07 | 30.53 | 9.90 | 23.95 |
| | **55.80** | **42.01** | **30.53** | **9.90** | **23.95** |

**ii. Plan assets**

Plan assets comprise the following

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| **Insurer managed fund (100%)** | 170.68 | 128.84 | 89.87 | 78.33 | 56.82 |
| | **170.68** | **128.84** | **89.87** | **78.33** | **56.82** |

**iii. Actuarial assumptions**

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

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Discount rate | 7.56% | 8.00% | 7.94% | 9.33% | 8.25% |
| Future salary growth | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Rate of employee turnover | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. |
| Mortality rate | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) |

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

**iv. Sensitivity analysis**

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

| | March 31, 2017 | | March 31, 2016 | | March 31,2015 | | March 31,2014 | | March 31,2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (19.54) | 22.93 | (14.50) | 16.94 | (9.83) | 11.40 | (6.61) | 7.61 | (6.45) | 7.45 |
| Future salary growth (1% movement) | 23.05 | (19.92) | 17.37 | (15.04) | 11.62 | (10.18) | 7.87 | (6.93) | 7.62 | (6.69) |
| Rate of employee turnover (1% movement) | 7.19 | (8.42) | 6.16 | (7.18) | 2.64 | (3.00) | 2.81 | (3.15) | 1.95 | (2.20) |

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

**v. Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows

**Expected contribution**

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2017, i.e. Rs. 74.76 Mn

| **Expected future benefit payments** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| March 31, 2014 | - | - | - | - | 5.64 |
| March 31, 2015 | - | - | - | 9.65 | 5.11 |
| March 31, 2016 | - | - | 8.33 | 3.55 | 6.21 |
| March 31, 2017 | - | 14.37 | 8.36 | 7.51 | 7.75 |
| March 31, 2018 | 17.66 | 9.99 | 5.91 | 4.79 | 5.50 |
| March 31, 2019 | 17.23 | 17.02 | 10.54 | 9.92 | - |
| March 31, 2020 | 16.92 | 14.87 | 7.68 | - | - |
| March 31, 2021 | 23.93 | 18.72 | - | - | - |
| March 31, 2022 | 13.40 | - | - | - | - |
| Thereafter | 91.79 | 62.83 | 54.69 | 43.71 | 53.93 |

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method is Rs. 36.87 Mn, Rs. 30.59 Mn for March 31, 2016, Rs. 18.25 Mn for March 31, 2015, Rs.20.44 Mn for March 31, 2014, Rs.14.45 Mn for March 31, 2013.

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss

Incentive Plans: The Group has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

During the Financial year 2015-16, the group has acquired Creamline Dairy Product Limited and Astec Lifescience Limited. Accordingly, the information as given above of Financial year 2015-16 includes that of acquired entities also.

Godrej Agrovet Limited

**Note 41 Share-based payment arrangements:**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Description of share-based payment arrangements**

**A. Godrej Agrovet Limited**

**Employee stock options - cash settled**

The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. During the year, the Company has provided Rs. 19.00 Mn, during financial year 2015-16 Rs.18.70 Mn, during financial year 2014-15 Rs. 1.35 Mn, during Financial year 2013-14 Rs. 1.60 Mn and during financial year 2012-13 Rs. 1.60 Mn for the aforesaid eligible employees.

**Employee stock options - equity settled**

In December 2012, the Company instituted an Employee Stock Option Plan (GAVL ESOP) as approved by the Board of Directors and the Shareholders, for the allotment of 5,86,764 options convertible into 5,86,764 equity shares of Rs. 10 each and Bonus Shares issued against the initial allotment for 35,20,584 shares of Rs. 10 each to eligible employees of the company.

The scheme is administered by an independent ESOP Trust created. The Company has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 76,27,932 shares to the said ESOP Trust at face value of Rs. 10 each amounting to Rs. 5.87 Mn. During the current year, all the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

**Category A**

| Particulars | For the year ended 31 March 2017 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 1,843,457 | 10.00 | 1.43 | 21.5 months |
| Add: Options granted during the year | 148,463 | 10.00 | 1.43 | - |
| Less: Options lapsed during the year | (148,463) | - | - | - |
| Bonus shares issue against the allotment | 1,843,457 | - | - | - |
| Less: Options exercised during the year | (3,686,914) | 10.00 | 0.71 | - |
| Options outstanding at the year end | - | - | - | - |
| Exercisable at the end of the period | - | - | - | - |

| Particulars | For the year ended 31 March 2016 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 1,843,457 | 10.00 | 1.43 | 33.5 months |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Bonus shares issue against the allotment | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | 1,843,457 | 10.00 | 1.43 | 21.5 months |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2015 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 263,351 | 10.00 | 10.00 | 45.5 months |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Bonus shares issue against the allotment | 1,580,106 | - | - | - |
| Options outstanding at the year end | - | - | - | - |
| Exercisable at the end of the period | 1,843,457 | 10.00 | 1.43 | 33.5 months |

| Particulars | For the year ended 31 March 2014 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 263,351 | 10.00 | 10.00 | 57.5 months |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | - | - | - | - |
| Exercisable at the end of the period | 263,351 | 10.00 | 10.00 | 45.5 months |

| Particulars | For the year ended 31 March 2013 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 263,351 | 10.00 | 10.00 | 60 Months |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | - | - | - | - |
| Exercisable at the end of the period | 263,351 | 10.00 | 10.00 | 57.5 months |

The weighted average grant date fair value of par value options granted under Category A during the years ended March 31, 2017 was Rs. 154.60, 2016 was Rs 309.20, 2015 was Rs 309.20, 2014 was Rs. 2164.41 and 2013 was Rs. 2164.41 per option, respectively. The weighted average share price during the years ended March 31, 2017 is Rs. 297.17 per share.

**Category B**

| Particulars | For the year ended 31 March 2017 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 2,263,891 | 10.00 | 1.43 | - |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Bonus shares issue against the allotment | 2,263,891 | 10.00 | - | - |
| Less: Options exercised during the year | (4,527,782) | 10.00 | 0.71 | - |
| Options outstanding at the year end | - | - | - | - |
| Exercisable at the end of the period | - | - | - | - |

| Particulars | For the year ended 31 March 2016 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 2,263,891 | 10.00 | 1.43 | - |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | 2,263,891 | 10.00 | 1.43 | - |
| Exercisable at the end of the period | - | - | - | - |

| Particulars | For the year ended 31 March 2015 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 323,413 | 10.00 | 10.00 | - |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Bonus shares issue against the allotment | 1,940,478 | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | 2,263,891 | 10.00 | 1.43 | - |
| Exercisable at the end of the period | - | - | - | - |

| Particulars | For the year ended 31 March 2014 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 323,413 | 10.00 | 10.00 | - |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | 323,413 | 10.00 | 10.00 | - |
| Exercisable at the end of the period | - | - | - | - |

| Particulars | For the year ended 31 March 2013 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 323,413 | 10.00 | 10.00 | - |
| Add: Options granted during the year | - | - | - | - |
| Less: Options lapsed during the year | - | - | - | - |
| Less: Options exercised during the year | - | - | - | - |
| Options outstanding at the year end | 323,413 | 10.00 | 10.00 | - |
| Exercisable at the end of the period | | | | - |

The weighted average grant date fair value of par value options granted under Category B during the years ended March 31, 2017 was Rs. 154.60, 2016 was Rs 309.20, 2015 was Rs 309.20, 2014 was Rs. 2164.41 and 2013 was Rs. 2164.41 per option, respectively. The weighted average share price during the years ended March 31, 2017 is Rs. 297.17 per share .

**Valuation of stock options**

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. They key inputs and assumptions used are as follows:

Share price: The share price has been obtained through valuation report.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

| | **Grant date** |
|---|---|
| | 16/01/2013 |
| Fair value | 154.14 |
| Share price | 154.60 |
| Exercise price | 10.00 |
| Expected volatility (weighted-average) | 0.00% |
| Expected life (weighted-average) | 5 |
| Expected dividends | 0.00% |
| Risk-free interest rate (based on government bonds) | 9.00% |

**B. Astec Lifescience Limited**

**(a) Employee stock option scheme (ESOS,2015)**

The Company has implemented Employees under Employee stock option scheme (ESOS, 2015) which was approved by the Shareholders at the 21st Annual General Meeting. The employee stock

Once vested, the options remains exercisable for a period of three years.

Options are granted at the market price on which the options are granted to the employees under ESOS 2015. When exercisable, each option is convertible into one equity share.

**(b) Employee stock option plan (ESOP,2012)**

The company has implemented Employee Stock Option Plan (ESOP 2012) which was approved by the Shareholders at the Extra-Ordinary General Meeting of the company in the Year 2012. The

Once vested, the options remains exercisable for a period of seven years.

Options are granted under ESOP 2012 at an exercise price of INR 34/- each. When exercisable, each option is convertible into one equity share.

Set out below is a summary of options granted under the plan:

| | March 31, 2017 | | March 31, 2016 | |
|---|---|---|---|---|
| | Average exercise price per share option (INR) | Number of options | Average exercise price per share option (INR) | Number of options |
| Opening balance | 34.00 | 121,000 | 34.00 | 86,000 |
| Granted during the year | 387.35 | 50,000 | 34.00 | 40,000 |
| Exercised during the year | 34.00 | 57,800 | - | - |
| Lapsed during the year | 34.00 | 13,200 | 34.00 | 5,000 |
| **Closing balance** | | **100,000** | | **121,000** |
| **Vested and exercisable** | | **11,900** | | **32,400** |

No options expired during the periods covered in the above tables.

**Share options outstanding at the end of the year have the following expiry date and exercise prices:**

| | | | March 31, 2017 | March 31, 2016 | April 01, 2015 |
|---|---|---|---|---|---|
| **Grant date** | **Expiry date** | **Exercise price** | **Share options** | **Share options** | **Share options** |
| January 31, 2015 | January 30, 2023 | 34.00 | 800 | 32,400 | 34,400 |
| January 31, 2015 | January 30, 2024 | 34.00 | 11,100 | 24,300 | 25,800 |
| January 31, 2015 | January 30, 2025 | 34.00 | 13,400 | 16,200 | 17,200 |
| January 31, 2015 | January 30, 2026 | 34.00 | 6,700 | 8,100 | 8,600 |
| May 16, 2015 | May 15, 2023 | 34.00 | - | 16,000 | - |
| May 16, 2015 | May 15, 2024 | 34.00 | 9,000 | 12,000 | - |
| May 16, 2015 | May 15, 2025 | 34.00 | 6,000 | 8,000 | - |
| May 16, 2015 | May 15, 2026 | 34.00 | 3,000 | 4,000 | - |
| July 26, 2016 | July 25, 2020 | 387.35 | 20,000 | | |
| July 26, 2016 | July 25, 2021 | 387.35 | 15,000 | | |
| July 26, 2016 | July 25, 2022 | 387.35 | 10,000 | | |
| July 26, 2016 | July 25, 2023 | 387.35 | 5,000 | | |
| **Total** | | | **100,000** | **121,000** | **86,000** |
| Weighted average remaining contractual life of options outstanding at end of period | | | 6.02 | 6.94 | 8.84 |

**(i) Fair value of options granted**

The fair value of grant date of options granted during the year ended March 31, 2017 is mentioned in the table below. The fair value at grant date is determined using the Black Scholes model which takes into account the exercise price, the term of option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

| | | | March 31, 2017 | March 31, 2016 | April 01, 2015 |
|---|---|---|---|---|---|
| **Grant date** | **Expiry date** | **Fair Value** | **Share options** | **Share options** | **Share options** |
| January 31, 2015 | January 30, 2023 | 95.84 | 800 | 32,400 | 34,400 |
| January 31, 2015 | January 30, 2024 | 109.41 | 11,100 | 24,300 | 25,800 |
| January 31, 2015 | January 30, 2025 | 109.91 | 13,400 | 16,200 | 17,200 |
| January 31, 2015 | January 30, 2026 | 110.49 | 6,700 | 8,100 | 8,600 |
| May 16, 2015 | May 15, 2023 | 105.77 | - | 16,000 | - |
| May 16, 2015 | May 15, 2024 | 118.18 | 9,000 | 12,000 | - |
| May 16, 2015 | May 15, 2025 | 119.30 | 6,000 | 8,000 | - |
| May 16, 2015 | May 15, 2026 | 119.67 | 3,000 | 4,000 | - |
| July 26, 2016 | July 25, 2020 | 100.00 | 20,000 | | |
| July 26, 2016 | July 25, 2021 | 159.00 | 15,000 | | |
| July 26, 2016 | July 25, 2022 | 278.00 | 10,000 | | |
| July 26, 2016 | July 25, 2023 | 297.00 | 5,000 | | |
| **Total** | | | **100,000** | **121,000** | **86,000** |

The model inputs for options granted during the year ended March 31, 2017 included:

**ESOS, 2015 granted on 26 July 2016**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10%

| | July 25, 2020 | July 25, 2021 | July 25, 2022 | July 25, 2023 |
|---|---|---|---|---|
| Exercise Price | INR 387.35 | INR 387.35 | INR 387.35 | INR 387.35 |
| Grant Date | July 26, 2016 | July 26, 2016 | July 26, 2016 | July 26, 2016 |
| Expiry Date | July 25, 2020 | July 25, 2021 | July 25, 2022 | July 25, 2023 |
| Share price at grant date | INR 387.35/- | INR 387.35/- | INR 387.35/- | INR 387.35/- |
| Expected price volatility of the company's shares | 57% | 66% | 115% | 109% |
| Expected dividend yield | 0.00% | 0.00% | 0.00% | 0.00% |
| Risk free interest rate | 8.27% | 8.17% | 8.20% | 8.32% |

**ESOP, 2012- Option B granted on 16 May 2015**

Options are granted for a consideration as mentioned in the below table and 40% of options vest after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10%

| | May 15, 2023 | May 15, 2024 | May 15, 2025 | May 15, 2026 |
|---|---|---|---|---|
| Exercise Price | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) |
| Grant Date | 16 May 2015 | 16 May 2015 | 16 May 2015 | 16 May 2015 |
| Expiry Date | May 15, 2023 | May 15, 2024 | May 15, 2025 | May 15, 2026 |
| Share price at grant date | INR 138/- | INR 138/- | INR 138/- | INR 138/- |
| Expected price volatility of the company's shares | 71% | 139% | 121% | 108% |
| Expected dividend yield | 0.91% | 0.91% | 0.91% | 0.91% |
| Risk free interest rate | 8.30% | 8.19% | 8.21% | 8.30% |

**ESOP, 2012- Option A granted on 31 January 2015**

Options are granted for a consideration as mentioned below in the table and vest 40% of options after 1 year, 30% of options after 2 years, 20% of options after 3 years and 10%

| | January 30, 2023 | January 30, 2024 | January 30, 2025 | January 30, 2026 |
|---|---|---|---|---|
| Exercise Price | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) | INR 34/- (March 31, 2016 - INR 34/-) |
| Grant Date | January 31, 2015 | January 31, 2015 | January 31, 2015 | January 31, 2015 |
| Expiry Date | January 30, 2023 | January 30, 2024 | January 30, 2025 | January 30, 2026 |
| Share price at grant date | INR 127.70/- | INR 127.70/- | INR 127.70/- | INR 127.70/- |
| Expected price volatility of the company's shares | 72% | 143% | 120% | 108% |
| Expected dividend yield | 0.78% | 0.78% | 0.78% | 0.78% |
| Risk free interest rate | 8.27% | 8.17% | 8.20% | 8.32% |

The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

**b) Expense arising from share based payment transactions**

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

| | | (Rs. in million) |
|---|---|---|
| | **March 31, 2017** | **March 31, 2016** |
| Employee stock option plan | 56.53 | 66.55 |
| **TOTAL** | **56.53** | **66.55** |

**Note 42.1 Financial instruments – Fair values and risk management**

**A. 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.

| | Carrying amount | | | | Fair value | | | (Rs. In millions) |
|---|---|---|---|---|---|---|---|---|
| **March 31, 2017** | **FVTPL** | **FVOCI** | **Amortised Cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Non-current Financial Assets** | | | | | | | | |
| Non-current investments | 0.09 | | | 0.09 | | 0.09 | | 0.09 |
| Long-term loans and advances | | | 149.78 | 149.78 | | | | - |
| Other non-current financial assets | | | 49.19 | 49.19 | | | | - |
| **Current Financial Assets** | | | | | | | | |
| Trade receivables | | | 5,219.50 | 5,219.50 | | | | - |
| Cash and cash equivalents | | | 538.19 | 538.19 | | | | - |
| Bank balance other than above | | | 84.78 | 84.78 | | | | - |
| Loans | | 17.03 | 238.32 | 255.35 | | 17.03 | | 17.03 |
| Other current financial assets | | | 112.14 | 112.14 | | - | | - |
| | **0.09** | **17.03** | **6,391.90** | **6,409.02** | **-** | **17.12** | **-** | **17.12** |
| **Financial liabilities** | | | | | | | | |
| **Non-current Financial liabilities** | | | | | | | | |
| Long term borrowings | 41.18 | - | 164.40 | 205.58 | | 29.84 | | 29.84 |
| Non-current liabilities - Other financial liabilities | | | (0.00) | (0.00) | | | | - |
| **Current Financial liabilities** | | | | | | | | |
| Short term borrowings | | | 6,392.53 | 6,392.53 | | 1,261.58 | | 1,261.58 |
| Trade and other payables | | | 8,408.47 | 8,408.47 | | | | - |
| Other financial liabilities | 22.29 | | 1,670.37 | 1,692.66 | | 22.29 | | 22.29 |
| | **63.47** | **-** | **16,635.77** | **16,699.24** | **-** | **1,313.71** | **-** | **1,313.71** |

| | Carrying amount | | | | Fair value | | | (Rs. In millions) |
|---|---|---|---|---|---|---|---|---|
| **March 31, 2016** | **FVTPL** | | **Amotised** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **INR** | | **FVOCI** | **Cost** | | | | | |
| **Non-current Financial Assets** | | | | | | | | |
| Non-current investments | 0.13 | | - | 0.13 | | 0.13 | | 0.13 |
| Long-term loans and advances | - | | 130.51 | 130.51 | | | | - |
| Other non-current financial assets | | | 58.02 | 58.02 | | 50.82 | | 50.82 |
| **Current Financial Assets** | | | | | | | | |
| Current investments | 519.89 | | - | 519.89 | 519.89 | | | 519.89 |
| Trade receivables | | | 4,545.12 | 4,545.12 | | | | - |
| Cash and cash equivalents | | | 314.30 | 314.30 | | | | - |
| Bank balance other than above | | | 105.34 | 105.34 | | | | - |
| Loans | 3.43 | | 1,385.84 | 1,389.27 | | 3.43 | | 3.43 |
| Other current financial assets | | | 544.87 | 544.87 | | | | - |
| | **523.45** | **-** | **7,084.00** | **7,607.45** | **519.89** | **54.38** | **-** | **574.27** |
| **Non-current Financial liabilities** | | | | | | | | |
| Long term borrowings | 26.78 | | 181.00 | 207.78 | | 108.55 | | 108.55 |
| Other non-current financial liabilities | | | 65.37 | 65.37 | | | | - |
| **Current Financial liabilities** | | | | | | | | |
| Short term borrowings | | | 12,604.94 | 12,604.94 | | 1,187.74 | | 1,187.74 |
| Trade and other payables | | | 3,352.75 | 3,352.75 | | | | - |
| Other financial liabilities | 3.99 | | 2,214.53 | 2,218.52 | | 3.99 | | 3.99 |
| | **30.77** | **-** | **18,418.59** | **18,449.36** | **-** | **1,300.28** | **-** | **1,300.28** |

| | Carrying amount | | | | Fair value | | | (Rs. In millions) |
|---|---|---|---|---|---|---|---|---|
| **March 31, 2015**<br>**INR** | **FVTPL** | **FVOCI** | **Amotised Cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Non-current Financial Assets** | | | | | | | | |
| Non-current investments | 0.08 | - | - | 0.08 | | 0.08 | | 0.08 |
| Long-term loans and advances | - | | 100.84 | 100.84 | | | | - |
| Other non-current financial assets | | | 17.71 | 17.71 | | | | - |
| **Current Financial Assets** | | | | | | | | |
| Current investments | 366.11 | | | 366.11 | 366.11 | | | 366.11 |
| Trade receivables | | | 2,692.49 | 2,692.49 | | | | - |
| Cash and cash equivalents | | | 130.39 | 130.39 | | | | - |
| Bank balance other than above | | | 44.53 | 44.53 | | | | - |
| Loans | | | 958.92 | 958.92 | | | | - |
| Other current financial assets | | | 132.84 | 132.84 | | | | - |
| | **366.19** | **-** | **4,077.72** | **4,443.91** | **366.11** | **0.08** | **-** | **366.19** |
| **Non-current Financial liabilities** | | | | | | | | |
| Long term borrowings | | | 719.34 | 719.34 | | 30.24 | | 30.24 |
| Other non-current financial liabilities - | | | 44.60 | 44.60 | | | | - |
| **Current Financial liabilities** | | | | | | | | |
| Short term borrowings | | | 6,123.61 | 6,123.61 | | | | - |
| Trade and other payables | | | 2,142.73 | 2,142.73 | | | | - |
| Other financial liabilities | 0.79 | | 1,046.79 | 1,047.58 | | 0.79 | | 0.79 |
| | **0.79** | **-** | **10,077.07** | **10,077.86** | **-** | **31.03** | **-** | **31.03** |

| | Carrying amount | | | | Fair value | | | (Rs. In millions) |
|---|---|---|---|---|---|---|---|---|
| **March 31, 2014**<br>**INR** | **FVTPL** | **FVOCI** | **Amotised Cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Non-current Financial Assets** | | | | | | | | |
| Non-current investments | 0.08 | | - | 0.08 | | 0.08 | | 0.08 |
| Long-term loans and advances | - | | 88.99 | 88.99 | | | | - |
| Other non-current financial assets | | | 17.46 | 17.46 | | | | - |
| **Current Financial Assets** | | | | | | | | |
| Trade receivables | | | 2,258.53 | 2,258.53 | | | | - |
| Cash and cash equivalents | | | 1,138.59 | 1,138.59 | | | | - |
| Bank balance other than above | | | 6.42 | 6.42 | | | | - |
| Loans | | | 851.50 | 851.50 | | | | - |
| Other current financial assets | | | 129.31 | 129.31 | | | | - |
| | **0.08** | **-** | **4,490.80** | **4,490.88** | **-** | **0.08** | **-** | **0.08** |
| **Non-current Financial liabilities** | | | | | | | | |
| Long term borrowings | | | 1,642.44 | 1,642.44 | | 30.60 | | 30.60 |
| Other non-current financial liabilities - | | | 11.15 | 11.15 | | | | - |
| **Current Financial liabilities** | | | | | | | | |
| Short term borrowings | | | 4,552.91 | 4,552.91 | | | | - |
| Trade and other payables | | | 2,297.07 | 2,297.07 | | | | - |
| Other financial liabilities | 21.25 | | 1,099.01 | 1,120.26 | | 21.25 | | 21.25 |
| | **21.25** | **-** | **9,602.58** | **9,623.83** | **-** | **51.85** | **-** | **51.85** |

| | Carrying amount | | | | Fair value | | | (Rs. In millions) |
|---|---|---|---|---|---|---|---|---|
| **March 31, 2013**<br>**INR** | **FVTPL** | **FVOCI** | **Amotised Cost** | **Total** | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Non-current Financial Assets** | | | | | | | | |
| Non-current investments | 2.58 | | - | 2.58 | | 2.58 | | 2.58 |
| Financial assets - Long term loans and advances | - | | 219.14 | 219.14 | | | | - |
| Other non-current financial assets | | | 16.59 | 16.59 | | | | - |
| **Current Financial Assets** | | | | | | | | |
| Trade receivables | | | 1,817.74 | 1,817.74 | | | | - |
| Cash and cash equivalents | | | 212.51 | 212.51 | | | | - |
| Bank balance other than above | | | 6.41 | 6.41 | | | | - |
| Loans | | | 778.21 | 778.21 | | | | - |
| Other current financial assets | | | 45.12 | 45.12 | | | | - |
| | **2.58** | **-** | **3,095.72** | **3,098.30** | **-** | **2.58** | **-** | **2.58** |
| **Non-current Financial liabilities** | | | | | | | | |
| Long term borrowings | | | 1,046.40 | 1,046.40 | | 29.00 | | 29.00 |
| **Current Financial liabilities** | | | | | | | | |
| Short term borrowings | | | 3,704.63 | 3,704.63 | | | | - |
| Trade and other payables | | | 1,827.42 | 1,827.42 | | | | - |
| Other financial liabilities | 0.33 | | 840.02 | 840.35 | | 0.33 | | 0.33 |
| | **0.33** | **-** | **7,418.47** | **7,418.80** | **-** | **29.33** | **-** | **29.33** |

**B. Measurement of fair values**

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**C. Financial risk management**

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

▪ Credit risk ;
▪ Liquidity risk ; and
▪ Market risk

**i. Risk management framework**

The Group’s board of directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Group’s risk management policies. The committee reports regularly to the board of directors on its activities

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, 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 Group’s activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

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

**Note 42.2 Credit risk**

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

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

**Trade and other receivables**

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

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. Most of the Group's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the Group segments the customers into Distributors and Others for credit monitoring.

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

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

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

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

| | Carrying amount | | | | **(Rs. in million)** |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Trade receivables | 5,219.50 | 4,545.12 | 2,692.49 | 2,258.53 | 1,817.74 |
| Exports | | | | | |
| *Distributors* | - | - | - | - | - |
| *Other* | 408.80 | 297.20 | 13.58 | 33.30 | - |
| Domestic | - | | | | |
| *Distributors* | 3,922.39 | 3,438.03 | 2,507.21 | 1,900.83 | 1,536.37 |
| *Other* | 888.31 | 809.89 | 171.70 | 324.40 | 281.37 |
| | **5,219.50** | **4,545.12** | **2,692.49** | **2,258.53** | **1,817.74** |
| Other receivables | **307.23** | **681.51** | **695.68** | **698.43** | **727.85** |

**Impairment**

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

| | | | | | **(Rs. in million)** |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Neither past due nor impaired | 3,179.57 | 2,667.62 | 958.90 | 1,370.46 | 1,028.37 |
| Past due 1–30 days | 725.32 | 671.84 | 674.89 | 436.64 | 315.66 |
| Past due 31–90 days | 693.57 | 458.23 | 561.08 | 304.91 | 157.84 |
| Past due 91–180 days | 209.09 | 324.47 | 313.84 | 40.02 | 91.66 |
| > 180 days | 411.95 | 422.96 | 183.78 | 106.50 | 224.21 |
| | **5,219.50** | **4,545.12** | **2,692.49** | **2,258.53** | **1,817.74** |

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

| | | | | | **(Rs. in million)** |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Balance as at April 1 | 42.45 | 20.80 | 31.79 | 33.14 | 41.44 |
| Impairment loss recognised | 112.05 | 67.73 | 30.03 | 48.03 | 51.68 |
| Amounts written off | (76.72) | (46.08) | (41.02) | (49.38) | (59.98) |
| Balance as at March 31 | **77.78** | **42.45** | **20.80** | **31.79** | **33.14** |

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

| | | | | | **(Rs. in million)** |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Balance as at April 1 | 200.76 | 200.26 | 200.00 | 200.00 | 200.00 |
| Impairment loss recognised | (191.48) | 3.39 | 1.95 | 11.14 | - |
| Amounts written off | (3.35) | (2.89) | (1.69) | (11.14) | - |
| Balance as at March 31 | **5.93** | **200.76** | **200.26** | **200.00** | **200.00** |

**Cash and cash equivalents**

The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Financial instruments – Fair values and risk management (continued)**
**Note 42.3 Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 Group'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.

**(Rs. in million)**

| March 31, 2017 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each | 0.06 | 0.06 | - | - | - | - | 0.06 |
| Deferred Sales Tax Loan | 25.82 | 34.16 | - | - | 8.49 | 25.67 | - |
| Deferred payment liabilities | 41.18 | 41.18 | - | - | 10.30 | 30.89 | - |
| Term Loan from Bank | 132.76 | 132.76 | - | - | 47.45 | 85.31 | - |
| Term loans from Bank and NBFC - Secured | 5.76 | 5.76 | - | - | 3.17 | 2.59 | - |
| Other non-current financial liabilities | 0.01 | 0.01 | - | - | - | - | 0.01 |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash credit from bank | 510.64 | 510.64 | 510.64 | - | - | - | - |
| Term loans from banks | 2,003.32 | 2,003.32 | 2,003.32 | - | - | - | - |
| Commercial papers | 2,750.00 | 2,750.00 | 2,750.00 | - | - | - | - |
| Buyers Credit | 9.98 | 9.98 | 9.98 | - | - | - | - |
| Working Capital Loans from Banks | 1,118.59 | 1,118.59 | 1,118.59 | - | - | - | - |
| Trade and other payables- others | 3,127.45 | 3,127.45 | 3,127.45 | - | - | - | - |
| Acceptances | 5,281.02 | 5,281.02 | 5,281.02 | - | - | - | - |
| Other current financial liabilities | 1,670.37 | 1,670.37 | 1,649.82 | 20.54 | - | - | - |
| Derivative financial liabilities | 22.29 | 22.29 | - | 22.29 | - | - | - |
| **Total** | **16,699.25** | **16,707.59** | **16,450.82** | **42.83** | **69.41** | **144.46** | **0.07** |

(Rs. in million)

| March 31, 2016 | Carrying amount | Contractual cash flows: Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
|---|---|---|---|---|---|---|---|
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| Term Loan from Bank | 50.67 | 50.67 | - | - | 19.00 | 31.67 | - |
| Term Loan From NBFC | 88.20 | 88.20 | - | - | 80.72 | 7.48 | - |
| Deferred payment liability | 42.07 | 42.07 | - | - | 0.89 | 30.89 | 10.29 |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each | 0.06 | 0.06 | - | - | - | - | 0.06 |
| Deferred Sales Tax Loan | 26.78 | 37.68 | - | - | 3.52 | 34.16 | - |
| Preference dividend payable and tax thereon | 0.00 | - | - | - | - | - | - |
| Liability towards beneficiaries of Group's ESOP Trust | 65.37 | 65.37 | - | - | 65.37 | - | - |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash Credit / WC Demand Loans From Bank | 4,665.21 | 4,665.21 | 4,665.21 | - | - | - | - |
| Short Term loans from banks | 3,939.54 | 3,939.54 | 3,939.54 | - | - | - | - |
| Commercial papers | 4,000.00 | 4,000.00 | 4,000.00 | - | - | - | - |
| Other Short term borrowings | 0.19 | 0.19 | 0.19 | - | - | - | - |
| Trade and other payables | 3,065.03 | 3,065.03 | 3,065.03 | - | - | - | - |
| Acceptances | 287.72 | 287.72 | 287.72 | - | - | - | - |
| Other current financial liabilities | 2,214.54 | 2,214.33 | 1,390.11 | 824.22 | - | - | - |
| Derivative financial liabilities | 3.99 | 3.99 | 1.15 | 2.84 | - | - | - |
| **Total** | **18,449.37** | **18,460.06** | **17,348.95** | **827.06** | **169.50** | **104.20** | **10.35** |

(Rs. in million)

| March 31, 2015 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| Term Loans from Bank & NBFC | 680.00 | 680.00 | - | - | 500.00 | 180.00 | - |
| Deferred Sales Tax Loan | 39.34 | 39.34 | - | - | 1.66 | 37.68 | - |
| Other non-current financial liabilities-Liability towards beneficiaries of Group's ESOP Trust | 44.60 | 44.60 | - | - | 44.60 | - | - |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash Credit / WC Demand Loans From Bank | 4,423.61 | 4,423.61 | 4,423.61 | - | - | - | - |
| Term loans from banks | 450.00 | 450.00 | 450.00 | - | - | - | - |
| Commercial papers | 1,250.00 | 1,250.00 | 1,250.00 | - | - | - | - |
| Trade and other payables | 2,048.62 | 2,048.62 | 2,048.62 | - | - | - | - |
| Acceptances | 94.11 | 94.11 | 94.11 | - | - | - | - |
| Other current financial liabilities | 1,046.80 | 1,046.80 | 1,043.69 | 3.11 | - | - | - |
| Derivative financial liabilities | 0.79 | 0.79 | - | 0.79 | - | - | - |
| **Total** | **10,077.87** | **10,077.87** | **9,310.03** | **3.90** | **546.26** | **217.68** | **-** |

| March 31, 2014 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | - | | | | | |
| Term Loans from Bank & NBFC | 1,600.00 | 1,600.00 | - | - | 1,200.00 | 400.00 | - |
| Deferred Sales Tax Loan | 42.44 | 42.44 | - | - | 3.11 | 13.66 | 25.67 |
| Other non-current financial liabilities-Liability towards beneficiaries of Group's ESOP Trust | 11.15 | 11.15 | - | - | - | 11.15 | - |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash Credit / WC Demand Loans From Bank | 4,452.91 | 4,452.91 | 4,452.91 | - | - | - | - |
| Term loans from banks | 100.00 | 100.00 | 100.00 | - | - | - | - |
| Trade and other payables | 2,266.82 | 2,266.82 | 2,266.82 | - | - | - | - |
| Acceptances | 30.24 | 30.24 | 30.24 | - | - | - | - |
| Other current financial liabilities | 1,099.01 | 1,099.01 | 1,096.31 | 2.70 | - | - | - |
| **Derivative financial liabilities** | 21.25 | 21.25 | 21.25 | - | - | - | - |
| **Total** | **9,623.82** | **9,623.82** | **7,967.53** | **2.70** | **1,203.11** | **424.81** | **25.67** |

(Rs. in million)

| March 31, 2013 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| Term Loans from Bank & NBFC | 1,000.00 | 1,000.00 | - | - | 1,000.00 | - | - |
| Deferred Sales Tax Loan | 46.40 | 46.40 | - | - | 3.96 | 4.76 | 37.68 |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash Credit / WC Demand Loans From Bank | 3,254.63 | 3,254.63 | 3,254.63 | - | - | - | - |
| Term loans from banks | 450.00 | 450.00 | 450.00 | - | - | - | - |
| Trade and other payables | 1,827.42 | 1,827.42 | 1,827.42 | - | - | - | - |
| Other current financial liabilities | 840.02 | 840.02 | 839.75 | 0.27 | - | - | - |
| **Derivative financial liabilities** | 0.33 | 0.33 | 0.33 | - | - | - | - |
| **Total** | **7,418.80** | **7,418.80** | **6,372.13** | **0.27** | **1,003.96** | **4.76** | **37.68** |

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Guarantees issued by the Group on behalf of subsidiaries are with respect to borrowings raised by the respective subsidiary. These amounts will be payable on default by the concerned subsidiary. As of the reporting date, none of the subsidiary have defaulted and hence, the Group does not have any present obligation to third parties in relation to such guarantees.

## Annexure VI: Notes to the Restated Consolidated Financial Information

**Note 42.4 Currency risk**

**Financial instruments – Fair values and risk management (continued)**

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

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

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

**Currency risk**

The functional currencies of group companies are primarily the local currency of the respective companies in which they operate. The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and expenses are denominated and the respective functional currencies of Group companies. The currencies in which these transactions are primarily denominated are INR.

Foreign currency revenues are in the nature of export sales, royalty, know-how, professional and consultation fees.

**Exposure to currency risk**

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows. The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**(Rs. in million)**

| | March 31, 2017 | | | March 31, 2016 | | March 31, 2015 | March 31, 2014 | | March 31, 2013 |
|---|---|---|---|---|---|---|---|---|---|
| | USD | EUR | GBP | USD | EUR | USD | USD | EUR | USD |
| **Financial Assets** | | | | | | | | | |
| Trade receivables | 395.40 | 9.16 | - | 420.74 | 20.51 | 13.65 | 33.30 | - | - |
| Foreign exchange forward contracts | - | - | - | 5.84 | - | - | - | - | - |
| **Net exposure to foreign currency risk Assets** | 395.40 | 9.16 | - | 414.90 | 20.51 | 13.65 | 33.30 | - | - |
| **Financial Liabilities** | | | | | | | | | |
| Trade payables | (334.17) | - | (0.70) | (444.04) | - | (161.93) | (469.79) | (30.11) | (107.42) |
| Borrowings | (579.11) | - | - | (258.28) | - | - | - | - | - |
| Buyers Credit | (9.98) | - | - | (26.34) | - | - | - | - | - |
| Foreign exchange forward contracts | 732.88 | - | - | 220.40 | - | 149.43 | 439.61 | 30.11 | 35.64 |
| **Net exposure to foreign currency risk (liabilities)** | (190.38) | - | (0.70) | (508.26) | - | (12.50) | (30.18) | - | (71.78) |
| **Net exposure** | 205.02 | 9.16 | (0.70) | (93.36) | 20.51 | 1.15 | 3.12 | - | (71.78) |

**Sensitivity analysis**

A reasonably possible strengthening (weakening) of the Indian Rupee against all other currencies at 31 March would have affected the measurement of financial instruments denominated in a

(Rs. in million)

| | Profit or loss | |
|---|---|---|
| **Effect in** | Strengthening | Weakening |
| **March 31, 2017** | | |
| USD (1% movement) | 2.13 | (2.13) |
| EUR (2% movement) | (0.18) | 0.18 |
| GBP (2% movement) | 0.01 | (0.01) |
| | 1.96 | (1.96) |

| | Profit or loss | |
|---|---|---|
| **Effect in** | Strengthening | Weakening |
| **March 31, 2016** | | |
| USD (3% movement) | 9.46 | (9.46) |
| EUR (2% movement) | (0.41) | 0.41 |
| | 9.05 | (9.05) |

| | Profit or loss | |
|---|---|---|
| **Effect in** | Strengthening | Weakening |
| **March 31, 2015** | | |
| USD (2% movement) | 0.02 | (0.02) |
| | 0.02 | (0.02) |

| | Profit or loss | |
|---|---|---|
| **Effect in** | Strengthening | Weakening |
| **March 31, 2014** | | |
| USD (5% movement) | 0.16 | (0.16) |
| | 0.16 | (0.16) |

| | Profit or loss | |
|---|---|---|
| **Effect in** | Strengthening | Weakening |
| **March 31, 2013** | | |
| USD (2% movement) | (1.44) | 1.44 |
| | (1.44) | 1.44 |

Note: Sensitivity has been calculated using standard Deviation % of corresponding Foreign currency rate movement.

**Note 42.5 Interest rate risk**

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

**Exposure to interest rate risk**

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

| | Nominal amount | | | | (Rs. in million) |
|---|---|---|---|---|---|
| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
| **Fixed-rate instruments** | | | | | |
| Financial assets | 281.35 | 1,463.45 | 982.60 | 1,849.77 | 867.15 |
| Financial liabilities | 5,510.10 | 13,573.08 | 7,335.14 | 6,588.78 | 4,985.89 |
| **Total** | **5,791.45** | **15,036.53** | **8,317.74** | **8,438.55** | **5,853.04** |
| **Variable-rate instruments** | | | | | |
| Financial Liabilities | 1,642.81 | 969.91 | - | - | - |
| **Total** | **1,642.81** | **969.91** | **-** | **-** | **-** |
| **TOTAL** | **7,434.26** | **16,006.44** | **8,317.74** | **8,438.55** | **5,853.04** |

**Cash flow sensitivity analysis for variable-rate instruments**

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

| | Profit or loss | |
|---|---|---|
| | 100 bp increase | 100 bp decrease |
| **March 31, 2017** | | |
| Variable-rate instruments | (16.43) | 16.43 |
| **Cash flow sensitivity (net)** | (16.43) | 16.43 |
| **March 31, 2016** | | |
| Variable-rate instruments | (9.70) | 9.70 |
| **Cash flow sensitivity (net)** | (9.70) | 9.70 |

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

**Fair value sensitivity analysis for fixed-rate instruments**

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

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note. 43 Hedge accounting**

The Group's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The Group uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange forward contracts are denominated in the same currency as the highly probable future sales, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The Group's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Group determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Group assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

**a. Disclosure of effects of hedge accounting on financial position**

**March 31, 2017** **(Rs. in million)**

| Type of hedge | Nominal Value | Carrying amount of hedging instrument | | Line item in the statement of financial position where the hedging | Maturity date | Hedge ratio | Average strike price/ rate | Changes in fair value of the hedging instrument | Change in the value of hedged item used as the basis for recognising hedge effectiveness |
|---|---|---|---|---|---|---|---|---|---|
| | | Assets | Liabilities | | | | | | |
| Forward exchange forward contracts on outstanding borrowings | 267.50 | 17.08 | | Derivative asset and derivative liability | May 1,2017 to September 25, 2017 | 1:1 | 71.02 | 23.71 | (23.71) |
| | 369.87 | | 17.81 | | August 2017 to January 2018 | | 70.26 | (14.20) | 14.20 |
| | **637.37** | **17.08** | **17.81** | | | | | 9.51 | (9.51) |

**b. Disclosure of effects of hedge accounting on financial performance**

| **March 31, 2017** | Change in the value of the hedging instrument recognised in OCI | Hedge ineffectiveness recognised in profit or loss | Line item in the statement of profit or loss that includes the hedge ineffectiveness | Amount reclassified from cash flow hedging reserve to profit or loss | Line item affected in statement of profit or loss because of the reclassification |
|---|---|---|---|---|---|
| Cash flow hedge | 31.52 | NA | NA | NA | NA |

**c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting**

| Movements in cash flow hedging reserve | Amount |
|---|---|
| **As at March 31, 2016** | **-** |
| Add : Changes in fair value | 31.52 |
| Add : Foreign currency translation differences | |
| Less: Deferred tax relating to the above | (10.91) |
| **As at March 31, 2017** | **20.61** |

## Annexure VI: Notes to the Restated Consolidated Financial Information

### Note 44 Tax expense

**(a) Amounts recognised in profit and loss**

(Rs. in million)

| | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| **Current income tax** | 743.75 | 484.95 | 550.62 | 430.98 | 273.98 |
| **Deferred income tax liability / (asset), net** | | | | | |
| Origination and reversal of temporary differences | 240.80 | 259.42 | 54.65 | 75.19 | 125.55 |
| Change in tax rate | 6.91 | 9.98 | - | - | 1.67 |
| **Deferred tax expense** | 247.71 | 269.40 | 54.65 | 75.19 | 127.22 |
| **Tax expense for the year** | **991.46** | **754.35** | **605.27** | **506.17** | **401.20** |

**(b) Amounts recognised in other comprehensive income**

(Rs. in million)

| | For the year ended March 31, 2017 | | | For the year ended March 31, 2016 | | | For the year ended March 31, 2015 | | | For the year ended March 31, 2014 | | | For the year ended March 31, 2013 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax |
| **Items that will not be reclassified to profit or loss** | | | | | | | | | | | | | | | |
| Remeasurements of defined benefit liability/(asset) | (39.36) | 13.62 | **(25.74)** | (20.17) | 9.45 | **(10.72)** | (22.82) | 7.76 | **(15.06)** | (1.43) | 0.48 | **(0.95)** | (17.28) | 5.87 | **(11.41)** |
| **Items that will be reclassified to profit or loss** | | | | | | | | | | | | | | | |
| Equity accounted investee's share of other comprehensive income | (2.37) | 0.82 | **(1.55)** | 1.53 | (0.53) | **1.00** | 1.72 | (0.58) | **1.14** | (0.65) | 0.22 | **(0.43)** | 0.86 | (0.29) | **0.57** |
| Deferred gain/loss on cash flow hedges | 31.52 | (10.91) | **20.61** | - | - | **-** | - | - | **-** | - | - | **-** | - | - | **-** |
| | **(10.21)** | **3.53** | **(6.68)** | **(18.64)** | **8.92** | **(9.72)** | **(21.10)** | **7.18** | **(13.92)** | **(2.08)** | **0.70** | **(1.38)** | **(16.42)** | **5.58** | **(10.84)** |

**(c) Amounts recognised directly in equity** **(Rs. in million)**

| | For the year ended March 31, 2017 | | | For the year ended March 31, 2016 | | | For the year ended March 31, 2015 | | | For the year ended March 31, 2014 | | | For the year ended March 31, 2013 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court | 42.51 | (14.71) | 27.80 | 42.51 | (13.93) | 28.58 | 42.51 | (9.66) | **32.85** | 42.51 | (8.04) | **34.47** | 42.51 | (2.86) | 39.65 |
| Deferred Tax on account of Property, plant and equipment deemed cost adjustment | - | - | - | - | - | - | - | - | **-** | (2.16) | 0.73 | **(1.43)** | (6.08) | 2.07 | (4.01) |
| Restatement/revision in the Value of certain Assets as approved by Bombay High Court | - | - | - | - | - | - | - | - | **-** | 311.98 | 106.04 | **418.02** | - | - | - |
| Adjustments relating to subsidiaries acquired during the year | - | - | - | (4.50) | 1.56 | (2.94) | - | - | **-** | - | - | **-** | - | - | - |
| | **42.51** | **(14.71)** | **27.80** | **38.01** | **(12.37)** | **25.64** | **42.51** | **(9.66)** | **32.85** | **352.33** | **98.74** | **451.06** | **36.43** | **(0.79)** | **35.64** |

**(d) Reconciliation of effective tax rate** **(Rs. in million)**

| | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| Profit before tax including exceptional items | 3,726.76 | 3,364.10 | 2,705.72 | 2,071.31 | 1,367.00 |
| Group's domestic tax rate | 34.61% | 34.61% | 33.99% | 33.99% | 33.99% |
| **Tax using the Group's domestic tax rate** | **1,289.76** | **1,164.25** | **919.67** | **704.04** | **464.64** |
| **Tax effect of:** | | | | | |
| Expense not allowed for tax purposes | 35.11 | 15.43 | (2.27) | (30.44) | (29.98) |
| Additional allowance for tax purpose | (178.30) | (63.92) | (113.08) | (99.73) | (35.08) |
| Income not considered for tax purpose | (69.22) | (112.51) | (114.92) | (9.69) | (3.38) |
| Difference in Tax rate | (38.38) | (135.80) | - | 0.35 | (1.66) |
| Deferred Tax Asset not created on Losses | (3.11) | (38.23) | (39.17) | 15.97 | 9.05 |
| MAT credit utilised | - | - | - | (3.74) | - |
| Share of profit of associate and joint ventures | (47.73) | (113.02) | (57.67) | (63.23) | 2.50 |
| Others | 3.33 | 38.15 | 12.71 | (7.36) | (4.89) |
| | **991.46** | **754.35** | **605.27** | **506.17** | **401.20** |
| **Current tax** | 743.75 | 484.95 | 550.62 | 430.98 | 273.98 |
| **Deferred tax** | 247.71 | 269.40 | 54.65 | 75.19 | 127.22 |
| **Total tax** | **991.46** | **754.35** | **605.27** | **506.17** | **401.20** |

The Group's weighted average tax rates for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 were 27%, 22%, 22%, 24% and 29%, respectively.
The effective tax rate were lower primarily as a result of a weighted deduction on research and development expenses and other specific deductions of the Income Tax Act, 1961.

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## Annexure VI: Notes to the Restated Consolidated Financial Information

### Note 45 Deferred tax

**Movement in deferred tax balances for the year ended March 31, 2017**

(Rs. in million)

| | Net balance April 1, 2016 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Acquired in business combinations | Net balance April 1, 2017 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| **Deferred tax asset/(liabilities)** | | | | | | | | |
| Property, plant and equipment & Intangible assets | (1,378.99) | (270.58) | - | 11.95 | - | (1,637.62) | 58.25 | (1,695.87) |
| Compensated absences | - | 5.12 | - | - | - | 5.12 | - | 5.12 |
| Investments | 21.00 | (11.44) | - | - | - | 9.56 | 9.56 | - |
| Biological Assets | 0.13 | 0.30 | - | - | - | 0.43 | - | 0.43 |
| Doubtful Debts | 21.56 | 10.81 | - | - | - | 32.37 | - | 32.37 |
| Brought forward Losses | 37.63 | (37.63) | - | - | - | - | - | - |
| Employee Benefits | 1.29 | 21.09 | (11.26) | - | - | 11.12 | - | 11.12 |
| MAT Credit Entitlement | 60.69 | 15.66 | - | - | - | 76.35 | - | 76.35 |
| Others | (102.11) | 18.96 | (9.73) | - | - | (92.88) | - | (92.88) |
| **Tax assets (Liabilities)** | **(1,338.80)** | **(247.71)** | **(20.99)** | **11.95** | **-** | **(1,595.55)** | **67.81** | **(1,663.36)** |

**Movement in deferred tax balances for the year ended March 31, 2016**

(Rs. in million)

| | Net balance April 1, 2015 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Acquired in business combinations | Net balance March 31, 2016 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| **Deferred tax asset/(liabilities)** | | | | | | | | |
| Property, plant and equipment & Intangible assets | (579.20) | (72.52) | - | 10.25 | (737.52) | (1,378.99) | 75.74 | (1,454.73) |
| Investments | 32.33 | (124.29) | - | 2.32 | 110.64 | 21.00 | (16.34) | 37.34 |
| Biological Assets | (1.15) | 1.29 | - | - | - | 0.13 | - | 0.13 |
| Doubtful Debts | 10.64 | 10.92 | - | - | - | 21.56 | - | 21.56 |
| Brought forward Losses | 68.18 | (30.55) | - | - | - | 37.63 | 30.86 | 6.76 |
| Employee Benefits | 6.17 | (7.26) | 2.38 | - | - | 1.29 | - | 1.29 |
| MAT Credit Entitlement | 12.72 | 47.97 | - | - | - | 60.69 | - | 60.69 |
| Others | (3.28) | (94.96) | - | (3.87) | - | (102.11) | 26.83 | (128.94) |
| **Tax assets (Liabilities)** | **(453.59)** | **(269.40)** | **2.38** | **8.70** | **(626.88)** | **(1,338.80)** | **117.09** | **(1,455.89)** |

**Movement in deferred tax balances for the year ended March 31, 2015** (Rs. in million)

| | Net balance April 1, 2014 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Acquired in business combinations | Net balance March 31, 2015 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| **Deferred tax asset** | | | | | | | | |
| Property, plant and equipment & Intangible assets | (455.46) | (133.40) | - | 9.66 | - | (579.20) | 34.82 | (614.02) |
| Investments | 36.97 | (4.64) | - | - | - | 32.33 | 7.18 | 25.15 |
| Biological Assets | (4.09) | 2.94 | - | - | - | (1.15) | - | (1.15) |
| Doubtful Debts | 12.32 | (1.68) | - | - | - | 10.64 | - | 10.64 |
| Brought forward Losses | - | 68.18 | - | - | - | 68.18 | 68.18 | - |
| Employee Benefits | 7.26 | (1.09) | - | - | - | 6.17 | - | 6.17 |
| MAT Credit Entitlement | - | 12.72 | - | - | - | 12.72 | - | 12.72 |
| Others | (5.60) | 2.32 | - | - | - | (3.28) | 0.15 | (3.43) |
| **Deferred Tax assets (liabilities)** | **(408.60)** | **(54.65)** | **-** | **9.66** | **-** | **(453.59)** | **110.33** | **(563.92)** |

**Movement in deferred tax balances for the year ended March 31, 2014** (Rs. in million)

| | Net balance April 1, 2013 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Acquired in business combinations | Net balance March 31, 2014 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| **Deferred tax asset** | | | | | | | | |
| Property, plant and equipment & Intangible assets | (380.68) | (82.07) | - | 7.30 | - | (455.46) | 20.59 | (476.05) |
| Investments | 138.62 | 4.39 | - | (106.04) | - | 36.97 | 3.88 | 33.09 |
| Biological Assets | (10.01) | 5.92 | - | - | - | (4.09) | - | (4.09) |
| Doubtful Debts | 22.23 | (9.91) | - | - | - | 12.32 | - | 12.32 |
| Brought forward Losses | 6.97 | (6.97) | - | - | - | - | - | - |
| Employee Benefits | 7.93 | (0.67) | - | - | - | 7.26 | - | 7.26 |
| Others | (19.73) | 14.12 | - | - | - | (5.60) | 0.31 | (5.91) |
| **Deferred Tax assets (liabilities)** | **(234.67)** | **(75.19)** | **-** | **(98.74)** | **-** | **(408.60)** | **24.78** | **(433.38)** |

**Movement in deferred tax balances for the year ended March 31, 2013** **(Rs. in million)**

| | Net balance April 1, 2012 | Recognised in profit or loss | Recognised in OCI | Recognised directly in equity | Acquired in business combinations | Net balance March 31, 2013 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| **Deferred tax asset** | | | | | | | | |
| Property, plant and equipment & Intangible assets | (240.14) | (141.34) | - | 0.80 | - | (380.68) | 12.48 | (393.16) |
| Investments | 122.16 | 16.46 | - | - | - | 138.62 | 3.56 | 135.06 |
| Biological Assets | 2.32 | (12.33) | - | - | - | (10.01) | - | (10.01) |
| Doubtful Debts | 27.97 | (5.74) | - | - | - | 22.23 | - | 22.23 |
| Brought forward Losses | 6.72 | 0.25 | - | - | - | 6.97 | 6.97 | - |
| Employee Benefits | 7.19 | 0.74 | - | - | - | 7.93 | - | 7.93 |
| Others | (34.47) | 14.74 | - | - | - | (19.73) | 0.31 | (20.04) |
| **Deferred Tax assets (liabilities)** | **(108.25)** | **(127.22)** | **-** | **0.80** | **-** | **(234.67)** | **23.32** | **(257.99)** |

The Group 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.

During the year, the Group has accounted tax credits in respect of Minimum Alternative Tax (MAT credit) of Rs. 15.66 Mn (March 31, 2016 : Rs. 47.97 Mn, April 1, 2015 Rs. 12.71 Mn) of earlier years. The Group is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Given that the Group does not have any intention to dispose investments in subsidiaries in the foreseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

**Tax losses carried forward**

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future capital gains profit will be available against which the Group can use the benefits therefrom.

| | Year ended | Amount | Expiry date |
|---|---|---|---|
| | March 31, 2017 | - | |
| Capital loss | March 31, 2016 | 37.63 | Not applicable |
| Capital loss | March 31, 2015 | 68.18 | Not applicable |
| | March 31, 2014 | - | |
| Capital loss | March 31, 2013 | 6.97 | Not applicable |

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**Note 46 Capital Management**

The Group'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 group's Capital Management is to maximise shareholder value. The group 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 group 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 Group's policy is to keep the ratio below 1.50. The Group's adjusted net debt to equity ratio at March 31, 2017 was as follows.

(Rs. in million)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Total Borrowings | 6,634.49 | 13,718.10 | 6,846.05 | 6,198.05 | 4,786.30 |
| Less : Cash and cash equivalent | 538.19 | 314.30 | 130.39 | 1,138.59 | 212.51 |
| **Adjusted net debt** | 6,096.30 | 13,403.80 | 6,715.66 | 5,059.46 | 4,573.79 |
| Total equity | 12,628.54 | 10,150.85 | 6,401.18 | 5,184.62 | 4,135.45 |
| **Adjusted net debt to equity ratio** | **0.48** | **1.32** | **1.05** | **0.98** | **1.11** |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Notes 47**
**Segment reporting**

**Factors used to identify the entity's reportable segments, including the basis of organisation -**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the group. The group has identified the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed
2) Vegetable Oil
3) Crop Protection
4) Dairy
5) Other Business Segment includes, Seed Business, Energy Generation through Windmill, Tissue Culture Business and Pure Line Grand Parent Poultry Business.

**Segment Information**
**(i) Information about Primary business Segments for the year ended March 31, 2017**

(Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Dairy | Other | Unallocated | Elimination | TOTAL |
|---|---|---|---|---|---|---|---|---|
| | | | | | | | | |
| Total Sales | 26,208.22 | 5,066.42 | 7,647.25 | 10,099.17 | 409.78 | - | (166.82) | 49,264.02 |
| Segment Result | 1,656.55 | 1,026.01 | 1,691.59 | 375.39 | (108.22) | | (3.90) | 4,637.42 |
| Unallocated expenditure net of unallocated income | - | - | - | - | - | (859.05) | - | (859.05) |
| Interest expenses | - | - | (122.35) | (49.30) | (35.64) | (680.36) | 24.23 | (863.42) |
| Interest Income | - | - | 9.92 | 39.24 | 19.98 | 103.10 | (24.23) | 148.01 |
| Dividend Income and Profit on sale of Investments | - | - | - | 26.63 | - | 293.76 | (44.05) | 276.34 |
| Profit before Exceptional, Tax & Share of Equity Accounted Investees | 1,656.55 | 1,026.01 | 1,579.16 | 391.96 | (123.88) | (1,142.55) | (47.95) | 3,339.30 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | - | 187.46 | - | 187.46 |
| Exceptional Items | - | - | - | - | - | 200.00 | - | 200.00 |
| Profit Before Taxation | 1,656.55 | 1,026.01 | 1,579.16 | 391.96 | (123.88) | (755.09) | (47.95) | 3,726.76 |
| Provision for taxation | | | 140.32 | 136.86 | (0.41) | 720.44 | (5.75) | 991.46 |
| Profit after taxation | 1,656.55 | 1,026.01 | 1,438.84 | 255.10 | (123.47) | (1,475.53) | (42.20) | 2,735.30 |
| Other Information | | | | | | | | |
| Segment assets | 9,476.61 | 1,910.20 | 8,673.70 | 6,935.67 | 859.07 | 8,461.03 | (4,171.95) | 32,144.33 |
| Segment liabilities | 7,198.94 | 173.07 | 3,687.08 | 2,264.21 | 321.87 | 5,977.78 | (107.16) | 19,515.79 |
| Capital expenditure | 462.76 | 174.63 | 272.77 | 1,100.40 | 54.21 | 35.32 | - | 2,100.09 |
| Depreciation | 268.47 | 131.04 | 121.63 | 161.89 | 16.01 | 47.61 | - | 746.65 |

**Information about Primary business Segments for the year ended March 31, 2016** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Dairy | Other | Unallocated | Elimination | TOTAL |
|---|---|---|---|---|---|---|---|---|
| Total Sales | 25,442.02 | 4,041.92 | 4,959.38 | 2,728.90 | 387.04 | - | (9.71) | 37,549.55 |
| Segment Result | 1,836.90 | 616.30 | 949.05 | (3.02) | (127.03) | | - | 3,272.20 |
| Unallocated expenditure net of unallocated income | - | - | - | - | - | (552.88) | - | (552.88) |
| Interest expenses | - | - | (60.61) | (10.94) | (20.53) | (910.82) | 26.20 | (976.70) |
| Interest Income | - | - | 17.19 | 8.20 | 13.58 | 78.84 | (26.20) | 91.61 |
| Dividend Income and Profit on sale of Investments | - | - | (1.03) | (0.03) | - | 277.45 | (19.03) | 257.36 |
| Profit before Exceptional, Tax & Share of Equity Accounted Investees | 1,836.90 | 616.30 | 904.60 | (5.79) | (133.98) | (1,107.41) | (19.03) | 2,091.59 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | - | 326.58 | - | 326.58 |
| Exceptional Items | - | - | (29.88) | - | - | 975.81 | - | 945.93 |
| Profit Before Taxation | 1,836.90 | 616.30 | 874.72 | (5.79) | (133.99) | 194.98 | (19.03) | 3,364.09 |
| Provision for taxation | - | - | 22.08 | 6.92 | 4.42 | 720.93 | - | 754.35 |
| Profit after taxation | 1,836.90 | 616.30 | 852.64 | (12.71) | (138.41) | (525.95) | (19.03) | 2,609.74 |
| Other Information | | | | | | | | |
| Segment assets | 9,588.62 | 2,060.30 | 7,662.75 | 6,478.43 | 1,447.97 | 9,429.18 | (5,438.00) | 31,229.25 |
| Segment liabilities | 5,823.13 | 310.18 | 4,508.30 | 1,995.00 | 1,164.70 | 8,193.64 | (916.55) | 21,078.40 |
| Capital expenditure | 518.99 | 306.35 | 1,662.28 | 1,119.08 | 42.19 | 88.18 | - | 3,737.07 |
| Depreciation | 239.96 | 118.06 | 60.75 | 41.72 | 13.90 | 49.36 | - | 523.75 |

**Information about Primary business Segments for the year ended March 31, 2015**

(Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | Elimination | TOTAL |
|---|---|---|---|---|---|---|---|
| Total Sales | 25,429.88 | 3,937.98 | 3,352.48 | 397.90 | - | - | 33,118.24 |
| Segment Result | 2,108.04 | 639.03 | 842.41 | (55.36) | - | - | 3,534.12 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (742.16) | - | (742.16) |
| Interest expenses | - | - | - | (39.11) | (639.08) | 23.55 | (654.64) |
| Interest Income | - | - | - | 5.67 | 52.14 | (23.55) | 34.26 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 6.25 | (6.25) | 0.00 |
| Profit before Exceptional, Tax & Share of Equity Accounted Investees | 2,108.04 | 639.03 | 842.41 | (88.80) | (1,322.85) | (6.25) | 2,171.58 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | 169.66 | - | 169.66 |
| Exceptional Items | - | - | - | - | 364.48 | - | 364.48 |
| Profit Before Taxation | 2,108.04 | 639.03 | 842.41 | (88.80) | (788.71) | (6.25) | 2,705.72 |
| Provision for taxation | - | - | - | 1.15 | 604.12 | - | 605.27 |
| Profit after taxation | 2,108.04 | 639.03 | 842.41 | (89.95) | (1,392.83) | (6.25) | 2,100.45 |
| Other Information | | | | | | | |
| Segment assets | 8,194.74 | 1,868.02 | 2,360.88 | 1,016.22 | 4,283.17 | (196.86) | 17,526.17 |
| Segment liabilities | 6,141.26 | 122.65 | 844.61 | 800.69 | 3,553.31 | (337.53) | 11,124.99 |
| Capital expenditure | 736.96 | 116.52 | 153.04 | 10.96 | 94.73 | - | 1,112.21 |
| Depreciation | 205.12 | 107.76 | 16.33 | 13.91 | 26.64 | - | 369.76 |

**Information about Primary business Segments for the year ended March 31, 2014**

(Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | Elimination | TOTAL |
|---|---|---|---|---|---|---|---|
| Total Sales | 24,232.06 | 3,574.41 | 3,039.92 | 366.69 | - | (188.35) | 31,024.73 |
| Segment Result | 1,749.97 | 633.44 | 650.15 | (44.60) | - | - | 2,988.96 |
| Unallocated expenditure net of unallocated income | - | - | - | (0.94) | (728.23) | - | (729.17) |
| Interest expenses | - | - | (4.98) | (19.55) | (387.64) | 9.28 | (402.89) |
| Interest Income | - | - | 0.14 | 1.35 | 36.18 | (9.28) | 28.39 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 8.93 | (8.93) | - |
| Profit before Exceptional, Tax & Share of Equity Accounted Investees | 1,749.97 | 633.44 | 645.31 | (63.74) | (1,070.76) | (8.93) | 1,885.29 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | 186.02 | - | 186.02 |
| Profit Before Taxation | 1,749.97 | 633.44 | 645.31 | (63.74) | (884.74) | (8.93) | 2,071.31 |
| Provision for taxation | - | - | 0.36 | 0.32 | 505.49 | - | 506.17 |
| Profit after taxation | 1,749.97 | 633.44 | 644.95 | (64.06) | (1,390.23) | (8.93) | 1,565.14 |
| Other Information | | | | | | | |
| Segment assets | 6,871.74 | 2,078.55 | 1,718.70 | 704.63 | 4,352.92 | 32.01 | 15,758.55 |
| Segment liabilities | 6,585.12 | 176.95 | 932.53 | 414.91 | 2,585.82 | (121.40) | 10,573.93 |
| Capital expenditure | 1,289.84 | 294.53 | 94.69 | 214.88 | 125.73 | - | 2,019.67 |
| Depreciation | 125.94 | 98.42 | 8.18 | 17.62 | 25.58 | - | 275.74 |

(Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | Elimination | TOTAL |
|---|---|---|---|---|---|---|---|
| Total Sales | 22,388.72 | 2,752.24 | 2,212.97 | 292.25 | - | (37.43) | 27,608.75 |
| Segment Result | 1,416.39 | 543.40 | 498.06 | (25.90) | - | - | 2,431.95 |
| Unallocated expenditure net of unallocated income | - | - | - | (0.69) | (597.57) | - | (598.26) |
| Interest expenses | - | - | (2.57) | (9.52) | (481.78) | 8.75 | (485.12) |
| Interest Income | - | - | 0.06 | 0.13 | 34.27 | (8.75) | 25.71 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 7.58 | (7.50) | 0.08 |
| Profit before Exceptional, Tax & Share of Equity Accounted Investees | 1,416.39 | 543.40 | 495.55 | (35.98) | (1,037.50) | (7.50) | 1,374.36 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | - | (7.36) | (7.36) |
| Profit Before Taxation | 1,416.39 | 543.40 | 495.55 | (35.98) | (1,037.50) | (14.86) | 1,367.00 |
| Provision for taxation | - | - | 0.76 | 0.09 | 400.34 | - | 401.19 |
| Profit after taxation | 1,416.39 | 543.40 | 494.79 | (36.07) | (1,437.85) | (14.86) | 965.80 |
| Other Information | | | | | | | |
| Segment assets | 5,276.11 | 1,850.20 | 1,647.06 | 450.61 | 2,987.06 | (70.08) | 12,140.96 |
| Segment liabilities | 4,915.89 | 247.08 | 787.36 | 206.95 | 2,050.95 | (202.72) | 8,005.51 |
| Capital expenditure | 812.80 | 398.11 | 31.50 | 8.22 | 483.83 | - | 1,734.46 |
| Depreciation | 83.36 | 72.88 | 4.80 | 17.70 | 14.46 | - | 193.20 |

## Note No. 48: Amalgamation of Oil Palm Companies

As per the scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL), ("the Transferor Companies"), with Godrej Agrovet Limited (the " Transferee Company"), with effect from April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

i Amortisation on Intangible Assets of the Transferor Companies amounting to Rs 42.51 Mn in the year ended March 31, 2017, March 31, 2016, March 31, 2015,March 31, 2014 , March 31,2013 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the transferee Company is Rs. 425.12 Mn

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to Rs. 605.53 Mn over the face value of the shares held by the transferee Company has been credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by Rs. 605.53 Mn as at March 31, 2017, March 31 , 2016 , March 31,2015 , March 31,2014 , March 31, 2013, the balance in General Reserve would have been higher by Rs. 255.07 Mn as at March 31, 2017, Rs. 212.56 Mn as at March 31,2016 , Rs.170.05 Mn as at March 31,2015 , Rs. 127.54 Mn as at March 31,2014 ,by Rs. 85.02 Mn as at March 31,2013, profit for the year March 31, 2017, March 31, 2016, march 31, 2015, March 31, 2014 & March 31, 2013 would have been lower by Rs. 42.51 Mn and the balance in Surplus in statement of profit & loss would have been lower by Rs. 255.07 Mn as at March 31, 2017, Rs. 212.56 Mn as at March 31,2016 , Rs.170.05 Mn as at March 31,2015 , Rs. 127.54 Mn as at March 31,2014 ,by Rs. 85.02 Mn as at March 31,2013.

**Note No. 49: Amalgamation of Godrej Gold Coin Aquafeed Limited (GGCAL)**

As per the scheme of Amalgamation ("the Scheme") of Godrej Gold Coin Aquafeed Ltd (the Transferor Company), with Godrej Agrovet Limited with effect from April 1,2010, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 5, 2011, the following entries have been passed

i The Intangible assets held by GGCAL amounting to Rs. 166.91 Mn were adjusted against the balance in the Securities Premium Account of the Company.

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to Rs. 250.57 Mn over the face value of the shares held by the transferee Company was credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the treatment of adjusting Intangibles against the balance in the Securities Premium Account, The balance in Security Premium Account would have been higher by Rs. 417.48 Mn as at March 31,2017 ,March 31, 2016 , March 31,2015 , March 31, 2014 , March 31,2013, the Intangible Assets would have been higher by Rs. 15.74 Mn as at March 31,2016 , Rs. 40.94 Mn as at March 31,2015 , by Rs. 66.13 Mn as at March 31, 2014, by Rs. 91.33 Mn as at March 31, 2013, the balance at the beginning of the year in Surplus Account would have been lower by Rs. 151.16 Mn as at March 31, 2017, by Rs. 125.97 Mn for the year 2015-16 by Rs. 100.77 Mn for the year 2014-15 , by Rs. 75.58 Mn for the year 2013-14 ,by Rs. 50.38 Mn for the year 2012-13 and the profit would have been lower by Rs. 15.74 Mn for the year 2016-17, by Rs. 25.19 Mn for the year 2015-16 , 2014-15, 2013-14, 2012-13 .

**Note No. 50: Amalgamation of Goldmuhor Agrochem & Feeds Limited**

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 1st, 2013, ("the Appointed date") was sanctioned by the Honorable High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20th, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13th , 2013 (the "Effective Date").

b The amalgamation has been accounted for under the "purchase method" as prescribed by the Accounting Standard AS 14 -Accounting for Amalgamations of then Generally Accepted Accounting Practices and the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of the Transferor Company stand transferred to and vested in the Transferee Company with effect from the Appointed Date and are recorded by the Transferee Company at their book values as appearing in the books of the Transferor Company.

c The value of the Net Assets of the Transferor Company taken over by the Transferee Companies on Amalgamation is as under :

| Particulars | (Rs. in million) |
|---|---|
| Fixed Assets | 24.85 |
| Investments | 0.03 |
| Long Term Loans And Advances | 33.49 |
| Other Non Current Assets | 0.48 |
| Inventories | 54.98 |
| Trade Receivables | 35.58 |
| Cash & Cash Equivalents | 4.51 |
| Short Term Loans And Advances | 2.92 |
| Other Current Assets | 0.07 |
| Deferred Tax Liabilities (Net) | (0.66) |
| Long Term Provision | (2.57) |
| Trade Payables | (19.24) |
| Other Current Liabilities | (127.64) |
| Short Term Provision | (0.89) |
| | 5.90 |

d To give effect to the Honourable Bombay High Court's Order dated September 20th, 2013 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to Rs. 7.11 Mn has been debited to the General Reserve Account of the Transferee Company as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting Rs. 4.07 Mn have been directly charged against the balance in General Reserve Account of the Transferee Company.

iii An amount of Rs. 2,00.00 Mn standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account.

e Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by Rs. 211.18 Mn as at March 31,2017, March 31,2016, March 31, 2015 & March 31, 2014 .

f Since the aforesaid scheme of amalgamation of the above mentioned Transferor Company with the Transferee Company, which is effective from October 1st, 2013, has been given effect to in these accounts, the figures for the year ended March 31 2014 to that extent are not comparable with those of the previous year.

**Note No. 51: Amalgamation of Golden Feed Products Limited.**

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Golden Feed Products Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from March 31st, 2014, ("the Appointed date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 29th, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 09th, 2014 (the "Effective Date").

b The amalgamation has been accounted for under the "purchase method" as prescribed by the Accounting Standard AS 14 -Accounting for Amalgamations then Generally Accepted Accounting Practices and the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of the Transferor Company stand transferred to and vested in the Transferee Company with effect from the Appointed Date and are recorded by the Transferee Company at their book values as appearing in the books of the Transferor Company.

c The value of the Net Assets of the Transferor Company taken over by the Transferee Companies on Amalgamation is as under :

| **Particulars** | (Rs. in million) |
|---|---|
| Fixed Assets | 25.29 |
| Long Term Loans And Advances | 0.83 |
| Trade Receivables | 1.02 |
| Cash & Cash Equivalents | 1.32 |
| Short Term Loans And Advances | 12.50 |
| Trade Payables | (1.25) |
| Other Current Liabilities | (3.92) |
| | 35.79 |

d To give effect to the Honourable Bombay High Court's Order dated April 29th, 2014 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to Rs. 9.71 Mn has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii An amount of Rs. 3,50.58 Mn standing to the credit of Surplus in Statement of Profit and Loss of the Transferee Company has been utilised to restate/revise value of certain Assets of the Transferee Company.

iii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.35 Mn have been directly charged against the Surplus in Statement of Profit and Loss of the Transferee Company.

e Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by Rs. 360.29 Mn as at March 31, 2017, March 31,2016 , March 31,2015 and as at March 31,2014.

f Since the aforesaid Scheme of amalgamation of the above mentioned Transferor Company with the Transferee Company, which is effective from March 31st, 2014, has been given effect to in these accounts, the figures for the year ended March 31 2014 to that extent are not comparable with those of the previous year.

**Note No. 52: Acquisition of Seeds business.**

a A scheme of Arrangement ("the Scheme") for the demerger of Seeds business of Godrej Seeds and Genetics Limited ("the Demerged Company) into Godrej Agrovet Limited ("the Resulting Company") effect from April 1st, 2015, ("the Appointed date") was sanctioned by the Honorable High Court of Judicature at Bombay ("the Court"), vide its Order dated January 8th, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 9, 2016 (the "Effective Date").

b The scheme has accordingly, been given effect to in these accounts and following assets and liabilities were taken over by the Resulting Company::

| **Particulars** | (Rs. in million) |
|---|---|
| Fixed Assets | 11.81 |
| Long Term Loans And Advances | 3.82 |
| Inventories | 323.60 |
| Trade Receivables | 68.22 |
| Cash & Cash Equivalents | 1.19 |
| Short Term Loans And Advances | 16.39 |
| Non Current Liabilities | (2.04) |
| Trade Payables | (164.21) |
| Short Term Borrowings | (325.82) |
| Other Current Liabilities | (52.35) |
| | (119.39) |

c To give effect to the Honourable Bombay High Court's Order dated January 8th, 2016 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the preference shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account the amalgamation, amounting to Rs.169.45 Mn has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.94 Mn have been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.

d Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by Rs. 169.45 Mn as at March 31, 2017 and as at March 31, 2016.

e Since the aforesaid scheme of arrangement of the above mentioned Transferor Division with the Resulting Company, which was effective from April 1st, 2015, has been given effect to in these accounts, the figures for the year ended March 31, 2016 to that extent are not comparable with those of the previous year.

**Note 53 : Contingent Liabilities & Commitments**

**A: Contingent Liabilities**

**(Rs. in million)**

| | Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| (v) | Sales Tax Matters | | | | | |
| | a The group has preferred an appeal before the Deputy Excise and Taxation Commissioner, Jalandhar against the penalty order issued by the VAT officer for the F.Y. 2010-11 | - | 0.10 | 0.10 | 0.10 | - |
| | b The group has preferred an appeal before the Joint Commissioner, Kashipur against the penalty order issued by the VAT officer for the F.Y 2008-09 & F.Y 2012-13 | - | 1.26 | 1.26 | 1.26 | - |
| | c Pending before JSCT(Appeal) | 14.85 | 14.05 | - | - | - |
| | d Pending before Dy. Comm. Sales tax, Thane | 361.30 | 339.63 | - | - | - |
| | e Contingent Liabilities against pending C & H Forms | 16.33 | 15.41 | - | - | - |
| | f The group has preferred an appeal against levy of Sales Tax on sale of cream and has deposited the entire demand of tax. | 2.62 | 2.62 | - | - | - |
| | g The group has received assessment orders for the F.Y.2010-11 in respect of assessment of Value Added Tax from the Assistant Commissioner (CT) . for Rs.0.11 Mn . This pertains to disallowance of VAT input credit claimed. The group has gone on appeal and the same was remanded to assessing officer. The revision order from the assessing officer is awaited. | 0.11 | 0.11 | - | - | - |
| | h The group has filed writ petition in Telangana High Court against levy of Sales tax on sale of flavoured milk. The details of which are given below. The Honurable High Court of Telangana had passed a favourable order allowing the writ petition filed by the group. The order stating that the writ petition is allowed and impugned order is set aside only in so far as the taxing of flavoured milk @ 14.5%, the miscellaneous petitions, if any pending in this writ petition shall stand closed. | 20.61 | 20.61 | - | - | - |
| | j The Group has preferred an appeal before the VAT Tribunal at Bhatinda against the penalty order issued by the VAT officer for the F.Y. 2013-14 | - | - | 0.17 | - | - |
| | k The Company has received demand for Rs. 0.38 Mn from the Deputy Commissioner of Sales Tax for the year 2003-04. The Company has preferred an appeal against this order. Stay has been granted after deposit of Rs. 0.13Mn. | - | - | - | - | 0.25 |
| (vi) | Civil Matter<br>Nath Bio-Genes (India) Ltd has filed a suit against the Group alleging that some product supplied by the Group was responsible for the poor germination of its seeds. | 650.00 | 650.00 | - | - | - |
| (xii) | Suit was filed by Model Financial Corporation Ltd (O.S. No.479/98) for recovery of dues from Ushodaya Agro Products Ltd and Creamline Dairy Products Ltd (CDPL) as borrowers and as alleged guarantor respectively. However, in case of OS No: 479/98, the company has deposited the title deeds of land along with the buildings therein and equipments pertaining to milk chilling center located at Kothapallimitta village Chittor Dist. as security, pending final orders. CDPL has deposited Rs.4.7 Mn as per the orders of Honourable City Civil Court, Hyderabad passed in C.M.P No.2777 of 2007 in C.M.P No.282 of 2006 in C.C.C.A no.94 of 2006 dt.14.6.2007. The Company is also liable to pay Interest at the rate of 6% p.a. on the balance due amount of Rs. 4.7 Mn which is coming to Rs. 3.18 Mn. The aggregate contingent liability would be Rs. 7.88 Mn | - | - | - | - | - |
| (xiii) | The group has cancelled the Milk distributorship for Hanamkonda (Warangal) due to large overdue outstanding to the extent of Rs.0.61 Mn. Consequent to the cancellation of distributionship, the distributor filed case against the group demanding Rs.0.10 Mn Subsequently the group filed a counter claim and the matter is pending for listing in the Court. | - | - | - | - | - |
| (xiv) | The complainant has been filed regarding the quality of products in Consumer Court towards grievance and expenses incurred by the applicant seeking damage of Rs. 0.2 Mn.<br>The complainant has not appeared before the forum during the last four hearings and the group has requested the President of the Consumer Forum to dismiss the case. | - | - | - | - | - |
| (xv) | A Complaint has been filed under FSSAI for quality of curd in Guntur on the group and penalty of Rs 0.3 Mn has been levied The group has preferred an appeal in the Guntur sessions Court against the referred order. | - | - | - | - | - |
| (vii) | Buy-back guarantee issued to Industrial Promotional & Development group on behalf of Joint Venture. | - | 41.13 | 41.13 | 50.00 | - |
| (viii) | Surety Bond issued on behalf of Fellow Subsidiary. | 12.07 | 12.07 | 202.81 | 202.83 | - |
| (ix) | Letters of Credit given by Group (Different letter of credits issued to various suppliers for supply of material to us.) | 19.99 | 15.68 | - | - | - |
| (x) | Guarantees issued by the Banks and counter guaranteed by the group which have been secured by deposits with bank. | 121.80 | 77.53 | 35.42 | 43.96 | 48.53 |
| (xi) | Guarantee issued to Banks on behalf of the Joint Venture Company | - | - | 70.32 | 65.97 | 107.56 |
| (xii) | Claims against the company not acknowledged as debt | 98.71 | 73.23 | 67.11 | 80.29 | 100.04 |

**B: Commitments** **(Rs. in million)**

| | | | | | |
|---|---|---|---|---|---|
| Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for: | 983.29 | 424.00 | 256.68 | 466.88 | 531.68 |
| Outstanding Export obligation Under EPCG Scheme | 389.56 | 385.88 | 347.23 | 329.00 | 48.84 |

**Note 54 : Reserve created for employee compensation expenses**

To give effect to the Honorable Bombay High Court's Order dated March 8, 2013, an amount of Rs. 1,100.40 Mn standing to the credit of the Securities Premium Account of the Company has been utilised to create Reserve for Employee Compensation Account. The expense in respect of GAVL ESOP scheme of Rs. 1,100.40 Mn (as of March 31, 2016 Rs. 1,061.42 Mn, March 31, 2015 Rs. 947.76 Mn, March 31, 2014 Rs. 833.88 Mn and March 31, 2013 Rs.720.41 Mn) has been charged against the Reserve for Employee Compensation.

Had the order passed by the Honorable Bombay High Court not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by Rs. 1,100.40 Mn, the Reserve for employee compensation expenses would have been Nil ( as of March 31, 2016 Rs. 238.98 Mn, March 31, 2015 Rs. 352.64 Mn, March 31, 2014 Rs. 466.52 Mn and March 31, 2013 Rs.379.99 Mn, during the year ended March 31, 2016 ,the employee Benefit expense would have been higher by Rs. 113.66 Mn, year ended March 31, 2015 Rs. 113.88 Mn, year ended March 31, 2014 Rs. 113.47 Mn and year end March 31 2013 Rs. 720.41 Mn and the Opening Balance in the Surplus in the Statement of Profit & Loss of the year ended March 31, 2016 would have been lower by Rs. 947.76 Mn, of the year ended March 31, 2015 by Rs. 833.88 Mn and of the year ended March 31 2014 by Rs. 720.41 Mn.

**Note 55 : Lease taken by the Company**

**Operating Lease:**

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

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

**(Rs. in million)**

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Future lease commitments | | | | | |
| - Within one year | 30.43 | 22.00 | 23.76 | 10.22 | 5.51 |
| - Later than one year and not later than five years | 96.49 | 74.37 | 66.60 | 33.09 | 20.07 |
| - Later than five years | 27.97 | 42.54 | 22.01 | 34.38 | 27.87 |

b. Lease payments recognised in the Statement of Profit & Loss for the year :

| | | | | | |
|---|---|---|---|---|---|
| Minimum lease payments | 185.27 | 136.84 | 72.21 | 39.82 | 36.16 |

**Finance leases**

A. Leases as lessor

The Group assessed one of its arrangements as an embedded lease transaction and determined the same as finance lease. Accordingly, Property, plant and equipment have been derecognised and finance lease receivable have been accounted at present value of minimum lease payments and resultant difference have been charged to retained earnings. Revenue elements identified as fixed charges towards leasing as per the agreement which are covered under minimum lease receivable definition for finance lease accounting is adjusted partly against finance lease receivable to the extent of principal amount and partly recognised as finance income.

**i. Future minimum lease receivables**

At March 31, the future minimum lease receivable under finance lease arrangement as follows.

**(Rs. in million)**

| | **March 31, 2017** | | | **March 31, 2016** | | |
|---|---|---|---|---|---|---|
| | **Future value of minimum lease receivables** | **Unearned finance income** | **Present value of minimum lease receivables** | **Future value of minimum lease receivables** | **Unearned finance income** | **Present value of minimum lease receivables** |
| Less than one year | 10.89 | 5.29 | 5.61 | 11.14 | 6.12 | 5.02 |
| Between one and five years | 43.57 | 11.96 | 31.61 | 44.54 | 16.25 | 28.29 |
| More than five years | - | - | - | 11.14 | 1.38 | 9.75 |
| | **54.46** | **17.25** | **37.22** | **66.82** | **23.75** | **43.06** |

**Note 56 : Corporate Social Responsibility expenditure.**

Total expenditure incurred on Corporate Social Responsibility activities during the current year is Rs.48.40 Mn (for the year 2015-16 Rs.22.76 Mn and for the year 2013-14 Rs. 13.12 Mn)

Amount spent during the year on: **(Rs. in million)**

| | | In cash | Yet to be paid in cash | TOTAL |
|---|---|---|---|---|
| (i) | Construction/acquisition of any asset | - | - | - |
| (ii) | On purposes other than (i) above | 48.40 | - | 48.40 |

**Note 57 :Managerial Remuneration .**

During the year, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Director of the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Section 197 of the Companies Act, 2013 by an amount of Rs. 866.11 Mn. The Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratification of payment of excess remuneration.

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 58 Disclosure of Joint Venture and Associates**

Following table sets out joint ventures which are material to the group

**(Rs. in million)**

| Name of the entity | Place of business | % of ownership interest | Relationship | Accounting method | Carrying Amounts | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | | | | | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Godrej Tyson Foods Limited* | Maharashtra | 49% | Joint Venture | Equity method | 846.54 | 749.21 | 656.27 | 601.60 | 522.48 |
| ACI Godrej Agrovet Private Limited, Bangladesh* | Bangladesh | 50% | Joint Venture | Equity method | 627.28 | 511.74 | 343.86 | 241.13 | 197.32 |
| Creamline Dairy Products Limited | Andhra Pradesh | 26% | Associate | Equity method | - | - | 281.19 | 264.83 | 226.73 |
| **Total equity accounted investments** | | | | | **1,473.82** | **1,260.95** | **1,281.32** | **1,107.56** | **946.53** |

* Unlisted equity, no quoted prices available

Summary financial information of Godrej Tyson Foods Limited not adjusted for the percentage ownership held by the Company, is as follows:

**(Rs. in million)**

| **Particulars** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Ownership | 49% | 49% | 49% | 49% | 49% |
| Cash and cash equivalent | 195.33 | 55.42 | 53.12 | 44.52 | 38.48 |
| Other current assets | 484.57 | 545.99 | 446.00 | 347.84 | 320.25 |
| Total current assets | 679.90 | 601.41 | 499.12 | 392.36 | 358.73 |
| Total non-current assets | 1,593.57 | 1,488.12 | 1,384.67 | 1,454.45 | 1,589.16 |
| **Total assets** | **2,273.47** | **2,089.53** | **1,883.79** | **1,846.81** | **1,947.89** |
| Current liabilities | | | | | |
| Financial liabilities (excluding trade payables and provisions) | 216.80 | 181.39 | 155.81 | 209.53 | 405.14 |
| Other liabilities | 149.75 | 171.44 | 153.02 | 168.47 | 191.92 |
| Total current liabilities | 366.55 | 352.83 | 308.83 | 378.00 | 597.06 |
| Total non-current assets | 122.74 | 105.01 | 84.60 | 42.36 | 38.21 |
| **Total liabilities** | **489.29** | **457.84** | **393.43** | **420.36** | **635.27** |
| **Net assets** | **1,784.18** | **1,631.69** | **1,490.36** | **1,426.45** | **1,312.62** |
| **Groups' share of net assets (49%)** | 874.25 | 799.53 | 730.28 | 698.96 | 643.18 |
| **Carrying amount of interest in joint venture** | 846.54 | 749.21 | 656.27 | 601.60 | 522.48 |

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Revenues | 4,458.69 | 4,503.43 | 3,916.08 | 3,870.76 | 3,153.71 |
| Interest income | 9.72 | 4.54 | 1.47 | 0.64 | 0.42 |
| Depreciation and amortisation | 151.24 | 143.25 | 141.50 | 144.48 | 133.88 |
| Interest expense | 0.07 | 0.62 | 1.12 | 21.05 | 15.06 |
| Income tax expense | 96.09 | 63.88 | 39.99 | 2.82 | 28.24 |
| **Profit from continuing operations** | 154.14 | 143.39 | 66.23 | 112.88 | (113.95) |
| Profit from discontinued operations | - | - | - | - | - |
| **Profit for the year** | 154.14 | 143.39 | 66.23 | 112.88 | (113.95) |
| Other comprehensive income | (1.55) | (2.06) | (2.31) | 0.88 | (1.21) |
| Total comprehensive income | **152.59** | **141.32** | **63.91** | **113.76** | **(115.16)** |
| Group's share of profit (49%) | 75.53 | 70.26 | 32.45 | 55.31 | (55.83) |
| Group's share of Other comprehensive income (49%) | (0.76) | (1.01) | (1.13) | 0.43 | (0.59) |
| Group's share of Total comprehensive income (49%) | 74.77 | 69.25 | 31.32 | 55.74 | (56.43) |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

Summary financial information of ACI Godrej Agrovet Private Limited not adjusted for the percentage ownership held by the Company, is as follows:

**(Rs. in million)**

| **Particulars** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Ownership | 50% | 50% | 50% | 50% | 50% |
| Cash and cash equivalent | 33.52 | 29.42 | 11.17 | 99.14 | 5.09 |
| Other current assets | 1,118.63 | 1,167.84 | 509.35 | 662.23 | 381.80 |
| Total current assets | 1,152.15 | 1,197.26 | 520.52 | 761.37 | 386.89 |
| Total non-current assets | 2,000.50 | 1,931.28 | 1,536.03 | 774.02 | 769.36 |
| **Total assets** | **3,152.65** | **3,128.54** | **2,056.56** | **1,535.39** | **1,156.25** |
| Current liabilities | | | | | |
| Financial liabilities (excluding trade payables and provisions) | 807.98 | 1,196.98 | 322.93 | 729.43 | 405.23 |
| Other liabilities | 317.37 | 302.72 | 181.58 | 94.26 | 134.88 |
| Total current liabilities | 1,125.35 | 1,499.70 | 504.51 | 823.69 | 540.11 |
| Non current Financial liabilities (excluding trade payables and provisions) | 586.10 | 579.10 | 840.24 | 202.30 | 198.34 |
| Other Non current liabilities | 49.15 | 29.94 | 8.41 | 7.55 | 9.34 |
| Total non current liabilities | 635.25 | 609.04 | 848.65 | 209.85 | 207.69 |
| **Total liabilities** | **1,760.60** | **2,108.74** | **1,353.16** | **1,033.54** | **747.80** |
| **Net assets** | **1,392.05** | **1,019.80** | **703.40** | **501.85** | **408.45** |
| **Groups' share of net assets (50%)** | **696.02** | **509.90** | **351.70** | **250.92** | **204.22** |
| **Carrying amount of interest in joint venture** | **627.28** | **511.74** | **343.86** | **241.13** | **197.32** |

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Revenues | 6,040.47 | 5,352.68 | 3,971.05 | 4,284.19 | 3,305.48 |
| Interest income | 0.79 | 2.02 | 1.56 | - | 1.63 |
| Depreciation and amortisation | 160.73 | 101.64 | 92.36 | 76.96 | 56.21 |
| Interest expense | 109.09 | 55.33 | 63.54 | 89.93 | 84.66 |
| Income tax expense | 54.94 | 66.67 | 16.83 | 16.06 | 2.38 |
| **Profit from continuing operations** | 225.61 | 348.90 | 218.83 | 143.06 | (40.52) |
| Profit from discontinued operations | - | - | - | - | - |
| **Profit for the year** | 225.61 | 348.90 | 218.83 | 143.06 | (40.52) |
| Other comprehensive income | - | - | - | - | - |
| **Total comprehensive income** | **225.61** | **348.90** | **218.83** | **143.06** | **(40.52)** |
| Group's share of profit (50%) | 112.81 | 174.45 | 109.42 | 71.53 | (20.26) |
| Group's share of Other comprehensive income (50%) | - | - | - | - | - |
| **Group's share of Total comprehensive income (50%)** | **112.81** | **174.45** | **109.42** | **71.53** | **(20.26)** |
| | | 2,647 | 1,677 | 1,565 | (580) |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

Summary financial information of Creamline Dairy Products Limited not adjusted for the percentage ownership held by the Company, is as follows:

**(Rs. in million)**

| **Particulars** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|
| Ownership | 26% | 26% | 26% |
| Cash and cash equivalent | 59.70 | 92.13 | 79.40 |
| Other current assets | 1,030.41 | 730.29 | 758.20 |
| Total current assets | 1,090.11 | 822.42 | 837.60 |
| Total non-current assets | 959.92 | 954.94 | 971.29 |
| **Total assets** | **2,050.03** | **1,777.36** | **1,808.89** |
| Current liabilities | | | |
| Financial liabilities (excluding trade payables and provisions) | 590.30 | 423.30 | 519.80 |
| Other liabilities | 359.30 | 305.05 | 265.01 |
| Total current liabilities | 949.60 | 728.35 | 784.81 |
| Total non current liabilities | 175.80 | 181.33 | 298.21 |
| **Total liabilities** | **1,125.40** | **909.68** | **1,083.02** |
| **Net assets** | **924.63** | **867.68** | **725.87** |
| **Groups' share of net assets (26%)** | **240.40** | **225.60** | **188.73** |
| **Carrying amount of interest in joint venture** | 281.19 | 264.83 | 226.73 |

| | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|
| Revenues | 8,254.90 | 7,529.90 | 6,803.70 |
| Interest income | 4.22 | 9.73 | 2.90 |
| Depreciation and amortisation | 143.70 | 128.50 | 101.10 |
| Interest expense | 47.78 | 41.00 | 90.82 |
| Income tax expense | 40.26 | 88.81 | 82.91 |
| **Profit from continuing operations** | 83.54 | 177.63 | 165.41 |
| Profit from discontinued operations | - | - | - |
| **Profit for the year** | 83.54 | 177.63 | 165.41 |
| Other comprehensive income | (1.87) | 0.32 | (0.91) |
| **Total comprehensive income** | **81.67** | **177.95** | **164.50** |
| Group's share of profit (26%) | 21.72 | 46.18 | 43.01 |
| Group's share of Other comprehensive income (26%) | (0.49) | 0.08 | (0.24) |
| **Group's share of Total comprehensive income (26%)** | **21.23** | **46.27** | **42.77** |

Godrej Agrovet Limited

Annexure VI: Notes to the Restated Consolidated Financial Information

Note 59: Non Controlling Interest

**Financial information of subsidiaries that have material non-controlling interests is provided below :**

| Name of the entity | Place of business / country of incorporation | Ownership interest held by the group | | | | | Ownership interest held by non-controlling interest | | | | | Principal activities |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 | |
| Godvet Agrochem Limited (incorporated on January 22, 2014) | India | 100.00% | 100.00% | 100.00% | 100.00% | - | 0.00% | 0.00% | 0.00% | 0.00% | - | Investment Property |
| Golden Feed Products Limited (till March 31, 2014, the effective date of merger) | India | - | - | - | 100.00% | 100.00% | - | - | - | 0.00% | 0.00% | Import, Trading & distribution of raw materials of Feeds and Feeds. |
| Goldmohur Agrochem & Feeds Limited (till December 12, 2013, the effective date of merger) | India | - | - | - | 100.00% | 100.00% | - | - | - | 0.00% | 0.00% | Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates. |
| Godrej Seeds & Genetics Limited | India | - | 90.00% | 90.00% | 90.00% | 90.00% | - | 10.00% | 10.00% | 10.00% | 10.00% | Cultivation and marketing of high quality Hybrid Seeds |
| Astec LifeSciences Ltd. | India | 55.54% | 53.64% | - | - | - | 44.46% | 46.36% | - | - | - | Manufacturing and Distribution of Agrochemical active ingredients and pharmaceutical intermediates. |
| Creamline Dairy Products Limited | India | 51.91% | 51.91% | - | - | - | 48.09% | 48.09% | - | - | - | The Company is principally engaged in milk procurement, processing of milk and manufacturing of milk products. The Company is also engaged in generation of power through renewable energy sources. |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 59: Non Controlling Interest**

The following table summarises information relating to each of the Group's subsidiary, before any inter-company eliminations

**Summarised statement of profit or loss**

**(a) Godvet Agrochem Limited** **(Rs. in million)**

| | 31 March 2017 | 31 March 2016 | 31 March 2015 | 31 March 2014 |
|---|---|---|---|---|
| Total Revenue | 34.10 | 23.78 | 14.37 | - |
| Profit for the year | 4.02 | 4.11 | 1.53 | (0.33) |
| Other Comprehensive Income | - | - | - | - |
| | | | | |
| **Profit allocated to non-controlling interests** | - | - | - | - |
| **OCI allocated to non-controlling interests** | - | - | - | - |
| **Dividends paid to non-controlling interests** | - | - | - | - |

**(b) Golden Feed Products Limited** **(Rs. in million)**

| | 31 March 2013 |
|---|---|
| Total Revenue | 11.18 |
| Profit for the year | 3.66 |
| Other Comprehensive Income | - |
| | |
| **Profit allocated to non-controlling interests** | - |
| **OCI allocated to non-controlling interests** | - |
| **Dividends paid to non-controlling interests** | - |

**(c) Goldmohur Agrochem & Feeds Limited** **(Rs. in million)**

| | 31 March 2014 | 31 March 2013 |
|---|---|---|
| Total Revenue | 189.02 | 14.16 |
| Profit for the year | (0.33) | (0.51) |
| Other Comprehensive Income | - | - |
| | | |
| **Profit allocated to non-controlling interests** | - | - |
| **OCI allocated to non-controlling interests** | - | - |
| **Dividends paid to non-controlling interests** | - | - |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 59: Non Controlling Interest**

**(d) Godrej Seeds & Genetics Limited** **(Rs. in million)**

| | 31 March 2017 | 31 March 2016 | 31 March 2015 | 31 March 2014 | 31 March 2013 |
|---|---|---|---|---|---|
| Total Revenue | 37.08 | 36.79 | 74.27 | 45.95 | 15.70 |
| Profit for the year | (11.46) | (4.00) | 0.44 | (2.17) | (3.14) |
| Other Comprehensive Income | | | | | |
| | | | | | |
| **Profit allocated to non-controlling interests** | **-** | **-** | **-** | - | - |
| **OCI allocated to non-controlling interests** | **-** | **-** | **-** | - | - |
| **Dividends paid to non-controlling interests** | **-** | **-** | **-** | - | - |

**(e) Astec LifeSciences Ltd.** **(Rs. in million)**

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Total Revenue | 3,134.04 | 1,133.68 |
| Profit for the year | 271.74 | (91.31) |
| Other Comprehensive Income | (0.67) | (0.46) |
| | - | - |
| **Profit allocated to non-controlling interests** | **133.71** | **31.17** |
| **OCI allocated to non-controlling interests** | **(0.23)** | **(0.22)** |
| **Dividends paid to non-controlling interests** | **-** | **-** |

**(f) Creamline Dairy Products Limited** **(Rs. in million)**

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Total Revenue | 10,099.17 | 2,728.90 |
| Profit for the year | 255.05 | 31.95 |
| Other Comprehensive Income | (6.88) | 2.53 |
| | - | - |
| **Profit allocated to non-controlling interests** | **100.71** | **(1.67)** |
| **OCI allocated to non-controlling interests** | **(3.31)** | **1.22** |
| **Dividends paid to non-controlling interests** | **-** | **-** |

**Summarised balance sheet**

**(a) Godvet Agrochem Limited** **(Rs. in million)**

| | 31 March 2017 | 31 March 2016 | 31 March 2015 | 31 March 2014 |
|---|---|---|---|---|
| Non-current liabilities | - | - | - | - |
| Current liabilities | 102.64 | 558.34 | 185.55 | 75.38 |
| | **102.64** | **558.34** | **185.55** | **75.38** |
| Non-current assets | 206.73 | 152.10 | 134.11 | 128.22 |
| Current assets | 3.50 | 509.82 | 150.70 | 7.33 |
| | **210.23** | **661.92** | **284.81** | **135.55** |
| Net assets | **107.59** | **103.58** | **99.26** | **60.17** |
| | | | | |
| Net assets attributable to non-controlling interest | **-** | **-** | **-** | **-** |

Godrej Agrovet Limited

Annexure VI: Notes to the Restated Consolidated Financial Information

Note 59: Non Controlling Interest

(b) Golden Feed Products Limited (Rs. in million)

| | 31 March 2013 |
|---|---|
| Non-current liabilities | - |
| Current liabilities | 7.35 |
| | **7.35** |
| Non-current assets | 24.70 |
| Current assets | 0.45 |
| | **25.15** |
| Net assets | **17.80** |
| **Net assets attributable to non-controlling interest** | **-** |

(c) Goldmohur Agrochem & Feeds Limited (Rs. in million)

| | 31 March 2013 |
|---|---|
| Non-current liabilities | 4.66 |
| Current liabilities | 233.19 |
| | 237.85 |
| Non-current assets | 55.95 |
| Current assets | 188.14 |
| | 244.09 |
| Net assets | 6.24 |
| **Net assets attributable to non-controlling interest** | **-** |

(d) Godrej Seeds & Genetics Limited (Rs. in million)

| | 31 March 2016 | 31 March 2015 | 31 March 2014 | 31 March 2013 |
|---|---|---|---|---|
| Non-current liabilities | - | - | - | - |
| Current liabilities | 72.60 | 48.59 | 26.60 | 15.02 |
| | 72.60 | 48.59 | 26.60 | 15.02 |
| Non-current assets | - | - | (0.00) | - |
| Current assets | 62.51 | 42.49 | 20.06 | 10.56 |
| | 62.51 | 42.49 | 20.06 | 10.56 |
| Net assets | **(10.09)** | **(6.10)** | **(6.54)** | **(4.46)** |
| **Net assets attributable to non-controlling interest** | **(0.06)** | **(0.06)** | **(0.06)** | **(0.06)** |

(e) Astec LifeSciences Ltd. (Rs. in million)

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Non-current liabilities | 18.17 | 64.34 |
| Current liabilities | 1,937.23 | 2,054.47 |
| | 1,955.40 | 2,118.81 |
| | **-** | **-** |
| Non-current assets | 1,282.77 | 1,301.82 |
| Current assets | 1,983.73 | 1,863.37 |
| | 3,266.50 | 3,165.19 |
| Net assets | 1,311.10 | 1,046.38 |
| **Net assets attributable to non-controlling interest** | **582.93** | **485.54** |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 59: Non Controlling Interest**

**(f) Creamline Dairy Products Limited** (Rs. in million)

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Non-current liabilities | 927.03 | 898.81 |
| Current liabilities | 1,156.05 | 1,084.60 |
| | 2,083.08 | 1,983.41 |
| Non-current assets | 4,925.90 | 4,010.03 |
| Current assets | 1,225.25 | 1,793.47 |
| | 6,151.15 | 5,803.50 |
| Net assets | 4,068.07 | 3,820.09 |
| **Net assets attributable to non-controlling interest** | **1,956.21** | **1,836.96** |

**Summarised cash flow information**

**(a) Godvet Agrochem Limited** (Rs. in million)

| | 31 March 2017 | 31 March 2016 | 31 March 2015 | 31 March 2014 |
|---|---|---|---|---|
| Cash flows from(used in) in operating activities | 460.73 | 11.74 | (135.89) | 7.51 |
| Cash flows from(used in) in investing activities | (33.08) | (360.77) | (3.32) | (125.09) |
| Cash flows from(used in) in financing activities | (403.25) | 338.51 | 143.96 | 124.91 |
| **Net increase /(decrease) in cash and cash equivalents** | **24.40** | **(10.52)** | **4.75** | **7.33** |

**(b) Golden Feed Products Limited** (Rs. in million)

| | 31 March 2013 |
|---|---|
| Cash flows from(used in) in operating activities | (4.65) |
| Cash flows from(used in) in investing activities | (0.16) |
| Cash flows from(used in) in financing activities | - |
| **Net increase /(decrease) in cash and cash equivalents** | **(4.81)** |

**(c) Goldmohur Agrochem & Feeds Limited** (Rs. in million)

| | 31 March 2013 |
|---|---|
| Cash flows from(used in) in operating activities | 11.28 |
| Cash flows from(used in) in investing activities | (6.33) |
| Cash flows from(used in) in financing activities | (4.95) |
| **Net increase /(decrease) in cash and cash equivalents** | - |

**(d) Godrej Seeds & Genetics Limited** (Rs. in million)

| | 31 March 2016 | 31 March 2015 | 31 March 2014 | 31 March 2013 |
|---|---|---|---|---|
| Cash flows from(used in) in operating activities | (18.50) | (0.96) | (9.84) | (10.45) |
| Cash flows from(used in) in investing activities | - | | | |
| Cash flows from(used in) in financing activities | 18.77 | 0.96 | 9.84 | 10.45 |
| **Net increase /(decrease) in cash and cash equivalents** | **0.27** | **-** | **-** | **-** |

Godrej Agrovet Limited

Annexure VI: Notes to the Restated Consolidated Financial Information

Note 59: Non Controlling Interest

**(e) Astec LifeSciences Ltd.** (Rs. in million)

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Cash flows from(used in) in operating activities | 186.30 | (138.41) |
| Cash flows from(used in) in investing activities | (170.91) | (160.54) |
| Cash flows from(used in) in financing activities | (9.43) | 319.85 |
| **Net increase /(decrease) in cash and cash equivalents** | **5.96** | **20.90** |

**(f) Creamline Dairy Products Limited** (Rs. in million)

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Cash flows from(used in) in operating activities | 220.83 | 516.69 |
| Cash flows from(used in) in investing activities | (155.09) | (497.00) |
| Cash flows from(used in) in financing activities | (25.50) | 16.08 |
| **Net increase /(decrease) in cash and cash equivalents** | **40.24** | **35.77** |

**Transactions with non-controlling interests - Astec Lifescience Limited**

During the current year, the Group has acquired 1.90% of subsequent interest in Astec Lifescience Limited. The carrying amount of such additional NCI stake acquired is Rs.25.83 Mn. During the previous year, the Group had acquired 8.34% of stake in Astec Lifescience Limited through a series of acquisitions during the previous year. The carrying

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Carrying amount of non-controlling interests acquired | 25.83 | 83.85 |
| Consideration paid | 234.80 | 424.67 |
| Decrease in Equity attributable to the owners of the Company | 208.98 | 340.82 |

**Transactions with non-controlling interests - Creamline Dairy Products Limited**

During the previous year, the Group had acquired 0.54% of stake in Creamline Dairy Products Limited . The carrying amount of such NCI stake was Rs. 34.73 Mn.

| | 31 March 2017 | 31 March 2016 |
|---|---|---|
| Carrying amount of non-controlling interests acquired | - | 34.73 |
| Consideration paid | - | 34.98 |
| Decrease in Equity attributable to the owners of the Company | - | 0.24 |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note 60: Business Combination**

Business acquisition made by subsidiary company Creamline Dairy Product Limited

| Name & Description of Acquiree | Nutramaax Food Specialties Private Limited, located in RR District, Telangana | RBS Dairy Farm, Nellai District, Tamilnadu |
|---|---|---|
| Nature of business | Processor of milk and milk products | Processor of milk and milk products |
| Date of Control | 1st July 2016 | 1st February 2017 |
| Type of Acquisition | Slump Sale of Assets | Slump Sale of Assets |
| Primary reasons for business combination | The processing facilities and chilling centers from RR district, Telangana is predominantly for setup of state of art facilities for manufacture of long shelf life of products including UHT and short shelf life products through cold chain infrastructure. | As regards the acquisition of facility in VK pudur we had considered the catchment area of southern Tamilnadu & Kerala which is being presently operated upon. We have also considered this acquisition due to the available processing infrastructure at strategic locations, running operations, profitability and opportunities to expand the market in the present area of operations & contiguous areas. |

(a) Summary of acquisition (Rs. in million)

Details of the purchase consideration, the net assets acquired and goodwill/(Capital Reserve) are as follows:

| Particulars | Location - Telangana, RR District | Location - Nellai District, Tamilnadu |
|---|---|---|
| Purchase consideration | **300.00** | **329.50** |

The assets and liabilities recognised as a result of the acquisition are as follows:

| Particulars | Telangana, RR District | Nellai District, Tamilnadu |
|---|---|---|
| | **Fair value** | **Fair value** |
| Land & Building | 173.75 | 238.17 |
| Plant and Machinery | 109.90 | 50.95 |
| Other Assets | 15.65 | 9.07 |
| Vehicles | 4.18 | 44.85 |
| Security deposits | 0.28 | - |
| | **303.76** | **343.04** |

| Calculation of Capital Reserve | Telangana, RR District | Nellai District, Tamilnadu |
|---|---|---|
| Consideration transferred | 300.00 | 329.50 |
| Less: Net identifiable assets acquired | (303.76) | (343.03) |
| Goodwill/(Capital Reserve) | (3.76) | (13.53) |

Acquisition related cost of Rs.8.16 Mn that were not directly attributable to the issue of shares are included in other expenses in profit or loss and in operating cash flows in the statement of cash flows.

**During the previous year the group has made two business acquisitions as given below**

**I. Astec Lifesciences Limited**

**A. Summary of Acquisition**

On 12th October 2015, the Company acquired 45.29% equity stake in Astec Lifesciences Limited ('Astec'), a broad based producer of agrochemicals and pharmaceutical intermediates listed on Bombay Stock Exchange and National Stock Exchange.

The business acquisition was conducted by entering into a Share Purchase Agreement for (SPA), through which the company acquired 45.29% stake in Astec. Consequent to this acquisition, mandatory open offer was made to the shareholders of Astec & the Company acquired a further 6.99% stake in Astec. Subsequently, 1.35% stake in Astec has been acquired through purchase from Open Market.

In accordance with certain covenants of the abovementioned SPA, the Company has deposited part of the consideration aggregating to Rs.317 Mn in escrow accounts pending completion of certain conditions precedent.

The acquisition is a step towards backward integration of the existing agro chemicals business of the Company which is growing rapidly. Significant process and manufacturing capabilities of Astec and pan-India distribution network of the Company offer opportunities for synergies in this business.

For period ended 31 March 2016, Astec contributed revenue of Rs.1,133.68 Mn and loss (before tax) of Rs.70.52 Mn to the group's results.
If the acquisition had occurred on 1 April 2015, management estimates that consolidated revenue would have been Rs. 38,885.79 Mn and consolidated profit before tax would have been Rs.3,384.39 Mn.

Godrej Agrovet Limited

Annexure VI: Notes to the Restated Consolidated Financial Information

Note 60: Business Combination

**B. Details of purchase consideration, net assets acquired and goodwill**

| Particulars | (Rs. in million) |
|---|---|
| Cash Paid | 1,674.18 |
| Fair value of Astec ESOP (pre-combination charge) | 9.10 |
| **Total purchase consideration** | 1,683.28 |

**Acquisition-related cost**

The group incurred acquisition related cost of Rs.7.79 Mn on legal fees and due diligence costs. These costs have been included in "other expenses" in statement of profit and loss and in operating cash flows in the statement of cash flows.

**Identifiable assets acquired and liabilities assumed**

The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

| Particulars | (Rs. in million) |
|---|---|
| Property, plant and Equipment | 738.33 |
| Identifiable intangible assets | 37.09 |
| Investments | 5.20 |
| Inventories | 639.36 |
| Receivables | 734.51 |
| Other financial assets | 57.53 |
| Loans and advances | 4.22 |
| Cash and cash equivalents | 70.11 |
| Other cash and bank balances | 47.73 |
| Other current assets | 48.58 |
| Other non-current assets | 281.45 |
| **Fair value of assets acquired** | **2,664.11** |
| Loans and borrowings | (812.22) |
| Current and deferred tax liabilities | (11.87) |
| Other current liability | (12.86) |
| Provisions | (64.85) |
| Other financial liability | (181.73) |
| Trade payables | (611.68) |
| **Fair value of liabilities acquired** | **(1,695.21)** |
| Deferred tax on business combination | **138.78** |
| **Total identifiable net assets acquired** | **1,107.68** |

The gross contractual amounts and the fair value of trade and other receivables acquired is Rs.734.50 Mn. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

**Goodwill** `

| Particulars | (Rs. in million) |
|---|---|
| Consideration transferred | 1,683.28 |
| Non-controlling interest in the acquired entity | 606.07 |
| Less: Net identifiable assets acquired | (1,107.68) |
| **Goodwill** | **1,181.67** |

The goodwill on acquisition can be attributable to Astec's considerable experience in the development and production of intermediates and its enduring relationships with large and small companies all over the world. No amount of Goodwill is expected to be deductible for tax purpose.
The fair value of non-controlling interest has been estimated as proportion of net assets acquired.

**C. Purchase consideration - Cash outflow**

| Particulars | (Rs. in million) |
|---|---|
| Outflow of cash to acquire subsidiary, net of cash acquired | |
| Cash consideration | 1,674.18 |
| Less: Balances acquired | |
| Cash and cash equivalents | (70.11) |
| **Net outflow of cash - investing activities** | **1,604.07** |

**II. Creamlinbe Dairy Product Limited.**

**A. Acquisition of subsidiary**

On December 21, 2015, the Company acquired 25.91% of the shares and voting rights in Creamline Dairy Products Ltd. (‘Creamline’).As a result, the Group 's equity interest in Creamline increased from 26% to 51.91%, obtaining control of the entity.

Taking control of Creamline dairy will enable the Group to add value through its association with Indian dairy farmers and in-depth knowledge of agri-businesses & rural marketing. Creamline will also get leverage through the Godrej Agrovet brand, which has strong recall with dairy farmers through the cattle feed business.

For the 12 months ended March 31, 2016 , Creamline contributed revenue of Rs.2,728.90 Mn and profit before tax of Rs.11.95 Mn to the group's results. If the acquisition had occurred on 1 April, 2015 , management estimates that consolidated revenue would have been Rs.44,095.25 Mn and consolidated profit would have been Rs. 3,659.99 Mn.
In determining these amounts, management has assumed that the fair value adjustments, determined provisionally, that arose on date of acquisition would have been same if the acquisition had occurred on 1 April, 2015.

**Note 60: Business Combination**

**B. Details of purchase consideration, net assets acquired and goodwill**

| Particulars | (Rs. in million) |
|---|---|
| Cash Paid | 1,481.92 |
| Equity shares issued | - |
| **Total consideration transferred** | 1,481.92 |

Acquisition-related cost

The group incurred acquisition related cost of Rs.14.67 Mn on legal fees and due diligence costs. These costs have been included in "administrative expenses"

Identifiable assets acquired and liabilities assumed
The following table summaries the recognised amounts of assets acquired and liabilities assumed at the date of acquisition

| Particulars | (Rs. in million) |
|---|---|
| Property, plant and Equipment | 3,421.65 |
| Identifiable intangible assets | 382.22 |
| Inventories | 722.39 |
| Receivables | 88.24 |
| Recoverable Taxes | 10.53 |
| Investments | 0.02 |
| Other loans & advances | 169.11 |
| Advance to suppliers/capital advances/employees | 49.10 |
| Loans and advances to related parties | 3.87 |
| Cash and cash equivalents | 72.29 |
| Other cash and bank balances | 511.24 |
| **Fair value of assets acquired** | **5,430.66** |
| Loans and borrowings | (118.00) |
| Current & Deferred tax liabilities | (175.34) |
| Provisions for employee benefits | (8.45) |
| Advance from customers | (90.73) |
| Statutory dues and other payables | (84.72) |
| Security deposits | (72.89) |
| Trade payables | (253.01) |
| Deferred government grant | (27.41) |
| **Fair value of liabilities acquired** | **(830.55)** |
| Deferred tax on acquisition | (757.87) |
| Total identifiable net assets acquired | 3,842.24 |

The gross contractual amounts and the fair value of trade and other receivables acquired is Rs.88.24 Mn. None of the trade and other receivables are credit impaired and it is expected that the full contractual amounts will be recoverable.

**C. Goodwill** `

| Particulars | (Rs. in million) |
|---|---|
| Consideration transferred | 1,481.92 |
| Non-controlled interest in the acquired entity | 1,868.48 |
| Fair value of previously held equity interest | 1,258.84 |
| Less: Net identifiable assets acquired | (3,842.24) |
| Goodwill | 767.00 |

Goodwill on acquisition comprises the value of expected synergies arising from the acquisition and long-standing relationships with farmers, which does not meet the criteria for recognition as an intangible asset under Ind AS 38 and hence, has not been separately recognised. No amount of Goodwill is expected to be deductible for tax purpose.

The fair value of non-controlling interest has been estimated as proportion of net assets acquired.
The remeasurement to fair value of the Group's existing 26% interest in Creamline Dairy resulted in a gain of Rs 915.01 Mn, which has been recognised in other income.

**C. Purchase consideration - Cash outflow**

| **Particulars** | **(Rs. in million)** |
|---|---|
| Outflow of cash to acquire subsidiary, net of cash acquired | |
| Cash consideration | 1,481.92 |
| Less: Balances acquired | |
| Cash and cash equivalents | (72.29) |
| **Net outflow of cash - investing activities** | **1,409.63** |

**Note No. 61: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

**1 Relationships:**

**(i) Holding Companies:**

Godrej Industries Limited (GIL), Holding Company holds 63.67% Equity Shareholding in Godrej Agrovet Limited (GAVL) as on March 31, 2017.

GIL was a subsidiary of Godrej & Boyce Manufacturing Company Limited (G&B) till March 29, 2017. Consequently, G&B was also the Ultimate Holding Company of GAVL till March 29, 2017 and ceased to be so w.e.f. March 30, 2017.

GIL became a subsidiary of Vora Soaps Limited (VSL) w.e.f. March 30, 2017. Consequently, VSL is the Ultimate Holding Company of GAVL w.e.f. March 30, 2017.

**(ii) Subsidiary Companies:**

1 Golden Feed Products Limited (till Marh 31, 2014 the effecet date of Merger)
2 Goldmohur Agrochem & Feeds Limited (from January 2, 2013,till December 12, 2013 the effecet date of Merger)
3 Godvet Agrochem Limited (Incorporate on January 22, 2014)
4 Godrej Seeds & Genetics Limited (upto March 18, 2017)
5 Astec LifeSciences Limited (a Subsidiary w.e.f. 6th November, 2015)
6 Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
7 Astec Europe Sprl (a subsidiary of Astec LifeSciences Limited)
8 Comercializadora Agricola Agroastrachem Cia Ltda (a subsidiary of Astec LifeSciences Limited)
9 Creamline Dairy Products Limited (a Subsidiary w.e.f. 21st December, 2015)
10 Nagavalli Milkline Private Limited (a subsidiary of Creamline Dairy Products Limited)
11 Astec Crop Care Private Limited (a subsidiary of Astec LifeSciences Ltd up to 17th February, 2016)

**(iii) Fellow Subsidiaries:**

**A. Subsidiaries of Godrej & Boyce Mfg. Co. Ltd. (G&B), Fellow subsidiaries upto March 29, 2017 :**

1 Godrej Infotech Ltd.
2 Wadala Commodities Ltd. (merged with Godrej Industries Ltd. w.e.f. 21st November, 2014)
3 Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia)
4 Godrej (Singapore) Pte. Ltd., (Incorporate in Singapore)
5 Veromatic International BV, (Incorporate in Netherlands)
6 Busbar Systems (India) Ltd. (from 1st February, 2013)
7 Mercury Mfg. Co. Ltd.
8 East View Estates Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
9 First Rock Infrastructure Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
10 Miracletouch Developers Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
11 Godrej Americas Inc., USA
12 India Circus Retail Pvt. Ltd.

**B. Subsidiaries of Godrej Industries Ltd. (GIL) :**

1 Godrej Properties Ltd. (GPL)
2 Ensemble Holdings & Finance Ltd.
3 Godrej International Ltd., (Incorporated in the Isle of Man)
4 Natures Basket Ltd.
5 Godrej International Trading & Investments Pte Ltd., (Incorporate in Singapore)
6 Godrej International Ltd., Labuan Malaysia
7 Swadeshi Detergents Limitied (a subsidiary of Godrej Industries Ltd from 20th March, 2013 Merged into Godrej Industries Ltd w.e.f. 6th September, 2013)
8 Godrej Hershey Limited (upto Sept 27, 2012)

**C. Subsidiaries of Godrej Properties Limited (GPL) :**

1 City Infraprojects Limited
2 Godrej Realty Pvt. Ltd.
3 Godrej Real Estate Pvt. Ltd.
4 Godrej Buildcon Pvt. Ltd.
5 Godrej Projects Development Pvt. Ltd. (GPDPL)
6 Godrej Redevelopers (Mumbai) Pvt. Ltd. (a subsidiary of GPDPL w.e.f 8th February, 2013)
7 Godrej Garden City Properties Pvt. Ltd.
8 Godrej Landmark Redevelopers Pvt. Ltd.
9 Godrej Green Homes Ltd. (a subsidiary in corporated on 24th December, 2013)
10 Godrej Home Developers Pvt. Ltd.
11 Godrej Hillside Properties Pvt. Ltd.
12 Godrej Prakriti Facilities Private Limited (a subsidiary of Happy Highrises Ltd.)
13 Godrej Investment Advisers Private Limited
14 Godrej Highrises Properties Private Limited
15 Godrej Genesis Facilities Management Private Limited (a subsidiary of Happy Highrises Ltd.)
16 Godrej Residency Private Limited
17 Godrej Skyline Developers Private Limited
18 Godrej Vikhroli Properties India Limited (Godrej Vikhroli Properties LLP converted into a Public Limited Company)
19 Prakritiplaza Facilities Management Private Limited
20 Godrej Waterside Properties Pvt. Ltd. (merged with Godrej Properties Ltd. w.e.f. 29th April, 2013)
21 Godrej Developers Pvt. Ltd. (a subsidiary of Godrej Projects Development Pvt. Ltd. w.e.f. 6th December, 2013) Conversion from Pvt Ltd to Public Ltd w.e.f 1st November, 2013) and merged into GPDPL w.e.f. 30th April, 2014)
22 Happy Highrises Ltd.
23 Godrej Estate Developers Ltd. (formerly Godrej Estate Developers Pvt. Ltd. - (a subsidiary of GSVPL w.e.f. 11th November, 2013 and merged with GSVPL w.e.f. 12th April, 2014)
24 Godrej Buildwell Pvt. Ltd.
25 Godrej Premium Builders Pvt. Ltd.
26 Godrej Nandhi Hills Project Pvt. Ltd. (merged with GPL w.e.f 30th April, 2014)
27 Wonder City Buildcon Pvt. Ltd. ( a subsidiary till June 24, 2014.)
28 Godrej Property Developers LLP
29 Mosiac Landmarks LLP
30 Dream World Landmarks LLP
31 Oxford Realty LLP
32 Godrej SSPDL Green Acres LLP
33 Oasis Landmarks LLP
34 M S Ramaiah Ventures LLP
35 Caroa Properties LLP
36 Godrej Construction Projects LLP
37 Godrej Housing Projects LLP
38 Godrej Land Developers LLP
39 Godrej Developers & Properties LLP
40 Godrej Highrises Realty LLP
41 Godrej Project Developers & Properties LLP
42 Godrej Highview LLP
43 Prakhhyat Dwellings LLP
44 Godrej Skyview LLP
45 Bavdhan Realty @ Pune 21 LLP
46 Godrej Green Properties LLP
47 Godrej Projects (Pune) LLP
48 Godrej Projects (Bluejay) LLP
49 Godrej Projects (Soma) LLP
50 Godrej Century LLP
51 Godrej Sea view Property Ltd (GSVPL) (megged with GPL w.e.f. 30th April, 2014)
52 Godrej Greenview Housing Private Limited (a subsidiary w.e.f. 15th May,2015)
53 Wonder Projects Development Private Limited (asubsidiary w.e.f. 24th June, 2015)

**D. Subsidiaries of Godrej Infotech Ltd. (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej Infotech Americas Inc., North Carolina, USA
2 Godrej Infotech (Singapore) Pte. Ltd., Singapore
3 LVD Godrej Infotech NV, Belgium

**E. Subsidiary of Godrej (Malaysia) Sdn. Bhd.:**

G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)

**F. Subsidiaries of Godrej (Singapore) Pte. Ltd. (Fellow subsidiaries upto March 29, 2017) :**

1 JT Dragon Pte. Ltd., Singapore
2 Godrej (Vietnam) Co. Ltd., Vietnam (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

**G. Subsidiaries of Veromatic International BV:**

1 Veromatic Services BV (incorporated in the Netherlands)
2 Prowama Trading BV (incorporated in the Netherlands) (formerly Water Wonder Benelux BV) liquidated on 28th December 2015

**H. Other Fellow Subsidiaries (where Godrej & Boyce Mfg. Co. Ltd. owns directly and/or indirectly through one or more subsidiaries, more than one-half of the equity share capital) (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej Consumer Products Ltd. (GCPL)
2 Godrej One Premises Management Private Limited

**I. Other Associates of Godrej & Boyce Mfg. Co. Ltd.:**
1 Godrej & Boyce Enterprises LLP
2 JNG Enterprise LLP
3 RKN Enterprise LLP
4 ABG Venture LLP
5 NBG Enterprise LLP
6 SVC Enterprise LLP
7 Godrej Vikhroli Properties LLP

**Note No. 61: Related Party Disclosures**

8 Godrej Property Developers LLP
9 Mosaic Landmarks LLP
10 Dream World Landmarks LLP
11 Oxford Realty LLP
12 Godrej SSPDL Green Acres LLP
13 M S Ramaiah Ventures LLP
14 Oasis Landmarks LLP
15 Godrej Housing Projects LLP
16 Godrej Construction Projects LLP
17 Godrej Land Developers LLP (w.e.f 22nd April, 2015)
18 Godrej Developers & Properties LLP (w.e.f. 22nd April, 2015)
19 Godrej Highrises Realty LLP (w.e.f. 22nd April, 2015)
20 Godrej Project Developers & Properties LLP (w.e.f 16th June, 2015)
21 Amitis Developers LLP
22 Caroa Properties LLP
23 Sheetak Inc.
24 Urban Electric Power LLC
25 Future Factory LLP
26 Anamudi Real Estates LLP
27 Proboscis Inc., USA

**J. Subsidiaries and Sub-subsidiaries of Godrej Consumer Products Limited (GCPL) (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej South Africa (Proprietary) Ltd., South Africa (formerly, Rapidol (Pty) Ltd.)
2 Godrej Netherlands BV, Netherlands
3 Godrej UK Ltd. (a subsidiary of Godrej Netherlands BV)
4 Godrej Consumer Products Holding (Mauritius) Ltd., (In Corporated Mauritius)
5 Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
6 Godrej Consumer Products Mauritius Ltd., Mauritius
7 Godrej Household Products Lanka (Private) Ltd., (In Corporatged in Sri Lanka)
8 Godrej Household Products Bangladesh Pvt. Ltd., (In Corporated in Bangladesh)
9 Godrej Consumer Products Bangladesh Ltd., (In Corporated in Bangladesh)
10 Godrej Mauritius Africa Holdings Ltd., (In Corporated in Mauritius)
11 Godrej West Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
12 Godrej Consumer Products (UK) Ltd. (a subsidiary of Godrej UK Ltd.)
13 Godrej Consumer Investments (Chile) Spa, Chile (a subsidiary of Godrej Netherlands BV)
14 Godrej Mideast Holdings Limited, Dubai (a subsidiary of Godrej Indonesia IP Holdings Limited)
15 Godrej Holdings (Chile) Limitada, Chile (a subsidiary of Godrej Consumer Investments (Chile) Spa)
16 Cosmetica Nacional, Chile (a subsidiary of Godrej Holdings (Chile) Limitada)
17 Plasticos Nacional, Chile (a subsidiary of Cosmetica Nacional)
18 Kinky Group (Proprietary) Ltd. (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
19 Godrej Nigeria Ltd., Nigeria (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
20 Indovest Capital Ltd., Malaysia (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
21 Godrej Consumer Products Dutch Cooperatief UA, Netherlands (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
22 Godrej Consumer Products (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
23 Godrej Consumer Holdings (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
24 PT Megasari Makmur, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
25 PT Intrasari Raya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
26 PT Ekamas Sarijaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
27 PT Indomas Susemi Jaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
28 PT Sarico Indah, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
29 Panamar Produccioness Srl, Argentina (a subsidiary of Godrej Netherlands Argentina BV)
30 Argencos S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
31 Laboratoria Cuenca S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
32 Deciral Ltd., Uruguay (a subsidiary of Laboratoria Cuenca S.A.)
33 Issue Group Brazil Ltda., Brazil (a subsidiary of Godrej Netherlands Argentina BV)
34 Consell S.A ., Argentina (a subsidiary of Laboratoria Cuenca S.A.)
35 Subinite Pty. Ltd., South Africa (a subsidiary of Godrej West Africa Holdings Ltd.)
36 Lorna Nigeria Ltd., Nigeria (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
37 Weave IP Holding Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej West Africa Holdings Ltd.)
38 Weave Trading Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
39 Hair Trading (Offshore) S. A. L., Lebanon (a subsidiary of Weave Trading Mauritius Pvt Ltd.)
40 Weave Mozambique Limitada, Mozambique (a subsidiary of Godrej West Africa Holdings Ltd.)
41 Godrej East Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
42 Style Industries Ltd., Kenya (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
43 DGH Phase Two Mauritius, Mauritius (a subsidiary Godrej East Africa Holdings Ltd.)
44 Godrej Tanzania Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
45 DGH Tanzania Ltd., Tanzania (a subsidiary of Godrej Tanzania Holdings Ltd.)
46 Sigma Hair Ind. Ltd., Tanzania (a subsidiary of DGH Tanzania Ltd.)
47 Weave Ghana Ltd., Ghana (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
48 Godrej Consumer Products US Holding Limited, Mauritius
49 Darling Trading Company Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
50 Godrej Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
51 Godrej Indonesia IP Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
52 Frika Weave (Pty) Ltd., South Africa (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)

**Note No. 61: Related Party Disclosures**

53 Belaza Mozambique LDA
54 Charm Industries Ltd.
55 Canon Chemicals Ltd.
56 Godrej Hair Weave Nigeria Ltd.
57 Godrej International Trading Company, Sharjah
58 DGH Angola (name changed from 'Godrej Megasari Holdings' incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd. w.e.f. 18th March, 2015)
59 Godrej Hair Care Nigeria Limited
60 Godrej Household Insecticide Nigeria Ltd.
61 Hair Credentials Zambia Limited
62 Godrej SON Holdings Inc., USA
63 Old Pro International Inc
64 Strength of Nature LLC, USA
65 Strength of Nature South Africa Proprietary Limited
66 Style Industries Uganda Limited
67 Weave Senegal Ltd.
68 DGH Uganda
69 Godrej Consumer Products FZCO
70 Godrej Hygiene Products Ltd. (merged with GCPL w.e.f 7th September, 2013)
71 Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
72 Godrej Consumer Products Holdings (UK) Ltd. (incorporated in the United Kingdom, a subsidiary of Godrej Netherlands BV)
73 Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.)
74 Godrej Kinky Holdings Ltd. (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
75 Kinky Group Pty Ltd. (a subsidiary of Godrej Kinky Holdings Ltd.)
76 Godrej Consumer Investments Holding Ltd. ( a subsidiary of Godrej Consumer Products Mauritius Ltd.)
77 Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) BV w.e.f 30th September, 2013)
78 PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV upto 21st March, 2013)
79 Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
80 Godrej Netherlands Argentina Holding BV . (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
81 Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
82 Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
83 Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
84 Godrej Consumer Products Nepal Pvt. Ltd.
85 DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)
86 Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
87 Frika Pty. Ltd. (incorporated in South Africa) (a subsidiary of DGH Mauritius Pvt. Ltd. w.e.f. 1st October, 2014)
88 DGH Phase 3 Mauritius Pvt. Ltd. (incorporated in Mauritius) ( a subsidiary of Weave Business Holding Mauritius Pvt. Ltd.)
89 Godrej Easy IP Holding Ltd. (incorporated in Dubai) (a subsidiary of Godrej Consumer Products Mauritius Ltd. w.e.f. 16th October, 2014)

**(iv) Joint Ventures of Godrej Agrovet Limited:**
1 Godrej Tyson Foods Limited
2 ACI Godrej Agrovet Private Limited, Bangladesh

**(v) Associates of Godrej Agrovet Limited:**
1 **Polchem Hygiene Laboratories Private Limited (upto December 12, 2016)**
2 Crop Science Advisors LLP
3 Al Rahba International Trading LLC
4 Creamline Dairy Products Limited (upto December 20, 2015)

**(vi) Other related parties**
1 Anamudi Real Estates LLP
2 Godrej Agrovet Limited Employees Provident Fund Trust.
3 Godrej Agrovet Limited Employees Superannuation Scheme.
4 Godrej Agrovet Limited Employees Group Gratuity Trust.
5 **Bahar Agrochem & Feeds Private Limited (upto August 31, 2012)**

**(vii) Individuals owning, directly or indirectly, an interest in the voting power of Godrej Agrovet Limited that gives them control or significant influence over the enterprise and relatives of any such individual.**
1 Mr. Adi B. Godrej
2 Mr. Nadir B. Godrej
3 Mrs. Rati Nadir Godrej (Wife of Mr. Nadir B. Godrej)
4 Ms. Tanya Dubash (Daughter of Mr. Adi B. Godrej)
5 Mr. Arvind Darab Dubash (Husband of Ms. Tanya Dubash)
6 Ms. Nisaba Godrej (Daughter of Mr. Adi B. Godrej)
7 Mr. Kalpesh Mehta (Husband of Ms. Nisaba Godrej)
8 Mr. Pirojsha Godrej (Son of Mr. Adi B. Godrej)
9 Mrs. Karla Godrej (Wife of Mr. Pirojsha Godrej)
10 Mr. Burjis Nadir Godrej (Son of Mr. Nadir B. Godrej)
11 Mr. Sohrab Nadir Godrej (Son of Mr. Nadir B. Godrej)
12 Mr. Hormazad Nadir Godrej ( Son of Mr. Nadir B. Godrej)

**Key Management Personnel and relatives of such Personnel**
1 Mr. B. S. Yadav (Managing Director)
2 Mrs. Upassna Singh
3 Mrs. Kamal Yadav
4 Mr. Anirudh Singh
5 Ms. Anika Singh
6 Mrs. Monica Yadav
7 Ms. Charu Yadav
8 Mr. S. Varadaraj (Chief Financial Officer)
9 Mr. Vivek Raizada (Company Secretary)

**ENTERPRISES OVER WHICH ANY OF THE FOLLOWING PERSONS IS ABLE TO EXERCISE SIGNIFICANT INFLUENCE:**
**(i) INDIVIDUALS OWNING, DIRECTLY OR INDIRECTLY, AN INTEREST IN THE VOTING POWER OF THE REPORTING ENTERPRISE THAT GIVES THEM CONTROL OR SIGNIFICANT INFLUENCE OVER THE ENTERPRISE, AND RELATIVES OF ANY SUCH INDIVIDUAL**

**(ii) KEY MANAGEMENT PERSONNEL AND RELATIVES OF SUCH PERSONNEL**

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note No. 61: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

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

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

**(Rs. in million)**

| | | Nature of Transactions | Holding Companies (i) | Fellow Subsidiaries (ii) | Joint Ventures (iii) | Associates (iv) | Other related Parties (v) |
|---|---|---|---|---|---|---|---|
| 1 | 2016-17 | Purchase of fixed assets | **7.67** | - | - | - | - |
| | 2015-16 | Purchase of fixed assets | 24.47 | - | - | - | - |
| | 2014-15 | Purchase of fixed assets | 66.44 | 23.77 | 0.49 | - | - |
| | 2013-14 | Purchase of fixed assets | 1.05 | - | - | - | - |
| | 2012-13 | Purchase of fixed assets | 3.23 | - | - | - | - |
| | | | | | | | |
| 2 | 2016-17 | Sale / Transfer of Fixed Assets | - | - | - | - | - |
| | 2015-16 | Sale / Transfer of Fixed Assets | - | - | 1.42 | - | - |
| | 2014-15 | Sale / Transfer of Fixed Assets | - | - | - | - | - |
| | 2013-14 | Sale / Transfer of Fixed Assets | - | - | - | - | - |
| | 2012-13 | Sale / Transfer of Fixed Assets | - | - | - | - | - |
| | | | | | | | |
| 3 | 2016-17 | Investment in share capital | - | - | - | - | - |
| | 2015-16 | Investment in share capital | - | 0.01 | - | - | - |
| | 2014-15 | Investment in share capital | - | - | - | - | - |
| | 2013-14 | Investment in share capital | - | - | - | - | - |
| | 2012-13 | Investment in share capital | - | - | - | - | - |
| | | | | | | | |
| 4 | 2016-17 | Sundry Deposits Placed | **0.66** | 0.90 | - | - | - |
| | 2015-16 | Sundry Deposits Placed | 1.42 | - | - | - | - |
| | 2014-15 | Sundry Deposits Placed | 0.96 | - | - | - | - |
| | 2013-14 | Sundry Deposits Placed | 1.02 | - | - | - | - |
| | 2012-13 | Sundry Deposits Placed | 0.31 | - | - | - | - |
| | | | | | | | |
| 5 | 2016-17 | Intercorporate Deposits Placed during the year | - | **500.00** | - | - | - |
| | 2015-16 | Intercorporate Deposits Placed during the year | - | - | - | - | - |
| | 2014-15 | Intercorporate Deposits Placed during the year | - | 30.00 | - | - | 132.96 |
| | 2013-14 | Intercorporate Deposits Placed during the year | - | 52.00 | - | - | - |
| | 2012-13 | Intercorporate Deposits Placed during the year | - | 100.00 | - | - | - |
| | | | | | | | |
| 6 | 2016-17 | Intercorporate Deposits Taken during the year | - | 770.00 | - | - | - |
| | 2015-16 | Intercorporate Deposits Taken during the year | - | - | - | - | - |
| | 2014-15 | Intercorporate Deposits Taken during the year | - | - | - | - | - |
| | 2013-14 | Intercorporate Deposits Taken during the year | - | - | - | - | - |
| | 2012-13 | Intercorporate Deposits Taken during the year | - | - | - | - | - |
| | | | | | | | |
| 7 | 2016-17 | Intercorporate Deposits Returned | - | 770.00 | - | - | - |
| | 2015-16 | Intercorporate Deposits Returned | - | - | - | - | - |
| | 2014-15 | Intercorporate Deposits Returned | - | - | - | - | - |
| | 2013-14 | Intercorporate Deposits Returned | - | - | - | - | - |
| | 2012-13 | Intercorporate Deposits Returned | - | - | - | - | - |

(Rs. in million)

| | | Nature of Transactions | Holding Companies (i) | Fellow Subsidiaries (ii) | Joint Ventures (iii) | Associates (iv) | Other related Parties (v) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 8 | 2016-17 | Sale of materials / finished goods | - | **-** | **2,409.86** | **-** | **28.93** |
| | 2015-16 | Sale of materials / finished goods | - | 14.41 | 2,528.54 | 7.83 | (9.67) |
| | 2014-15 | Sale of materials / finished goods | 0.09 | 21.31 | 2,166.46 | 17.94 | - |
| | 2013-14 | Sale of materials / finished goods | - | 11.28 | 2,170.36 | 23.56 | - |
| | 2012-13 | Sale of materials / finished goods | - | 0.84 | 2,052.91 | 43.01 | - |
| | | | | | | | |
| 9 | 2016-17 | Purchase of materials / finished goods | **21.33** | **3.02** | **29.26** | **57.47** | **1,782.60** |
| | 2015-16 | Purchase of materials / finished goods | 0.54 | 4.10 | 38.48 | 31.97 | 1,395.40 |
| | 2014-15 | Purchase of materials / finished goods | - | 1.49 | 35.24 | 43.81 | - |
| | 2013-14 | Purchase of materials / finished goods | 0.58 | 3.78 | 20.82 | 41.70 | - |
| | 2012-13 | Purchase of materials / finished goods | - | - | 10.34 | 37.62 | 319.93 |
| | | | | | | | |
| 10 | 2016-17 | Expenses Charged to / Reimbursement made from other companies | **1.18** | **2.14** | **28.82** | **-** | **-** |
| | 2015-16 | Expenses Charged to / Reimbursement made from other companies | 0.01 | 0.17 | 25.82 | - | - |
| | 2014-15 | Expenses Charged to / Reimbursement made from other companies | - | 6.06 | 3.94 | - | - |
| | 2013-14 | Expenses Charged to / Reimbursement made from other companies | 0.77 | 5.71 | 7.68 | - | - |
| | 2012-13 | Expenses Charged to / Reimbursement made from other companies | 1.47 | 4.79 | 17.44 | - | - |
| | | | | | | | |
| 11 | 2016-17 | Expenses Charged by / Reimbursement made to other companies | **76.45** | **552.91** | **0.15** | **-** | **-** |
| | 2015-16 | Expenses Charged by / Reimbursement made to other companies | 80.44 | 14.60 | 4.28 | 0.21 | - |
| | 2014-15 | Expenses Charged by / Reimbursement made to other companies | 81.03 | 4.03 | 0.34 | 0.14 | - |
| | 2013-14 | Expenses Charged by / Reimbursement made to other companies | 46.84 | 3.58 | 0.04 | - | - |
| | 2012-13 | Expenses Charged by / Reimbursement made to other companies | 63.65 | 3.03 | 0.20 | - | - |
| | | | | | | | |
| 12 | 2016-17 | Dividend Income | - | - | - | **-** | - |
| | 2015-16 | Dividend Income | - | - | - | 14.32 | - |
| | 2014-15 | Dividend Income | - | - | - | 6.25 | - |
| | 2013-14 | Dividend Income | - | - | - | 8.93 | - |
| | 2012-13 | Dividend Income | - | - | - | 7.50 | - |
| | | | | | | | |
| 13 | 2016-17 | Dividend Paid | **-** | - | - | - | - |
| | 2015-16 | Dividend Paid | 261.10 | - | - | - | - |
| | 2014-15 | Dividend Paid | 449.29 | - | - | - | - |
| | 2013-14 | Dividend Paid | 159.98 | - | - | - | - |
| | 2012-13 | Dividend Paid | - | - | - | - | - |
| | | | | | | | |
| 14 | 2016-17 | Interest income on intercorporate deposits placed | **8.37** | **0.70** | - | - | **1.35** |
| | 2015-16 | Interest income on intercorporate deposits placed | 11.34 | 5.21 | - | - | - |
| | 2014-15 | Interest income on intercorporate deposits placed | - | 5.61 | - | - | 18.92 |
| | 2013-14 | Interest income on intercorporate deposits placed | - | 6.28 | - | - | - |
| | 2012-13 | Interest income on intercorporate deposits placed | - | 8.99 | - | - | - |
| | | | | | | | |
| 15 | 2016-17 | Interest Expenses on intercorporate deposits Taken | - | 20.83 | - | - | - |
| | 2015-16 | Interest Expenses on intercorporate deposits Taken | - | - | - | - | - |
| | 2014-15 | Interest Expenses on intercorporate deposits Taken | - | - | - | - | - |
| | 2013-14 | Interest Expenses on intercorporate deposits Taken | - | - | - | - | - |
| | 2012-13 | Interest Expenses on intercorporate deposits Taken | - | - | - | - | - |

(Rs. in million)

| | | Nature of Transactions | Holding Companies (i) | Fellow Subsidiaries (ii) | Joint Ventures (iii) | Associates (iv) | Other related Parties (v) |
|---|---|---|---|---|---|---|---|
| | | | | | | | |
| 16 | 2016-17 | Sundry Income | - | **0.14** | **24.75** | - | **-** |
| | 2015-16 | Sundry Income | - | 3.90 | 28.45 | - | - |
| | 2014-15 | Sundry Income | - | 3.39 | 19.70 | - | - |
| | 2013-14 | Sundry Income | - | 1.28 | 15.60 | - | - |
| | 2012-13 | Sundry Income | - | - | 6.80 | - | 142.76 |
| | | | | | | | |
| 17 | 2016-17 | Outstanding Intercorporate Deposit Receivable | - | **-** | - | - | **-** |
| | 2015-16 | Outstanding Intercorporate Deposit Receivable | 111.96 | 52.00 | - | - | - |
| | 2014-15 | Outstanding Intercorporate Deposit Receivable | - | 52.00 | - | - | 265.46 |
| | 2013-14 | Outstanding Intercorporate Deposit Receivable | - | 52.00 | - | - | - |
| | 2012-13 | Outstanding Intercorporate Deposit Receivable | - | 65.00 | - | - | - |
| | | | | | | | |
| 18 | 2016-17 | Capital Advance Given | **-** | **36.48** | **-** | **-** | **-** |
| | 2015-16 | Capital Advance Given | 2.92 | 17.95 | - | - | - |
| | 2014-15 | Capital Advance Given | - | - | - | - | - |
| | 2013-14 | Capital Advance Given | - | - | - | - | - |
| | 2012-13 | Capital Advance Given | - | - | - | - | - |
| | | | | | | | |
| 19 | 2016-17 | Outstanding receivables (Net of Payables) | **6.92** | **1.10** | **100.53** | **-** | **(47.35)** |
| | 2015-16 | Outstanding receivables (Net of Payables) | 11.31 | 12.02 | 97.64 | 0.04 | 24.39 |
| | 2014-15 | Outstanding receivables (Net of Payables) | (6.44) | 7.94 | 54.82 | 3.65 | 15.00 |
| | 2013-14 | Outstanding receivables (Net of Payables) | 19.55 | 7.39 | 98.83 | 5.98 | (9.09) |
| | 2012-13 | Outstanding receivables (Net of Payables) | (4.37) | 10.72 | 99.33 | 41.58 | (23.45) |
| | | | | | | | |
| 20 | 2016-17 | Guarantees Outstanding | **-** | **12.07** | **-** | **-** | **-** |
| | 2015-16 | Guarantees Outstanding | - | 12.07 | - | - | - |
| | 2014-15 | Guarantees Outstanding | - | 214.88 | 70.32 | - | - |
| | 2013-14 | Guarantees Outstanding | - | 202.81 | 65.97 | - | - |
| | 2012-13 | Guarantees Outstanding | - | - | 59.77 | - | - |
| | | | | | | | |
| 21 | 2016-17 | Contribution to Post-employment Benefit Plans | **-** | **-** | **-** | **-** | **186.71** |
| | 2015-16 | Contribution to Post-employment Benefit Plans | - | - | - | - | 165.69 |
| | 2014-15 | Contribution to Post-employment Benefit Plans | - | - | - | - | 127.45 |
| | 2013-14 | Contribution to Post-employment Benefit Plans | - | - | - | - | 121.21 |
| | 2012-13 | Contribution to Post-employment Benefit Plans | - | - | - | - | 99.54 |
| | | | | | | | |
| | | | | | | | |
| **(ii) Details relating to persons referred to in items 1 (iv) & (v) above** | | | **2016-17** | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
| | | | | | | | |
| 1 | | **Remuneration to Key Management Personnel** | | | | | |
| | | Short Term Employee Benefit | **40.54** | 48.44 | 73.70 | 60.22 | 50.46 |
| | | Post Employee Gratuity & Medical Benefits | **0.79** | 0.73 | 0.61 | 0.58 | 0.54 |
| | | Shared Based Payment | **995.21** | - | - | - | - |
| 2 | | Dividend Paid | **-** | 12.06 | 20.75 | 5.63 | - |
| 3 | | Director's Sitting Fees | **0.60** | 0.60 | 0.40 | 0.08 | 0.24 |

**Godrej Agrovet Limited**

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note No. 61: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

**3. Significant Related Party Transactions :**

(Rs. in million)

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| 1 | **Purchase of Fixed Assets** | | | | | |
| | Godrej & Boyce Mfg Co Limited | **7.67** | 21.19 | 66.44 | 1.07 | 3.23 |
| | Godrej Industries Limited | **-** | 3.29 | - | - | - |
| | Godrej Tyson Foods Limited | **-** | - | 0.49 | - | - |
| | Godrej Properties Limited | **-** | - | 23.77 | - | - |
| 2 | **Sale / Transfer of Fixed Assets** | | | | | |
| | Godrej Tyson Foods Limited | **-** | 1.42 | - | - | - |
| 3 | **Investment in Share Capital** | | | | | |
| | Godrej One Premises Management Pvt. Ltd. | **-** | 0.01 | - | - | - |
| 4 | **Sundry Deposits placed** | | | | | |
| | Godrej Industries Limited | **0.66** | 1.42 | 0.96 | 1.02 | 0.31 |
| | Godrej One Premises Management Pvt. Ltd. | **0.90** | - | - | - | - |
| 5 | **Intercorporate Deposits placed during the year** | | | | | |
| | Godrej Hersheys Limited | **-** | - | - | - | 100.00 |
| | Anamudi Real Estates LLP | **-** | 357.50 | 21.00 | - | - |
| | Natures Basket Limited | **500.00** | - | 30.00 | 52.00 | - |
| | Vora Soaps Limited | **-** | - | 111.96 | - | - |
| 6 | **Intercorporate Deposits taken during the year** | | | | | |
| | Natures Basket Limited | **770.00** | - | - | - | - |
| 7 | **Intercorporate Deposits Returned** | | | | | |
| | Natures Basket Limited | **770.00** | - | - | - | - |
| 8 | **Sale of materials / finished goods** | | | | | |
| | ACI Godrej Agrovet Private Limited | **91.64** | 48.69 | 14.80 | 64.47 | 61.89 |
| | Creamline Dairy Products Limited (Associates) | **-** | 7.83 | 17.94 | 23.56 | 36.05 |
| | Godrej Consumer Products Limited | **-** | 14.41 | 21.31 | 11.28 | 0.84 |
| | Godrej Tyson Foods Limited | **2,318.22** | 2,479.85 | 2,151.66 | 2,105.89 | 1,991.02 |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | - | - | - | 6.96 |
| | Godrej Industries Limited | **-** | - | 0.09 | - | - |
| | Hikal Ltd | **-** | 0.02 | - | - | - |
| | Astec Crop Care Private Limited | **28.26** | (9.69) | - | - | - |
| | Nichem Solutions | **0.02** | - | - | - | - |
| | khammam milkline p ltd | **0.13** | - | - | - | - |
| | kavali milk line p ltd | **0.52** | - | - | - | - |

(Rs. in million)

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| 9 | **Purchase of Materials / Finished Goods** | | | | | |
| | Bahar Agrochem & Feeds Ltd | **-** | - | - | - | 313.53 |
| | Godrej & Boyce Mfg Co Limited | **4.96** | - | - | 0.58 | - |
| | Godrej Industries Limited | **16.37** | 0.54 | - | - | - |
| | Godrej Consumer Products Limited | **3.02** | 4.10 | 1.49 | 3.78 | - |
| | Godrej Tyson Foods Limited | **29.26** | 38.48 | 35.24 | 20.82 | 10.34 |
| | Polchem Hygiene Laboratories (P) Ltd | **57.47** | 31.97 | 43.81 | 41.70 | 37.62 |
| | Hikal Ltd | **-** | 0.08 | - | - | - |
| | Nichem Solutions | **-** | 0.06 | - | - | - |
| | ongole milk line p ltd | **255.63** | 227.14 | - | - | - |
| | mohan milk line p ltd | **346.91** | 291.41 | - | - | - |
| | vidya milkline p ltd | **128.96** | 117.12 | - | - | - |
| | khammam milkline p ltd | **188.97** | 190.66 | - | - | - |
| | pamuru milkline p ltd | **121.83** | 125.90 | - | - | - |
| | kavali milk line p ltd | **471.07** | 307.63 | - | - | - |
| | pragathi milkline p ltd | **120.22** | 45.96 | - | - | - |
| | dhulipalla milkline p ltd | **102.31** | 42.97 | - | - | - |
| | orga farms ltd | **12.00** | 23.90 | - | - | - |
| | PVR & PSR Enterprises | **34.70** | 22.56 | - | - | - |
| 10 | **Expenses Charged to / Reimbursement made from other companies** | | | | | |
| | ACI Godrej Agrovet Private Limited | **-** | - | - | 0.45 | 0.06 |
| | Crop Science Advisors LLP | **-** | 0.01 | 0.01 | - | - |
| | Godrej & Boyce Mfg Co Limited | **-** | - | - | 0.12 | - |
| | Godrej Consumer Products Limited | **-** | 0.17 | 6.06 | 5.71 | 4.79 |
| | Godrej Industries Limited | **1.18** | 0.01 | | 0.66 | 1.47 |
| | Godrej Tyson Foods Limited | **28.82** | 25.82 | 3.94 | 7.23 | 17.38 |
| | Natures Basket Limited | **2.14** | - | - | - | - |
| 11 | **Expenses Charged by / Reimbursement made to other companies** | | | | | |
| | Gobrej Infotech Limited | **0.36** | 0.39 | 0.22 | 0.18 | 0.15 |
| | Godrej & Boyce Mfg Co Limited | **1.97** | 3.08 | 3.02 | 3.00 | 2.45 |
| | Godrej Consumer Products Limited | **1.37** | 0.44 | 3.81 | 1.72 | 2.87 |
| | Godrej Industries Limited | **74.49** | 77.36 | 78.01 | 43.84 | 61.20 |
| | Godrej Tyson Foods Limited | **0.15** | 4.28 | 0.34 | 0.04 | 0.20 |
| | Natures Basket Limited | **4.22** | - | - | 1.68 | - |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | 0.17 | 0.14 | - | - |
| | Godrej One Premises Management Pvt. Ltd. | **29.46** | 13.76 | - | - | - |
| | Creamline Dairy Products Limited (Associates) | **-** | 0.05 | - | - | - |
| | Godrej Properties Limited | **517.50** | - | - | - | - |
| 12 | **Dividend Income** | | | | | |
| | Creamline Dairy Products Limited (Associates) | **-** | 13.36 | 5.34 | 8.02 | 6.68 |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | 0.96 | 0.91 | 0.91 | 0.82 |
| 13 | **Dividend Paid** | **-** | - | - | - | - |
| | Godrej & Boyce Mfg Co Limited | **-** | 11.75 | 20.22 | - | - |
| | Godrej Industries Limited | **-** | 249.35 | 42.91 | 159.98 | - |
| | Mr. N. B. Godrej | **-** | 9.18 | 1.58 | 5.63 | - |
| | Mr. A. B. Godrej | **-** | 0.01 | 0.00 | - | - |
| | Mr. B. S. Yadav | **-** | 2.87 | 0.49 | - | - |
| 14 | **Interest income on intercorporate deposits placed** | | | | | |
| | Godrej Hersheys Limited | **-** | - | - | - | 1.19 |
| | Natures Basket Limited | **0.70** | 5.21 | 5.61 | 6.28 | 7.80 |
| | Anamudi Real Estates LLP | **13.79** | 15.51 | 13.94 | - | - |
| | Astec Crop Care Private Limited | **1.35** | - | - | - | - |
| | Vora Soaps Limited | **8.37** | 11.34 | 4.98 | - | - |
| 15 | **Interest Expenses on intercorporate deposits Taken** | | | | | |
| | Natures Basket Limited | **20.83** | - | - | - | - |

(Rs. in million)

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| 16 | **Sundry Income** | | | | | |
| | ACI Godrej Agrovet Private Limited | **24.75** | 28.45 | 19.70 | 15.60 | 6.80 |
| | Godrej Consumer Products Limited | **0.14** | 3.90 | 3.39 | 1.28 | - |
| | Bahar Agrochem & Feeds Ltd | **-** | - | - | - | 142.76 |
| 17 | **Outstanding Intercorporate Deposit Receivable** | | | | | |
| | Natures Basket Limited | **-** | 52.00 | 52.00 | 52.00 | 65.00 |
| | Anamudi Real Estates LLP | **-** | 511.00 | 153.50 | - | - |
| | Vora Soaps Limited | **-** | 111.96 | 111.96 | - | - |
| 18 | **Capital Advance Given** | | | | | |
| | Godrej & Boyce Mfg Co Limited | **-** | 2.92 | - | - | - |
| | Godrej Vikhroli Properties India Limited | **36.48** | 17.95 | - | - | - |
| 19 | **Outstanding Receivables (Net of Payables)** | | | | | |
| | Godrej & Boyce Mfg Co Limited | **-** | 4.75 | (3.68) | 19.66 | 0.04 |
| | Godrej Industries Limited | **6.92** | 6.56 | (2.76) | (0.12) | (4.41) |
| | Godrej Properties Limited | **1.40** | - | - | - | 0.02 |
| | Godrej Consumer Products Limited | **(0.25)** | 0.56 | 1.75 | 2.22 | 1.41 |
| | Gobrej Infotech Limited | **(0.04)** | - | - | - | (0.08) |
| | Natures Basket Limited | **0.00** | 11.57 | 6.19 | 5.16 | 9.37 |
| | Godrej Tyson Foods Limited | **7.21** | 23.69 | 9.24 | 40.55 | 77.39 |
| | ACI Godrej Agrovet Private Limited | **93.33** | 73.95 | 45.58 | 58.28 | 21.94 |
| | Creamline Dairy Products Limited (Associates) | **-** | - | 3.65 | 3.99 | 6.19 |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | 0.04 | - | - | (0.08) |
| | AL Rahaba Trading International LLC | **-** | - | - | 2.00 | 35.47 |
| | Crop Science Advisors LLP | **-** | - | 0.04 | 0.08 | - |
| | Anamudi Real Estates LLP | **-** | 98.44 | 38.90 | - | - |
| | Vora Soaps Limited | **-** | - | 4.98 | - | - |
| | Godrej One Premises Management Pvt. Ltd. | **-** | (0.11) | - | - | - |
| | Astec Crop Care Private Limited | **28.26** | 95.74 | - | - | - |
| | Hikal Ltd | **(3.80)** | - | - | - | - |
| | Opus Chemicals Private Limited | **(4.94)** | - | - | - | - |
| | Altimax Financial Services Private Limited | **(0.37)** | - | - | - | - |
| | Ongole Milk Line | **-** | (5.30) | - | - | - |
| | mohan milk line p ltd | **(4.73)** | (9.13) | - | - | - |
| | vidya milkline p ltd | **(0.79)** | (3.19) | - | - | - |
| | khammam milkline p ltd | **(7.76)** | (5.18) | - | - | - |
| | pamuru milkline p ltd | **(2.72)** | (2.65) | - | - | - |
| | kavali milk line p ltd | **(3.11)** | (4.58) | - | - | - |
| | pragathi milkline p ltd | **(0.96)** | (0.68) | - | - | - |
| | dhulipalla milkline p ltd | **(1.37)** | (1.91) | - | - | - |
| | orga farms ltd | **(0.46)** | (0.55) | - | - | - |
| | PVR & PSR Enterprises | **(2.55)** | (2.81) | - | - | - |
| | Godrej Agrovet Limited Employees Group Gratuity Trust. | **(42.06)** | (35.38) | (28.89) | (9.09) | (23.45) |
| 20 | **Guarantees outstanding** | | | | | |
| | ACI Godrej Agrovet Private Limited | **-** | - | 70.32 | 65.97 | 59.77 |
| | Godrej Consumer Products Limited | **12.07** | 12.07 | 214.88 | 202.81 | - |
| 21 | **Remuneration to Key Management Personnel** | | | | | |
| | Short Term Employee Benefit | **40.54** | 48.44 | 73.70 | 60.22 | 50.46 |
| | Post Employee Gratuity & Medical Benefits | **0.79** | 0.73 | 0.61 | 0.58 | 0.54 |
| | Shared Based Payment | **995.21** | - | - | - | - |
| 22 | **Director's Sitting Fees** | | | | | |
| | Mr. A.B. Godrej | **0.60** | 0.60 | 0.40 | - | - |
| 23 | **Contribution to Post-employment Benefit Plans** | | | | | |
| | Godrej Agrovet Limited Employees Provident Fund Trust. | **145.62** | 131.30 | 113.10 | 92.45 | 75.41 |
| | Godrej Agrovet Limited Employees Superannuation Scheme. | **5.71** | 5.50 | 5.25 | 5.32 | 5.00 |
| | Godrej Agrovet Limited Employees Group Gratuity Trust. | **35.38** | 28.89 | 9.09 | 23.45 | 19.13 |

**First Time Adoption**

**Note 62 Reconciliation between previous GAAP and Ind AS**

**First Time Adoption**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

**Reconciliation of equity as at March 31, 2016** **(Rs. in million)**

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 9,646.82 | 1,340.44 | 10,987.26 | - | 10,987.26 |
| Capital work-in-progress | | 1,239.08 | (618.85) | 620.23 | - | 620.23 |
| Goodwill | 14 | 2,531.73 | (583.06) | 1,948.67 | - | 1,948.67 |
| Other Intangible assets | | 214.36 | 374.03 | 588.39 | - | 588.39 |
| Intangible assets under development | | 18.05 | - | 18.05 | - | 18.05 |
| Biological assets other than bearer plants | 2 | 84.63 | 4.05 | 88.68 | - | 88.68 |
| Equity accounted investees | | 31.58 | 1,520.10 | 1,551.68 | (4.63) | 1,547.05 |
| Financial Assets | | - | - | | - | - |
| (i) Investments | | 187.60 | (187.47) | 0.13 | - | 0.13 |
| (ii) Loans | 3 | 188.70 | (58.63) | 130.07 | 0.44 | 130.51 |
| (iii) Others | 3, 4 | 18.68 | 38.05 | 56.73 | 1.29 | 58.02 |
| Deferred tax assets (net) | 4 | - | 117.09 | 117.09 | - | 117.09 |
| Other tax assets (net) | 4 | 200.05 | (96.52) | 103.53 | (17.10) | 86.43 |
| Other non-current assets | 3 | 473.74 | (110.84) | 362.90 | - | 362.90 |
| **Total non current assets** | | **14,835.02** | **1,738.39** | **16,573.41** | **(20.00)** | **16,553.41** |
| | | | | | - | |
| **Current Assets** | | | | | - | |
| Inventories | 9 | 7,368.21 | (702.82) | 6,665.39 | - | 6,665.39 |
| Financial Assets | | - | - | - | - | - |
| (i) Investments | | 586.23 | 9.88 | 596.11 | (3.55) | 592.56 |
| (ii) Trade Receivables | | 4,881.17 | (336.05) | 4,545.12 | (0.00) | 4,545.12 |
| (iii) Cash and cash equivalents | 7 | 386.83 | (72.53) | 314.30 | (0.00) | 314.30 |
| (iv) Bank balance other than (iii) above | 7 | 34.47 | 70.87 | 105.34 | - | 105.34 |
| (v) Loans | | 1,425.03 | (44.11) | 1,380.92 | 8.34 | 1,389.26 |
| (vi) Others | 3, 11 | 517.60 | 27.27 | 544.87 | - | 544.87 |
| Other current assets | 3, 11 | 381.81 | 137.08 | 518.89 | 0.11 | 519.00 |
| **Total current assets** | | **15,581.35** | **(910.41)** | **14,670.94** | **4.90** | **14,675.84** |
| | | | | | - | |
| **TOTAL ASSETS** | | **30,416.37** | **827.98** | **31,244.35** | **(15.10)** | **31,229.25** |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |
| **EQUITY AND LIABILITIES** | | | | | - | |
| **Equity** | | | | | - | |
| Equity share capital | | 925.65 | - | 925.65 | - | 925.65 |
| Other equity | 1 to 14 | 6,765.88 | 139.20 | 6,905.08 | (2.38) | 6,902.70 |
| **Equity attributable to equity holders of the parent** | | 7,691.53 | 139.20 | 7,830.73 | (2.38) | 7,828.35 |
| Non controlling interest | | 1,334.36 | 994.67 | 2,329.03 | (6.53) | 2,322.50 |
| **Total Equity** | | **9,025.89** | **1,133.87** | **10,159.76** | **(8.91)** | **10,150.85** |
| | | | | | - | |
| **Liabilities** | | | | | - | |
| **Non current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | | 515.87 | (308.09) | 207.78 | - | 207.78 |
| (ii) Other financial liabilities | 7 | - | 65.37 | 65.37 | - | 65.37 |
| Provisions | | 37.65 | (5.12) | 32.53 | (3.76) | 28.77 |
| Deferred tax liabilities(net) | 4 | 815.20 | 632.80 | 1,448.00 | 7.89 | 1,455.89 |
| Other non-current liabilities | 1 | 280.87 | 190.14 | 471.01 | - | 471.01 |
| **Total non current liabilities** | | **1,649.59** | **575.10** | **2,224.69** | **4.13** | **2,228.82** |
| | | | | | - | |
| **Current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | 9 | 13,192.50 | (587.56) | 12,604.94 | - | 12,604.94 |
| (ii) Trade Payables | 9 | 3,585.25 | (217.77) | 3,367.48 | (14.73) | 3,352.75 |
| (iii) Other financial liabilities | 10 | 2,213.22 | (2.68) | 2,210.54 | 7.98 | 2,218.52 |
| Other current liabilities | 1, 7 | 653.26 | (149.97) | 503.29 | (2.79) | 500.50 |
| Provisions | 11 | 96.66 | 76.99 | 173.65 | (0.78) | 172.87 |
| Liabilities for current tax (net) | | - | - | - | - | - |
| **Total current liabilities** | | **19,740.89** | **(880.99)** | **18,859.90** | **(10.32)** | **18,849.58** |
| | | | | | - | |
| **Total liabilities** | | **21,390.48** | **(305.89)** | **21,084.59** | **(6.19)** | **21,078.40** |
| | | | | | **-** | |
| **Total Equity and Liabilities** | | **30,416.37** | **827.98** | **31,244.35** | **(15.10)** | **31,229.25** |

* Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2015** (Rs. in million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 5,941.78 | (717.19) | 5,224.59 | - | 5,224.59 |
| Capital work-in-progress | | 1,745.34 | (364.85) | 1,380.49 | - | 1,380.49 |
| Goodwill | 14 | - | - | - | - | - |
| Other Intangible assets | | 221.85 | (3.86) | 217.99 | - | 217.99 |
| Intangible assets under development | | - | - | - | - | - |
| Biological assets other than bearer plants | 2 | 119.96 | 3.40 | 123.36 | - | 123.36 |
| Equity accounted investees | | 99.11 | 1,123.95 | 1,223.06 | 269.08 | 1,492.14 |
| Financial Assets | | | - | | - | - |
| (i) Investments | | 125.04 | (124.96) | 0.08 | - | 0.08 |
| (ii) Loans | 3 | 162.46 | (62.13) | 100.33 | 0.51 | 100.84 |
| (iii) Others | 3, 4 | 17.03 | - | 17.03 | 0.68 | 17.71 |
| Deferred tax assets (net) | 4 | - | 110.24 | 110.24 | 0.09 | 110.33 |
| Other tax assets (net) | 4 | 131.15 | (12.97) | 118.18 | - | 118.18 |
| Other non-current assets | 3 | 186.49 | (12.22) | 174.27 | - | 174.27 |
| **Total non current assets** | | **8,750.21** | **(60.59)** | **8,689.62** | **270.36** | **8,959.98** |
| | | | | | - | |
| **Current Assets** | | | | | - | |
| Inventories | 9 | 4,317.12 | (429.33) | 3,887.79 | - | 3,887.79 |
| Financial Assets | | | - | | - | - |
| (i) Investments | | 674.22 | - | 674.22 | (308.11) | 366.11 |
| (ii) Trade Receivables | | 2,855.41 | (162.92) | 2,692.49 | - | 2,692.49 |
| (iii) Cash and cash equivalents | 7 | 161.30 | (30.91) | 130.39 | - | 130.39 |
| (iv) Bank balance other than (iii) above | 7 | 11.79 | 32.74 | 44.53 | - | 44.53 |
| (v) Loans | | 1,016.99 | (66.41) | 950.58 | 8.34 | 958.92 |
| (vi) Others | 3, 11 | 113.09 | 19.75 | 132.84 | - | 132.84 |
| Other current assets | 3, 11 | 227.19 | 125.93 | 353.12 | - | 353.12 |
| **Total current assets** | | **9,377.11** | **(511.15)** | **8,865.96** | **(299.77)** | **8,566.19** |
| | | | | | - | |
| **TOTAL ASSETS** | | **18,127.32** | **(571.74)** | **17,555.58** | **(29.41)** | **17,526.17** |
| | | | | | - | |
| **EQUITY AND LIABILITIES** | | | | | - | |
| **Equity** | | | | | - | |
| Equity share capital | | 925.65 | - | 925.65 | - | 925.65 |
| Other equity | 1 to 14 | 5,429.30 | 44.90 | 5,474.20 | 1.33 | 5,475.53 |
| **Equity attributable to equity holders of the parent** | | **6,354.95** | **44.90** | **6,399.85** | **1.33** | 6,401.18 |
| Non controlling interest | | - | - | - | - | - |
| **Total Equity** | | **6,354.95** | **44.90** | **6,399.85** | **1.33** | **6,401.18** |
| | | | | | - | |
| **Liabilities** | | | | | - | |
| **Non current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | | 1,139.46 | (420.12) | 719.34 | - | 719.34 |
| (ii) Other financial liabilities | 7 | - | 44.60 | 44.60 | - | 44.60 |
| Provisions | | 21.13 | (5.26) | 15.87 | - | 15.87 |
| Deferred tax liabilities(net) | 4 | 559.49 | 13.36 | 572.85 | (8.93) | 563.92 |
| Other non-current liabilities | 1 | - | 72.04 | 72.04 | - | 72.04 |
| **Total non current liabilities** | | **1,720.08** | **(295.38)** | **1,424.70** | **(8.93)** | **1,415.77** |
| | | | | | - | |
| **Current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | 9 | 6,302.67 | (179.06) | 6,123.61 | - | 6,123.61 |
| (ii) Trade Payables | 9 | 2,297.12 | (143.48) | 2,153.64 | (10.91) | 2,142.73 |
| (iii) Other financial liabilities | 10 | 678.89 | 369.65 | 1,048.54 | (0.95) | 1,047.59 |
| Other current liabilities | 1, 7 | 747.10 | (461.80) | 285.30 | (9.95) | 275.35 |
| Provisions | 11 | 26.25 | 93.69 | 119.94 | - | 119.94 |
| Liabilities for current tax (net) | | 0.26 | (0.26) | - | - | - |
| **Total current liabilities** | | **10,052.29** | **(321.26)** | **9,731.03** | **(21.81)** | **9,709.22** |
| **Total liabilities** | | **11,772.37** | **(616.64)** | **11,155.74** | **(30.74)** | **11,124.99** |
| **Total Equity and Liabilities** | | **18,127.32** | **(571.74)** | **17,555.58** | **(29.41)** | **17,526.17** |

* Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2014** **(Rs. in million)**

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 5,134.23 | (728.44) | 4,405.79 | (9.93) | 4,395.86 |
| Capital work-in-progress | | 1,496.19 | (4.62) | 1,491.57 | - | 1,491.57 |
| Goodwill | 14 | - | - | - | - | - |
| Other Intangible assets | | 264.52 | (5.05) | 259.47 | - | 259.47 |
| Intangible assets under development | | 0.73 | - | 0.73 | - | 0.73 |
| Biological assets other than bearer plants | 2 | 172.25 | 12.04 | 184.29 | - | 184.29 |
| Equity accounted investees | | 384.96 | 939.18 | 1,324.14 | (36.54) | 1,287.60 |
| Financial Assets | | - | - | - | - | - |
| (i) Investments | | 87.58 | (87.50) | 0.08 | - | 0.08 |
| (ii) Loans | 3 | 134.72 | (47.03) | 87.69 | 1.30 | 88.99 |
| (iii) Others | 3, 4 | 17.36 | - | 17.36 | 0.10 | 17.46 |
| Deferred tax assets (net) | 4 | - | 24.78 | 24.78 | - | 24.78 |
| Assets for Current Tax (Net) | 4 | 104.18 | - | 104.18 | - | 104.18 |
| Other non-current assets | 3 | 115.16 | 3.73 | 118.89 | - | 118.89 |
| **Total non current assets** | | **7,911.88** | **107.09** | **8,018.97** | **(45.07)** | **7,973.90** |
| | | | | | - | |
| **Current Assets** | | | | | - | |
| Inventories | 9 | 3,619.95 | (427.13) | 3,192.82 | - | 3,192.82 |
| Financial Assets | | | | - | - | - |
| (i) Investments | | - | - | - | - | - |
| (ii) Trade Receivables | | 2,366.60 | (108.07) | 2,258.53 | - | 2,258.53 |
| (iii) Cash and cash equivalents | 7 | 1,210.06 | (71.47) | 1,138.59 | - | 1,138.59 |
| (iv) Bank balance other than (iii) above | 7 | 6.42 | - | 6.42 | - | 6.42 |
| (v) Loans | | 927.38 | (84.21) | 843.17 | 8.33 | 851.50 |
| (vi) Others | 3, 11 | 129.30 | 0.01 | 129.31 | - | 129.31 |
| Other current assets | 3, 11 | 115.02 | 92.46 | 207.48 | - | 207.48 |
| **Total current assets** | | **8,374.73** | **(598.41)** | **7,776.32** | **8.33** | **7,784.65** |
| | | | | | - | |
| **TOTAL ASSETS** | | **16,286.61** | **(491.32)** | **15,795.29** | **(36.74)** | **15,758.55** |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |
| **EQUITY AND LIABILITIES** | | | | | - | |
| **Equity** | | | | | - | |
| Equity share capital | | 126.37 | 5.87 | 132.24 | - | 132.24 |
| Other equity | 1 to 14 | 4,542.42 | 525.63 | 5,068.05 | (15.67) | 5,052.38 |
| Equity attributable to equity holders of the parent | | **4,668.79** | **531.50** | **5,200.29** | **(15.67)** | 5,184.62 |
| Non controlling interest | | - | - | - | - | - |
| **Total Equity** | | **4,668.79** | **531.50** | **5,200.29** | **(15.67)** | **5,184.62** |
| | | | | | - | |
| **Liabilities** | | | | | - | |
| **Non current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | | 1,743.59 | (101.15) | 1,642.44 | - | 1,642.44 |
| (ii) Other financial liabilities | 7 | 11.15 | - | 11.15 | - | 11.15 |
| Provisions | | 20.51 | (3.35) | 17.16 | - | 17.16 |
| Deferred tax liabilities(net) | 4 | 470.84 | (48.28) | 422.56 | 10.82 | 433.38 |
| Other non-current liabilities | 1 | - | 70.86 | 70.86 | - | 70.86 |
| **Total non current liabilities** | | **2,246.09** | **(81.92)** | **2,164.17** | **10.82** | **2,174.99** |
| | | | | | - | |
| **Current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | 9 | 509.64 | 4,043.27 | 4,552.91 | - | 4,552.91 |
| (ii) Trade Payables | 9 | 6,901.67 | (4,587.93) | 2,313.74 | (16.67) | 2,297.07 |
| (iii) Other financial liabilities | 10 | 1,095.43 | 21.25 | 1,116.68 | 3.58 | 1,120.26 |
| Other current liabilities | 1, 7 | 419.34 | (81.16) | 338.18 | (11.86) | 326.32 |
| Provisions | 11 | 445.65 | (336.33) | 109.32 | (6.94) | 102.38 |
| Liabilities for current tax (net) | | - | - | - | - | - |
| **Total current liabilities** | | **9,371.73** | **(940.90)** | **8,430.83** | **(31.89)** | **8,398.94** |
| | | | | | - | |
| **Total liabilities** | | **11,617.82** | **(1,022.82)** | **10,595.00** | **(21.07)** | **10,573.93** |
| | | | | | **-** | |
| **Total Equity and Liabilities** | | **16,286.61** | **(491.32)** | **15,795.29** | **(36.74)** | **15,758.55** |

* Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2013** (Rs. in million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 3,616.08 | (742.61) | 2,873.47 | (0.71) | 2,872.76 |
| Capital work-in-progress | | 1,317.17 | (71.34) | 1,245.83 | - | 1,245.83 |
| Goodwill | 14 | 10.14 | - | 10.14 | - | 10.14 |
| Other Intangible assets | | 324.31 | (6.74) | 317.57 | - | 317.57 |
| Intangible assets under development | | - | - | - | - | - |
| Biological assets other than bearer plants | 2 | 149.35 | 29.44 | 178.79 | - | 178.79 |
| Equity accounted investees | | 287.02 | 813.80 | 1,100.82 | 1.34 | 1,102.16 |
| Financial Assets | | - | - | - | - | - |
| (i) Investments | | 374.28 | (371.70) | 2.58 | (0.00) | 2.58 |
| (ii) Loans | 3 | 229.94 | (31.90) | 198.04 | 21.10 | 219.14 |
| (iii) Others | 3, 4 | 16.49 | - | 16.49 | 0.10 | 16.59 |
| Deferred tax assets (net) | 4 | - | 16.34 | 16.34 | 6.98 | 23.32 |
| Assets for Current Tax (Net) | 4 | 111.94 | - | 111.94 | - | 111.94 |
| Other non-current assets | 3 | 240.91 | 1.86 | 242.77 | - | 242.77 |
| **Total non current assets** | | **6,677.63** | **(362.85)** | **6,314.78** | **28.81** | **6,343.59** |
| **Current Assets** | | | | | | |
| Inventories | 9 | 3,158.44 | (376.51) | 2,781.93 | - | 2,781.93 |
| Financial Assets | | | | - | - | - |
| (i) Investments | | - | - | - | - | - |
| (ii) Trade Receivables | | 1,871.64 | (53.90) | 1,817.74 | - | 1,817.74 |
| (iii) Cash and cash equivalents | 7 | 233.87 | (21.36) | 212.51 | - | 212.51 |
| (iv) Bank balance other than (iii) above | 7 | 6.41 | - | 6.41 | - | 6.41 |
| (v) Loans | | 789.04 | (19.13) | 769.91 | 8.30 | 778.21 |
| (vi) Others | 3, 11 | 39.82 | 5.30 | 45.12 | - | 45.12 |
| Other current assets | 3, 11 | 102.88 | 52.83 | 155.71 | (0.26) | 155.45 |
| **Total current assets** | | **6,202.10** | **(412.77)** | **5,789.33** | **8.04** | **5,797.37** |
| **TOTAL ASSETS** | | **12,879.73** | **(775.62)** | **12,104.11** | **36.85** | **12,140.96** |
| | | | | | - | |
| | | | | | - | |
| | | | | | - | |
| **EQUITY AND LIABILITIES** | | | | | - | |
| **Equity** | | | | | - | |
| Equity share capital | | 126.37 | 5.87 | 132.24 | - | 132.24 |
| Other equity | 1 to 14 | 3,739.89 | 216.73 | 3,956.62 | 46.59 | 4,003.21 |
| **Equity attributable to equity holders of the parent** | | 3,866.26 | 222.60 | 4,088.86 | **46.59** | 4,135.45 |
| Non controlling interest | | - | - | - | - | - |
| **Total Equity** | | **3,866.26** | **222.60** | **4,088.86** | **46.59** | **4,135.45** |
| | | | | | - | |
| **Liabilities** | | | | | - | |
| **Non current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | | 1,145.57 | (99.17) | 1,046.40 | - | 1,046.40 |
| (ii) Other financial liabilities | 7 | - | - | - | - | - |
| Provisions | | 23.59 | (2.93) | 20.66 | - | 20.66 |
| Deferred tax liabilities(net) | 4 | 358.14 | (130.49) | 227.65 | 30.34 | 257.99 |
| Other non-current liabilities | 1 | - | 7.82 | 7.82 | - | 7.82 |
| **Total non current liabilities** | | **1,527.30** | **(224.77)** | **1,302.53** | **30.34** | **1,332.87** |
| | | | | | - | |
| **Current liabilities** | | | | | - | |
| Financial liabilities | | | | | - | |
| (i) Borrowings | 9 | 780.22 | 2,924.41 | 3,704.63 | - | 3,704.63 |
| (ii) Trade Payables | 9 | 5,240.41 | (3,394.04) | 1,846.37 | (18.95) | 1,827.42 |
| (iii) Other financial liabilities | 10 | 842.99 | 0.33 | 843.32 | (2.97) | 840.35 |
| Other current liabilities | 1, 7 | 320.80 | (73.65) | 247.15 | (18.09) | 229.06 |
| Provisions | 11 | 301.75 | (230.50) | 71.25 | (0.07) | 71.18 |
| Liabilities for current tax (net) | | | | - | - | - |
| **Total current liabilities** | | **7,486.17** | **(773.45)** | **6,712.72** | **(40.08)** | **6,672.64** |
| | | | | | - | |
| **Total liabilities** | | **9,013.47** | **(998.22)** | **8,015.25** | **(9.74)** | **8,005.51** |
| **Total Equity and Liabilities** | | **12,879.73** | **(775.62)** | **12,104.11** | **36.85** | **12,140.96** |

* Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**A. Reconciliation between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the total comprehensive income reconciliation from previous GAAP to Ind AS:

**Reconciliation of total comprehensive income for the year 2015-16** **(Rs. in million)**

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue from Operations | 11 | 42,982.52 | (5,432.97) | 37,549.55 | - | 37,549.55 |
| Other income | 1b, 12 | 526.32 | 113.17 | 639.49 | (12.35) | 627.14 |
| **Total Revenue** | | **43,508.84** | **(5,319.80)** | **38,189.04** | **(12.35)** | **38,176.69** |
| **Expenses** | | | | | - | |
| Cost of materials consumed | 9,11 | 30,672.72 | (2,099.89) | 28,572.83 | (1.34) | 28,571.49 |
| Purchases of Stock-in-Trade | 9,11 | 1,817.33 | (82.20) | 1,735.13 | - | 1,735.13 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 11 | (1,073.52) | 218.12 | (855.40) | - | (855.40) |
| Excise Duty | 9 | 47.98 | - | 47.98 | - | 47.98 |
| Employee Benefits Expenses | 13 | 1,681.22 | (124.40) | 1,556.82 | - | 1,556.82 |
| Finance costs | 9 | 613.02 | 363.68 | 976.70 | - | 976.70 |
| Depreciation and Amortisation Expenses | 1b, 14 | 622.26 | (98.51) | 523.75 | - | 523.75 |
| Other Expenses | 9 | 6,528.99 | (3,032.03) | 3,496.96 | 31.67 | 3,528.63 |
| **Total Expenses** | | **40,910.00** | **(4,855.23)** | **36,054.77** | **30.33** | **36,085.10** |
| **Profit before share of net profits of investments accounted for using equity method and tax** | | **2,598.84** | **(464.57)** | **2,134.27** | **(42.68)** | **2,091.59** |
| Share of equity-accounted investees, net of tax | | 63.03 | 263.95 | 326.98 | (0.40) | 326.58 |
| **Profit Before exceptional items and tax** | | **2,661.87** | **(200.62)** | **2,461.25** | **(43.08)** | **2,418.17** |
| Exceptional Items | | (62.74) | 947.86 | 885.12 | 60.81 | **945.93** |
| **Profit before tax** | **4** | **2,599.13** | **747.24** | **3,346.37** | **17.73** | **3,364.10** |
| **Tax expense:** | | **689.33** | **44.62** | **733.95** | **20.40** | **754.35** |
| Current Tax | | 530.44 | (50.63) | 479.81 | 5.14 | 484.95 |
| Deferred Tax | | 206.87 | 47.27 | 254.14 | 15.26 | 269.40 |
| Less: MAT credit entitlement | | (47.98) | 47.98 | - | - | - |
| **Profit/(Loss) for the year Period after Tax** | | **1,909.80** | **702.62** | **2,612.42** | **(2.67)** | **2,609.75** |
| | | | | | - | |
| **Other comprehensive income** | | | | | - | |
| | | | | | - | |
| **Items that will not be reclassified to profit or loss** | | | | | - | |
| Remeasurements of defined benefit liability | 13 | - | (20.17) | (20.17) | - | (20.17) |
| Equity accounted investee's share of other comprehensive income | | - | 1.53 | 1.53 | - | 1.53 |
| Income tax related to items that will not be reclassified to profit or loss | | - | 8.92 | 8.92 | - | 8.92 |
| | | | | | - | |
| **Items that will be reclassified to profit or loss** | | | | | - | |
| Foreign operations – foreign currency translation differences | | - | (11.98) | (11.98) | - | (11.98) |
| **Other comprehensive income (net of tax)** | | - | (21.70) | (21.70) | - | (21.70) |
| | | | | | - | |
| **Total comprehensive income for the year** | | **1,909.80** | **680.92** | **2,590.72** | **(2.67)** | **2,588.05** |

**Reconciliation of total comprehensive income for the year 2014-15** **(Rs. in million)**

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue from Operations | 11 | 37,950.85 | (4,832.61) | 33,118.24 | - | 33,118.24 |
| Other income | 1b, 12 | 136.80 | 10.69 | 147.49 | (10.85) | 136.64 |
| **Total Revenue** | | **38,087.65** | **(4,821.92)** | **33,265.73** | **(10.85)** | **33,254.88** |
| **Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 27,023.54 | (1,960.46) | 25,063.08 | (0.60) | 25,062.48 |
| Purchases of Stock-in-Trade | 9,11 | 1,536.14 | (72.12) | 1,464.02 | (0.01) | 1,464.01 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 11 | (401.14) | 31.52 | (369.62) | 0.01 | (369.61) |
| Employee Benefits Expenses | 13 | 1,468.73 | (134.72) | 1,334.01 | - | 1,334.01 |
| Finance costs | 9 | 334.96 | 319.67 | 654.63 | 0.01 | 654.64 |
| Depreciation and Amortisation Expenses | 1b | 459.04 | (87.70) | 371.34 | (1.58) | 369.76 |
| Other Expenses | 9 | 5,274.04 | (2,706.01) | 2,568.03 | (0.02) | 2,568.01 |
| **Total Expenses** | | **35,695.31** | **(4,609.82)** | **31,085.49** | **(2.19)** | **31,083.30** |
| **Profit before share of net profits of investments accounted for using equity method and tax** | | **2,392.34** | **(212.10)** | **2,180.24** | **(8.66)** | **2,171.58** |
| Share of equity-accounted investees, net of tax | | 28.51 | 144.80 | 173.31 | (3.65) | 169.66 |
| **Profit Before exceptional items and tax** | | **2,420.85** | **(67.30)** | **2,353.55** | **(12.31)** | **2,341.24** |
| Exceptional Items | | 346.47 | 18.01 | 364.48 | - | **364.48** |
| Extraordinary Items | | - | - | - | - | - |
| **Profit before tax** | 4 | **2,767.32** | **(49.29)** | **2,718.03** | **(12.31)** | **2,705.72** |
| **Tax expense:** | **4** | **626.95** | **0.91** | **627.86** | **(22.59)** | **605.27** |
| Current Tax | | 560.58 | (9.96) | 550.62 | - | 550.62 |
| Deferred Tax | | 92.11 | (14.87) | 77.24 | (22.59) | 54.65 |
| Less: MAT credit entitlement | | (26.56) | 26.56 | - | - | - |
| Adjustment for Tax of Previous Years (net) | | 0.82 | (0.82) | - | - | |
| **Profit/(Loss) for the year Period after Tax** | | **2,140.37** | **(50.20)** | **2,090.17** | **10.28** | **2,100.45** |
| **Other comprehensive income** | | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (22.82) | (22.82) | - | (22.82) |
| Share of equity accounted investees | | - | 1.72 | 1.72 | - | 1.72 |
| Income tax related to items that will not be reclassified to profit or loss | | - | 7.17 | 7.17 | - | 7.17 |
| | | - | - | - | - | |
| **Items that will be reclassified to profit or loss** | | - | - | - | - | |
| Foreign operations – foreign currency translation differences | | - | (10.50) | (10.50) | - | (10.50) |
| | | | | - | | |
| **Other comprehensive income (net of tax)** | | - | (24.43) | (24.43) | - | (24.43) |
| **Total comprehensive income for the year** | | **2,140.37** | **(74.63)** | **2,065.74** | **10.28** | **2,076.02** |

**Reconciliation of total comprehensive income for the year 2013-14** **(Rs. in million)**

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue from Operations | 11 | 35,748.28 | (4,723.55) | 31,024.73 | - | 31,024.73 |
| Other income | 1b, 12 | 155.52 | 5.63 | 161.15 | (11.74) | 149.41 |
| **Total Revenue** | | **35,903.80** | **(4,717.92)** | **31,185.88** | **(11.74)** | **31,174.14** |
| **Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 25,542.57 | (2,168.35) | 23,374.22 | (3.66) | 23,370.56 |
| Purchases of Stock-in-Trade | 9,11 | 1,978.39 | (69.63) | 1,908.76 | - | 1,908.76 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 11 | (262.87) | 24.74 | (238.13) | - | (238.13) |
| Employee Benefits Expenses | 13 | 1,456.62 | (159.06) | 1,297.56 | - | 1,297.56 |
| Finance costs | 9 | 149.11 | 253.78 | 402.89 | - | 402.89 |
| Depreciation and Amortisation Expenses | 1b | 348.49 | (84.13) | 264.36 | 11.38 | 275.74 |
| Other Expenses | 9 | 4,587.53 | (2,335.68) | 2,251.85 | 19.62 | 2,271.47 |
| **Total Expenses** | | **33,799.84** | **(4,538.33)** | **29,261.51** | **27.34** | **29,288.85** |
| **Profit before share of net profits of investments accounted for using equity method and tax** | | **2,103.96** | **(179.59)** | **1,924.37** | **(39.08)** | **1,885.29** |
| Share of equity-accounted investees, net of tax | | 106.86 | 117.06 | 223.92 | (37.90) | 186.02 |
| **Profit Before exceptional items and tax** | | **2,210.82** | **(62.53)** | **2,148.29** | **(76.98)** | **2,071.31** |
| Exceptional Items | | - | - | - | - | **-** |
| **Profit before tax** | 4 | **2,210.82** | **(62.53)** | **2,148.29** | **(76.98)** | **2,071.31** |
| **Tax expense:** | **4** | **547.84** | **(28.38)** | **519.46** | **(13.29)** | **506.17** |
| Current Tax | | 448.03 | (17.05) | 430.98 | - | 430.98 |
| Deferred Tax | | 112.21 | (23.73) | 88.48 | (13.29) | 75.19 |
| Less: MAT credit entitlement | | (12.69) | 12.69 | - | - | - |
| Adjustment for Tax of Previous Years (net) | | 0.29 | (0.29) | - | - | |
| **Profit/ (Loss) for the year Period after Tax** | | **1,662.98** | **(34.15)** | **1,628.83** | **(63.69)** | **1,565.14** |
| **Other comprehensive income** | | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (1.43) | (1.43) | - | (1.43) |
| Share of equity accounted investees | | - | (0.65) | (0.65) | - | (0.65) |
| Income tax related to items that will not be reclassified to profit or loss | | - | 0.70 | 0.70 | - | 0.70 |
| | | | | | - | |
| **Items that will be reclassified to profit or loss** | | | | | - | |
| Foreign operations – foreign currency translation differences | | - | (26.42) | (26.42) | - | (26.42) |
| | | | | - | | |
| **Other comprehensive income (net of tax)** | | - | (27.80) | (27.80) | - | (27.80) |
| **Total comprehensive income for the year** | | **1,662.98** | **(61.95)** | **1,601.03** | **(63.69)** | **1,537.34** |

Reconciliation of total comprehensive income for the year 2012-13 (Rs. in million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS adjustments | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| Revenue from Operations | 11 | 30,902.40 | (3,293.65) | 30,902.40 | 30,902.40 | 27,608.75 |
| Other income | 1b, 12 | 111.37 | 8.31 | 111.37 | 111.37 | 106.96 |
| **Total Revenue** | | **31,013.77** | **(3,285.34)** | **31,013.77** | **31,013.77** | **27,715.71** |
| **Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 23,324.08 | (1,767.05) | 23,324.08 | 23,324.08 | 21,550.29 |
| Purchases of Stock-in-Trade | 9,11 | 1,233.97 | (61.29) | 1,233.97 | 1,233.97 | 1,172.67 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 11 | (297.32) | 6.80 | (297.32) | (297.32) | (290.52) |
| Excise duty | | | | | | 3.64 |
| Employee Benefits Expenses | 13 | 1,173.70 | (131.21) | 1,173.70 | 1,173.70 | 1,042.49 |
| Finance costs | 9 | 284.21 | 200.91 | 284.21 | 284.21 | 485.12 |
| Depreciation and Amortisation Expenses | 1b | 257.89 | (68.90) | 257.89 | 257.89 | 193.20 |
| Other Expenses | 9 | 3,749.12 | (1,584.51) | 3,749.12 | 3,749.12 | 2,184.46 |
| **Total Expenses** | | **29,725.65** | **(3,405.25)** | **29,725.65** | **29,725.65** | **26,341.35** |
| **Profit before share of net profits of investments accounted for using equity method and tax** | | **1,288.12** | **119.91** | **1,288.12** | **1,288.12** | **1,374.36** |
| Share of equity-accounted investees, net of tax | | 42.98 | (97.49) | 42.98 | 42.98 | (7.36) |
| **Profit Before exceptional items and tax** | | **1,331.10** | **22.42** | **1,331.10** | **1,331.10** | **1,367.00** |
| Exceptional Items | | - | - | - | - | **-** |
| Extraordinary Items | | - | - | - | - | - |
| **Profit before tax** | 4 | **1,331.10** | **22.42** | **1,331.10** | **1,331.10** | **1,367.00** |
| **Tax expense:** | **4** | **407.12** | **(4.71)** | **407.12** | **407.12** | **401.19** |
| Current Tax | | 268.11 | 5.87 | 268.11 | 268.11 | 273.98 |
| Deferred Tax | | 148.64 | (10.58) | 148.64 | 148.64 | 127.22 |
| Less: MAT credit entitlement | | - | - | - | - | - |
| Adjustment for Tax of Previous Years (net) | | (9.63) | - | (9.63) | (9.63) | |
| **Profit/(Loss) for the year Period after Tax** | | **923.98** | **27.13** | **923.98** | **923.98** | **965.80** |
| **Other comprehensive income** | | | | | | |
| **Items that will not be reclassified to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (17.28) | - | - | (17.28) |
| Share of equity accounted investees | | - | 0.86 | - | - | 0.86 |
| Income tax related to items that will not be reclassified to profit or loss | | - | 5.58 | - | - | 5.58 |
| **Items that will be reclassified to profit or loss** | | | | | | |
| Foreign operations – foreign currency translation differences | | - | (19.33) | - | - | (19.33) |
| **Other comprehensive income (net of tax)** | | - | (30.17) | - | - | (30.17) |
| **Total comprehensive income for the year** | | **923.98** | **(3.04)** | **923.98** | **923.98** | **935.63** |

**Reconciliation of Consolidated statement of Equity as previously reported under IGAAP and Ind AS**

(Rs. in million)

| Particulars | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|
| **Total Equity as per previous GAAP** | 9,025.89 | 6,354.95 | 4,668.78 | 3,866.26 |
| Fair valuation of investments including investment in Creamline Dairy Products Limited before business acquisition net of Tax and other Fair valuations | 638.85 | (0.88) | 8.66 | 14.47 |
| Deferred tax | 70.34 | 42.61 | 25.44 | 14.93 |
| Net movement in non controlling interest | 1,040.54 | | | |
| Put option liability created & interest there on | (326.57) | | | |
| Purchase of stake from Non Controlling Interest | (341.07) | | | |
| Other IND AS adjustments | 51.78 | 3.17 | 497.41 | 193.20 |
| **Total Equity as per Ind AS** | **10,159.76** | **6,399.85** | **5,200.29** | **4,088.86** |

**Reconciliation of Net profit after tax as previously reported under IGAAP and Ind AS**

(Rs. in million)

| Particulars | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|
| **Net profit after tax as per previous GAAP** | 1,909.79 | 2,140.36 | 1,663.01 | 923.98 |
| Fair valuation of investments including investment in Creamline Dairy Products Limited before business acquisition | 1,000.55 | (4.98) | 7.40 | (6.09) |
| Fair valuation of Inventories of acquired Businesses and Biological Assets | (248.22) | (8.64) | (17.41) | 36.59 |
| Tax on Ind AS adjustments | (92.89) | (29.79) | 14.59 | 2.56 |
| Other adjustments | 21.50 | (6.77) | (38.74) | (5.91) |
| **Net profit after tax as per Ind AS** | **2,590.72** | **2,090.18** | **1,628.85** | **951.13** |

**Impact of Ind AS adoption on the Consolidated statement of Cash Flows**

| Particulars | For the year ended March 31, 2016 Previous GAAP | Adjustments | (Rs. in million) Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 1,592.46 | 90.73 | 1,683.19 |
| Net Cash flow from Investing Activities | (5,196.17) | 918.21 | (4,277.96) |
| Net Cash flow from Financing Activities | 3,692.03 | (908.17) | 2,783.86 |
| Net Increase in Cash and Cash Equivalent | 88.32 | 100.77 | 189.09 |
| Cash and Cash Equivalent as at April 1, 2015 | 161.30 | (30.91) | 130.39 |
| Add: Cash and Cash Equivalent acquired during the year | 142.39 | (142.39) | - |
| Less: Cash and Cash Equivalent removed of subsidiary disposed off | (5.18) | - | (5.18) |
| Cash and Cash Equivalent as at March 31, 2016 | 386.83 | (72.53) | 314.30 |

| Particulars | For the year ended March 31, 2015 Previous GAAP | Adjustments | (Rs. in million) Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 780.57 | 307.71 | 1,088.28 |
| Net Cash flow from Investing Activities | (1,751.62) | 445.00 | (1,306.62) |
| Net Cash flow from Financing Activities | (72.23) | (717.63) | (789.86) |
| Net Increase in Cash and Cash Equivalent | (1,043.28) | 35.08 | (1,008.20) |
| Cash and Cash Equivalent as at April 1, 2014 | 1,209.99 | (71.40) | 1,138.59 |
| Less: Opening Cash & Cash equivalents removed | (5.41) | 5.41 | - |
| Cash and Cash Equivalent as at March 31, 2015 | 161.30 | (30.91) | 130.39 |

| Particulars | For the year ended March 31, 2014 Previous GAAP | Adjustments | (Rs. in million) Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 3,230.76 | (1,131.89) | 2,098.87 |
| Net Cash flow from Investing Activities | (2,069.88) | 161.88 | (1,908.00) |
| Net Cash flow from Financing Activities | (187.72) | 917.10 | 729.38 |
| Net Increase in Cash and Cash Equivalent | 973.16 | (52.91) | 920.25 |
| Cash and Cash Equivalent as at April 1, 2013 | 230.99 | (18.48) | 212.51 |
| Add: Cash and Cash Equivalent acquired during the year | 5.84 | - | 5.84 |
| Cash and Cash Equivalent as at March 31, 2014 | 1,209.99 | (71.40) | 1,138.59 |

| Particulars | For the year ended March 31, 2013 Previous GAAP | Adjustments | (Rs. in million) Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 700.39 | (255.24) | 445.15 |
| Net Cash flow from Investing Activities | (1,895.14) | 224.72 | (1,670.42) |
| Net Cash flow from Financing Activities | 1,203.58 | 42.33 | 1,245.91 |
| Net Increase in Cash and Cash Equivalent | 8.83 | 11.81 | 20.64 |
| Cash and Cash Equivalent as at April 1, 2012 | 224.94 | (33.07) | 191.87 |
| Cash and Cash Equivalent as at March 31, 2013 | 233.77 | (21.26) | 212.51 |

1. **Property Plant and Equipment (PPE)**

   a) On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

   b) Under Ind AS, government grants relating to property, plant and equipment are required to be presented on a gross basis as an addition to the related asset & as deferred government grant, and the same is recognised in the statement of profit & loss on a systematic basis over the useful life of the asset.
   Under IGAAP, for certain grants the Company presented the amount received as part of the reserves and surplus, while for the remaining grants, the carrying value of the related property plant and equipment are reduced by the amount of the grant.

2. **Biological Assets other than bearer plants:**

   Under IGAAP, biological assets are measured at cost. Ind AS requires all biological assets to be measured on each reporting date at their respective fair values with the fair value changes being recognised in the Statement of Profit and Loss. The impact as of the date of transition has been adjusted through retained earnings.

3. **Financial Assets/ liabilities**:
   Under Ind AS, financial instruments are required to be measured at fair value on initial recognition with the respective instrument being subsequently measured at amortised cost with reference to the discount rate used for determining fair value on initial recognition. The difference between the transaction price and fair value has been appropriately adjusted for the respective arrangement.

4. **Deferred Tax Asset/Liability:**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   Further, corresponding impact of all Ind AS adjustments (as applicable) has been considered. Minimum Alternate Tax related credit has been reclassified to deferred tax.

5. Under Ind AS, redeemable preference shares are classified as financial liabilities with the dividend payout (if any) being reflected as finance cost.

6. **Interest bearing loans and borrowings**
   Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are recognised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method.

**7. Company's ESOP Trust**

The Company has set up an ESOP Trust (the Trust) to administer the ESOP scheme for its employees. On consolidation of the Trust, in addition to elimination of transactions between the Company and the Trust, shares of the Company held by the Trust have been presented as a reduction from Shareholders' Funds as Treasury Shares. Other assets and liabilities of the Trust have been presented in the respective sections.

**8. Offsetting:**

Financial assets and financial liabilities which were offset under Indian GAAP but do not meet the offsetting criteria have been shown gross under Ind AS.

**9. Acceptances:**

Acceptances earlier classified as trade payables have been reclassified to short term borrowings.

Application of derecognition requirements prescribed under Ind AS 109 have resulted in derecognition of trade payables and recognition of borrowings towards supplier financing facilities of the Company. Corresponding impact of such derecognition and finance cost have been considered in inventories, borrowings, trade and other payables , cost of materials consumed and finance cost .

**10. Derivative contracts:**

Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. However, under Ind AS such premium or discount is recognised upfront in the profit and loss account and the mark-to-market on such derivative contracts are to be recognised as derivative asset/liability.

**11. Revenue from Operations:**

Under Ind AS, revenue is required to be measured at the fair value of the consideration receivable net of expected sales returns, rebates, discounts etc.

**12. Other Income:**

Under Ind AS, corporate guarantee issued on behalf of joint venture without any commission has been measured at fair value with corresponding impact adjusted with investment in the respective joint venture. Consequently, guarantee commission for the respective period has been recognised through income statement.

**13. Employee benefit:**

Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

**14. Business Combinations:**

Under Ind AS, business combinations are accounted for by applying the acquisition method which inter alia requires recognizing and measuring the identifiable assets acquired and liabilities assumed at acquisition date fair values, acquisition related costs are accounted for as expenses in the period these are incurred and remeasurement of its previously held equity interest at acquisition date fair value.

Godrej Agrovet Limited

**Annexure VI: Notes to the Restated Consolidated Financial Information**

**Note. 63. Restated Statement of Dividend.**

| | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| Number of Equity Shares | 185,130,876 | 92,565,438 | 92,565,438 | 13,223,634 | 12,118,752 |
| Face value (Rs.) | 10 | 10 | 10 | 10 | 10 |
| Dividend per Equity Share (in Rs.) | 4.50 | 4.43 | 25.86 | 27.50 | - |
| Rate of dividend | 45% | 44.30% | 258.60% | 275% | - |
| Dividend tax rate | 20.36% | 20.36% | 17.00% | 17.00% | - |
| Total dividend (in Rs. million)(1) | 833.09 | 410.06 | 705.61 | 251.25 | - |
| Dividend Tax (in ` million) | 169.60 | 83.48 | 119.92 | 42.70 | - |

Note:

The Board, in its meeting on May 12, 2017 has recommended a final dividend of Rs. 4.50 per equity share for the financial year ended March 31, 2017 the proposal is subject to the approval of shareholders at the annual general meeting to be held on August 4, 2017 and, if approved, would result in a cash outflow of approximately Rs. 1,002.69 Mn including corporate dividend tax of Rs. 1,69.60 Mn.

**Godrej Agrovet Limited**

**Annexure VII: Statement on Adjustments to Audited Consolidated Financial Statements**

Summarized below are the restatement adjustments made to the audited financial statements for the fiscal year ended March 31, 2017, 2016, 2015, 2014 and 2013 and their impact on the profit / (loss) of the Group:

**(Rs. In millions)**

| Particulars | Notes | For the year ended March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|---|
| **A. Net profit after tax as per audited financial statements prepared under previous GAAP** | | | **1,909.79** | **2,140.36** | **1,663.01** | **923.98** |
| **B. Ind AS Adjustments** | | | | | | |
| Fair valuation of investment | | | 75.66 | (4.98) | 7.40 | (6.09) |
| Fair valuation of biological assets | | | 0.65 | (8.64) | (17.41) | 36.59 |
| Fair valuation of other financial instruments | | | (2.42) | (0.13) | (0.07) | (0.06) |
| Share in profit of associates and joint ventures | | | (29.76) | (7.85) | (53.68) | (8.06) |
| Provision for sales return | | | 6.58 | (2.50) | (6.52) | (7.29) |
| Impact on account of acceptances reclassified as borrowings | | | (3.33) | (9.76) | 13.97 | (14.92) |
| Derivative mark to market | | | (2.38) | (10.67) | 4.83 | 5.99 |
| Deferred grant | | | 0.29 | 0.24 | 0.25 | 0.31 |
| Guarantee commission recognised | | | 0.95 | 1.07 | 1.05 | 0.85 |
| Borrowing cost amortisation | | | 1.07 | - | - | - |
| Business combination adjustments | | | 675.96 | - | - | - |
| Actuarial gain / (loss) reclassification | | | 24.00 | 22.82 | 1.43 | 17.28 |
| Tax effect of adjustments | | | (44.62) | (29.79) | 14.59 | 2.56 |
| **Total:** | | | **702.65** | **(50.19)** | **(34.16)** | **27.16** |
| **C. Net Profit after tax as per Ind AS** | | **2,729.18** | **2,612.44** | **2,090.17** | **1,628.85** | **951.14** |
| **D. Adjustments:** | | | | | | |
| **Material Restatement Adjustments** | | | | | | |
| **(i) Audit Qualifications** | **1** | **-** | **-** | **-** | **-** | **-** |
| **Total:** | | **-** | **-** | **-** | **-** | **-** |
| **(ii) Other adjustments** | | | | | | |
| Insurance claim receivable | **2 (a)** | (1.28) | 0.60 | 0.63 | (0.05) | 0.11 |
| Change in useful life of asset | **2 (b)** | - | - | - | 1.20 | 0.71 |
| Liabilities/provision written back | **2 (c)** | (31.65) | (11.60) | (10.88) | (27.66) | (29.60) |
| Share in profit of associates and joint ventures | **2 (d)** | 31.17 | 23.58 | (3.65) | (37.90) | 47.15 |
| Prior period tax | **2 (e)** | - | - | - | - | (9.63) |
| Property, plant and equipment deemed cost adjustment | **2 (f)** | - | - | 1.59 | (12.57) | (4.91) |
| **Total:** | | **(1.76)** | **12.58** | **(12.31)** | **(76.98)** | **3.83** |
| **Deferred Tax adjustments** | | | | | | |
| Reversal of deferred tax on undistributed reserves of associate | **2 (g)** | - | (19.64) | 19.64 | - | - |
| Deferred Tax impact on other adjustments | **2 (h)** | 7.88 | 4.35 | 2.95 | 13.27 | 10.83 |
| **Total:** | | **7.88** | **(15.29)** | **22.59** | **13.27** | **10.83** |
| **D. Total impact of adjustments** | | **6.12** | **(2.71)** | **10.28** | **(63.71)** | **14.66** |
| | | | | | | |
| **E. Net Profit as restated (C-D)** | | **2,735.30** | **2,609.75** | **2,100.45** | **1,565.14** | **965.80** |

**Godrej Agrovet Limited**

**Annexure VII: Statement on Adjustments to Audited Consolidated Financial Statements**

**Notes to Adjustments**

**1. Adjustments for Audit Qualification:**
**Refer Note No. 57**

**2. Other Adjustments:**

(a) In the financial statements for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 receipt of Insurance claim has been recognised. For the purpose of this statement, the said receipts have been appropriately adjusted in the respective financial year to which the event relates.

(b) The carrying amount of fixed assets whose useful life as on April 1, 2014 had been completed as per Schedule II to the Companies Act 2013 was adjusted in the opening balance of Retained earnings as on April 1, 2014. Depreciation as per the transitional provision, has been adjusted to the respective years to effect the difference in the useful life.

(c) In the financial statements for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 certain liabilities and provisions, which were recorded in earlier years, were written back. For the purpose of this statement, the said liabilities/provisions have been appropriately adjusted in the respective financial year to which they relate.

(d) In the financial statements for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 certain adjustments such as restatement of liabilities/provisions written back, prior period items etc. to respective years has been carried out by the Group's joint ventures and associates. Accordingly, for the purpose of this statement, the share in profit of joint ventures and associates have been appropriately adjusted in the respective financial years.

(e) In financial statements for the year ended March 31, 2013 tax accounted for pertaining to earlier years based on assessment by Income-tax authorities. For the purpose of these statements, such taxes have been appropriately adjusted to the opening reserves as at April 1, 2012.

(f) On transition to Ind AS, the Group has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Group has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Consolidated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments to depreciation are made to the financial statements as for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and April 1, 2012.

(g) During the year ended March 31, 2015, the management intended to divest its stake in Creamline Dairy Products Ltd. (CDPL), consequently, deferred tax was created on the undistributed reserves and indexation of investment in CDPL. However, during the year ended March 31, 2016, the Group increased its stake in CDPL from 26% to 51.91% and hence, the deferred tax earlier created was reversed during the year. For the purpose of this statement, the reversal of deferred tax as been appropriately adjusted as on March 31, 2015.

(h) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on other material adjustments.

**3. Material regrouping**

Appropriate adjustments have been made in the restated consolidated summary Statements of Assets and Liabilities, Profit and Cash Flows, wherever required, by a reclassification of the corresponding items of income, expenses, assets, liabilities and cash flows in order to bring them in line with the groupings as per the audited financial statements of the Group for the year ended March 31, 2017.

**4. Reconciliation of Retained earnings as at April 1, 2012**

**(Rs. In millions)**

| Particulars | April 1, 2012 |
|---|---|
| **A. Retained earnings as per previous GAAP** | 1,855.38 |
| **Ind AS Adjustments** | |
| Fair valuation of investment | (0.19) |
| Fair valuation of biological assets | (7.14) |
| Fair valuation of other financial instruments | (0.09) |
| Share in profit of associates and joint ventures | (215.49) |
| Provision for sales return | (7.23) |
| Impact on account of acceptances reclassified as borrowings | 13.04 |
| Deferred grant | 8.62 |
| Tax effect of adjustments | 194.00 |
| **B. Total Ind AS adjustments** | **(14.48)** |
| **Other material adjustments:** | |
| Insurance claim receivable | 0.57 |
| Change in useful life of asset | (10.25) |
| Liabilities/provision written back | 98.82 |
| Prior period tax | 9.63 |
| Share in profit of associates and joint ventures | (26.65) |
| Property, plant and equipment deemed cost adjustment | 7.66 |
| Deferred Tax impact | (32.15) |
| **C. Total impact of adjustments** | **47.63** |
| | |
| **E. Retained earnings as restated (A-B-C)** | **1,888.53** |

**Godrej Agrovet Limited**

**Annexure VIII: Restated statement of Other Income**

(Rs. In millions)

| Particulars | Nature (Recurring/ Non-recurring) | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| Interest received on Deposits | Recurring | | 73.24 | 33.74 | 28.09 | 25.52 |
| Interest Received On Loans & Advance | Recurring | | 13.41 | - | - | - |
| Interest received from Income Tax | Non- recurring | | 0.02 | 0.02 | - | - |
| Dividend received | Non- recurring | | 0.17 | 0.00 | - | - |
| Profit on sale of Fixed Assets (net) | Non- recurring | | 49.28 | 5.27 | 19.57 | - |
| Profit on sale of Investments (net) | Non- recurring | | 250.02 | - | - | 0.08 |
| Claims received | Non- recurring | | 4.14 | 2.79 | 7.92 | 1.03 |
| Liabilities no longer required written back | Non- recurring | | 12.94 | 11.96 | 15.32 | 16.68 |
| Recovery of Bad Debts written off | Recurring | | 4.16 | 10.18 | 7.60 | 2.67 |
| Royalty & Technical Knowhow | Recurring | | 14.23 | 9.85 | 12.90 | 3.70 |
| Grant amortization | Recurring | | 3.44 | - | - | - |
| Other non-operating Income | Non- recurring | | 3.47 | - | - | - |
| Other Miscellaneous Income | Recurring | | 89.61 | 57.53 | 60.05 | 63.29 |
| Share in Jointly Controlled Entities | | | 8.17 | 5.46 | 4.07 | (1.59) |
| **Total Other Income as per previous GAAP** | | **-** | **526.30** | **136.80** | **155.52** | **111.38** |
| *Add/Less: Ind AS adjustments* | | | | | | |
| Joint venture consolidation using equity method | | | (8.18) | (5.46) | (4.07) | 1.59 |
| Fair valuation of investment | | | 105.45 | - | 7.40 | - |
| Fair valuation of other financial instruments | | | 0.58 | 0.50 | 0.30 | 0.19 |
| Derivative mark to market | | | - | - | - | 5.23 |
| Deferred grant | | | 8.70 | 4.73 | 0.95 | 0.45 |
| Consolidation of ESOP trust | | | - | - | - | 0.00 |
| Guarantee commission recognised | | | 0.95 | 1.07 | 1.05 | 0.85 |
| Business combination adjustments | | | (8.54) | - | - | - |
| Others | | | 14.23 | 9.85 | - | - |
| **Total Ind AS adjustments** | | **-** | **113.19** | **10.69** | **5.63** | **8.31** |
| **Total Other Income as per Ind AS** | | **590.00** | **639.49** | **147.49** | **161.15** | **119.69** |
| *Add/Less: Other adjustments* | | | | | | |
| Insurance claim receivable | | (1.28) | 0.60 | 0.63 | (0.05) | (0.46) |
| Share in profit of associates and joint ventures | | 3.56 | - | - | - | - |
| Liabilities provision written back | | (23.32) | (12.95) | (11.47) | (11.69) | (12.27) |
| **Total other adjustments** | | **(21.04)** | **(12.35)** | **(10.84)** | **(11.74)** | **(12.73)** |
| **Total Restated Other Income** | | **568.96** | **627.14** | **136.65** | **149.41** | **106.96** |

**Godrej Agrovet Limited**

**Annexure IX-Restated Statement of Accounting Ratios**

| Sr. No. | Particulars | For the year ended | | | | |
|---|---|---|---|---|---|---|
| | | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
| 1 | Restated Profit / (Loss) after Tax (₹ in millions) | 2,735.30 | 2,609.75 | 2,100.45 | 1,565.14 | 965.80 |
| 2 | Net Profit / (Loss) available to Equity Shareholders excluding Exceptional Items (₹ in millions) | 2,287.70 | 1,874.44 | 1,735.97 | 1,565.14 | 965.80 |
| 3 | Weighted average number of diluted Equity Shares outstanding during the year | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 | 172,885,101 |
| 4 | Weighted average number of basic Equity Shares outstanding during the year | 177,141,240 | 176,916,180 | 176,916,180 | 176,916,180 | 171,475,941 |
| 5 | Number of equity shares outstanding at the end of the year | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 | 185,130,876 |
| 6 | Net Worth for Equity Shareholders (₹ in millions) | 10,087.86 | 7,828.35 | 6,401.18 | 5,184.62 | 4,135.45 |
| 7 | Accounting Ratios: | | | | | |
| | Basic Earnings per Share | 11.42 | 9.78 | 8.98 | 7.13 | 1.20 |
| | Diluted Earnings per Share | 10.92 | 9.35 | 8.58 | 6.81 | 1.19 |
| | Return on Net Worth for Equity Shareholders(2)/(6) | 22.68% | 23.94% | 27.12% | 30.19% | 23.35% |
| | Net Asset Value Per Share (₹) (6)/(5) | 54.49 | 42.29 | 34.58 | 28.01 | 22.34 |

**Note:**

1.Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Net worth for ratios is = Equity share capital + Reserves and surplus (including Capital Reserve, Securities Premium, Debenture redemption reserve, General Reserve, Employee Stock Options Outstanding, Reserve for employee compensation expenses, Cash Flow hedging reserve, Treasury stock, Foreign Currency Translation reserve and Retained earnings).

3.The above ratios have been computed on the basis of the Restated Summary Statements- Annexure I & Annexure II.

**Annexure X: Restated Statement of Capitalisation**

**(Rs. in million)**

| Particulars | Pre-issue as at March 31, 2017 |
|---|---|
| **Debt:** | |
| Long term borrowings | 205.58 |
| Short term borrowings | 6,392.53 |
| Current portion of Secured long term borrowings, included in Other Current Liabilities | 36.38 |
| **Total debt (A)** | **6,634.49** |
| | |
| **Shareholders Funds:** | |
| Equity Share Capital | 1,851.31 |
| Reserves and Surplus | 8,236.55 |
| **Total Shareholders Funds (B)** | **10,087.86** |
| **Total Debt/ Shareholder fund (A/ B)** | **0.66** |

Notes:

i) The above has been computed on the basis of the Restated Consolidated Financial Statement - Annexure I & Annexure II.

ii) The corresponding post IPO capitalization data for each of the amounts given in the above table is not determinable at this stage pending the completion of the Book Building process and hence the same have not been provided in the above statement.

To,
The Board of Directors
Godrej Agrovet Limited,
3rd Floor, Godrej One,
Pirojsha Nagar,
Vikhroli (East)
Mumbai.

**Auditors Report on the Restated Standalone Financial Information in connection with the Initial Public Offering of Godrej Agrovet Limitd**

Dear Sirs,

1. We have examined the accompanying Restated Standalone Financial Information of **GODREJ AGROVET LIMITED** ("the Company"), which comprises the Restated Summary Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Restated Summary Statement of Profit and Loss (including other comprehensive income), the Restated Summary Statement of Cash Flows and the Restated summary Statement of Changes in Equity for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 and the Summary of Significant Accounting Policies as approved by the Board of Directors of the Company prepared in terms of the requirement of Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 ("the Act") read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 ("the Rules"); and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended to date (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the Board of Directors and initialed by us for identification purpose only.

2. The preparation of the Restated Standalone Financial Information, which is to be included in Draft Red Hearing Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the Board of Directors, at its meeting held on July 18, 2017 for the purpose set out in paragraph 11 below. The Management's responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and ICDR Regulations.

3. Our work has been carried out in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, Guidance Note on Reports in Company Prospectus (Revised) and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of Section 26(1)(b) of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed

solely to assist you in meeting your responsibilities in relation to your compliance with the Act and SEBI Regulations in connection with the issue.

Our examination of the Restated Standalone Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America (U.S.), Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report.

4. We have examined the following summarized Financial Statements of the Company contained in Restated Financial Information of the Company,

   (a) the Restated Standalone Statement of Assets and Liabilities as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure I)

   (b) the Restated Standalone Statement of Profit and Loss (including other comprehensive income) for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure II)

   (c) the Restated Statement of Changes in Equity for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure III)

   (d) the Restated Standalone Statement of Cash Flows for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 (enclosed in Annexure IV)

5. We have examined such Restated Standalone Financial Information taking into consideration:

   The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated June 26, 2017 in connection with the proposed issue of equity shares of the Company; and The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by ICAI ("The Guidance Note").

   The Restated Standalone Financial Information, expressed in Indian Rupees, in millions, has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 and have been compiled by the management of the Company from the audited standalone financial statements for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 (all of which were expressed in Indian Rupees in lakh) prepared under Ind AS for the year March 31, 2017 and 2016 and prepared under the previous generally accepted accounting principles followed in India ("Previous GAAP or Indian GAAP") for the year March 31, 2015, 2014 and 2013, which have been approved by Board of Directors at their meetings held on May 12, 2017, May 17, 2016, May 19, 2015, May 14, 2014, May 15, 2013 respectively.

6. Based on the above and according to the information and explanations given to us, we further report that the Restated Standalone Financial Information have been made

after incorporating adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods; have been made after incorporating adjustments for the material amounts in the respective financial years to which they relate; and do not contain any extra-ordinary items that need to be disclosed separately [other than those presented] in the Restated Standalone Financial Information and do not contain any qualification requiring adjustments.

7. We draw your attention that the Restated Standalone Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure V.

8. We have not audited any Financial Statements of the Company as of any date or for any period subsequent of March 31, 2017. Accordingly we do not express any opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2017.

**Other Standalone Financial Information**

9. We have also examined the following restated Standalone Financial Information of the Company set out in the Annexures prepared by the management and approved by the Board of Directors on July 18, 2017 for the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

   (a) Basis of preparation and Significant Accounting Policies as enclosed in Annexure V
   (b) Notes to the Restated Standalone Financial Information as enclosed in Annexure VI
   (c) Statement of Adjustments to the Audited Financial Statements as enclosed in Annexure VII
   (d) Statement of Other Income as enclosed in Annexure VIII
   (e) Statement of Accounting Ratios as enclosed in Annexure IX
   (f) Statement of Capitalisation as enclosed in Annexure X
   (g) Statement of tax shelter as enclosed in Annexure XI

10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

***11. Basis for Qualified Opinion***

*The Company has paid remuneration to its Managing Director during the year March 31, 2017, which is in excess of limit given under section 197 read with Schedule V of the Companies Act, 2013 by Rs. 866.11 million. Pending approval from the Central Government, the amount has been debited to the Statement of Profit and Loss. Refer Note 55 of the Restated Standalone Financial Information.*

**Qualified Opinion**

In our Opinion and to the best of our information and according to explanation given to us, *except for the effect of matters described in Basis for Qualified Opinion paragraph,,* the Restated Standalone Financial Information of the Company, as attached to this report, read with basis of preparation and respective significant accounting policies disclosed in Annexure V are prepared after making adjustments and regroupings as considered appropriate and have been prepared in accordance with the Section 26(1)(b) of Part I of Chapter III of the Companies Act, 2013 read with rule 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014, ICDR Regulations and the Guidance Note.

**12. Emphasis of Matters**

We draw attention to the following matters in the Notes to the Standalone Restated Financial Information:

a) Note 47 to the Restated Standalone Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor companies (Godrej Oil Palm Limited, Godrej Gokarna Oil Palm Limited and Cauvery Palm Oil Limited) have been taken over and recorded at their book values as on April 1, 2011.

   i. Amortisation amounting to Rs 42.51 million on Intangible Assets taken over as per the Scheme is charged against the balance in the General Reserve Account of the Company in the year ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013. Had this amount been charged to the Statement of Profit and Loss, the profit for the year March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 would have been lower by Rs. 42.51 million, the Surplus in statement of Profit and Loss would have been lower by Rs. 255.07 million as at March 31, 2017, Rs. 212.56 million as at March 31, 2016, Rs. 170.05 million as at March 31, 2015, Rs. 127.54 million as at March 31, 2014 and Rs. 85.02 million as at March 31, 2013 and the balance in the general reserve would have been higher by Rs. 255.07 million as at March 31, 2017, Rs. 212.56 million as at March 31, 2016, Rs. 170.05 million as at March 31, 2015, Rs. 127.54 million as at March 31, 2014 and Rs. 85.02 million as at March 31, 2013

   ii. In accordance with the Scheme of Arrangement, an amount of Rs. 605.53 million on account of Goodwill on merger has been charged to Securities Premium Account. Had the scheme not prescribed this treatment, the opening balance in the Surplus in statement of Profit and Loss would have been lower by Rs. 605.53 million as on March 31, 2013 and the Securities Premium Account would have been higher by Rs. 605.53 million as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013

b) Note 48 to the Restated Standalone Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Godrej Gold Coin Aquafeed Limited) have been taken over and recorded at their book values as on April 1, 2010. In accordance with the Scheme of Arrangement, an amount of Rs. 166.91 million on account of book values of Intangible Assets and an amount of Rs. 250.57 million on account of Goodwill on merger, aggregating to Rs. 417.48 million has been charged to Securities Premium Account instead of amortising the same in the Statement of Profit & Loss. Had the scheme not prescribed these treatment the balance in securities premium account would have been higher by

Rs. 417.48 million as at March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, and the Intangible Assets would have been higher by Rs. 15.74 million as at March 31, 2016, Rs. 40.94 million as at March 31, 2015, Rs. 66.13 million as at March 31, 2014, and Rs. 91.33 million as at March 31, 2013, the balance at the beginning of the year in Surplus of Profit and Loss Account would have been lower by Rs. 151.16 million as at March 31, 2017, Rs. 125.97 million as at March 31, 2016, Rs. 100.77 million as at March 31, 2105, Rs. Rs. 75.58 million as at March 31, 2014 and Rs. 50.38 million as at March 31, 2013 and the profit would have been lower by Rs. 15.74 million for the year ended March 31, 2017 and Rs. 25.19 million for the year ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

c) Note 49 to the Restated Standalone Financial Information wherein the Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of the transferor company (Goldmuhor Agrochem & Feeds Limited) have been taken over and recorded at their book values as on October 01, 2013.

    i. In accordance with the Scheme of Arrangement an amount of Rs. 7.11 million on account of Goodwill on Merger has been charged to the General Reserve Account.

    ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 4.07 million have been directly charged against the balance in the General Reserve Account of the Company.

    iii. An amount of Rs. 200 million has been transferred from the General Reserve Account and used to increase the Reserve for Employee Compensation Expenses.

Had the scheme not prescribed this treatment the balance in the General Reserve Account would have been higher by Rs. 211.18 million as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

d) Note 50 to the Restated Standalone Financial Information wherein the Honorable High Court of Judicature at Bombay had approved as Scheme of Arrangement whereby the assets and liabilities of the transferor company (Golden Feed Products Limited) have been taken over and recorded at their book values as on March 31, 2014.

i. In accordance with the Scheme of Arrangement an amount of Rs. 9.71 million on account of Goodwill on Merger has been charged against the balance in the Surplus in Statement of Profit and Loss.

ii. An Amount of Rs. 350.58 million from the Surplus in Statement of Profit and Loss has been utilised to restate/revise value of certain assets of the Company.

iii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.35 million have been directly charged against the balance in Surplus in Statement of Profit and Loss of the Company.

Had the scheme not prescribed this treatment, surplus in the Statement of Profit and Loss would have been higher by Rs. 360.29 million as at March 31, 2017, March 31, 2016, March 31, 2015 and March 31, 2014.

e) Note 51 to the Restated Standalone Financial information where in Honorable High Court of Judicature at Bombay had approved a Scheme of Arrangement whereby the assets and liabilities of Seeds business of the transferor company (Godrej Seeds & Genetics Limited) have been taken over and record at their book values as on April 01, 2015.

i. In accordance with the Scheme of Arrangement an amount of Rs. 169.45 million on account of Goodwill on Merger had been charged to the Surplus in Statement of Profit & Loss of the Company.

ii. The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.94 million have been directly charged against the Surplus in Statement of Profit & Loss of the Company.

Had the scheme not prescribed this treatment, the Surplus in the Statement of Profit & Loss would have been higher by Rs. 169.45 million as at March 31, 2017 and March 31, 2016.

f) Note 53 to the Restated Standalone Financial Information wherein the Honorable High Court of the Judicature at Bombay had approved a Scheme for the reduction of Capital (Securities Premium Account). As per the scheme an amount of Rs. 1,100.40 million has been transferred from the Securities Premium Account and used to create the Reserve for Employee Compensation Expenses of which Rs. 113.66 million for the year March 31, 2016, Rs. 113.88 million for the year March 31, 2015, Rs. 113.47 million for the year March 31, 2014 and Rs. 720.40 million for the year March 31, 2013 for Employee Compensation Expenses incurred during the respective years has been adjusted. Had the scheme not prescribed this treatment the Profit would have been lower by Rs. 113.66 million for the year March 31, 2016, Rs. 113.88 million for the year March 31, 2015, Rs. 113.47 million for the year March 31, 2014 and Rs. 720.41 million for the year March 31, 2013, the opening balance in the Surplus in Statement of Profit and Loss would have been lower by Rs. 947.76 million for the year March 31, 2016, Rs. 833.88 million for the year March 31, 2015, Rs. 720.41 million for the year March 31, 2014, the Reserve for Employee Compensation Expenses would have been lower by Rs. 238.98 million for the year March 31, 2016, Rs. 352.64 million for the year March 31, 2015, Rs. 466.52 million for the year March 31, 2014 and Rs. 379.99 million for the year March 31, 2013 and the Securities Premium Account would have been higher by Rs. 11,00.40 million for the year March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013.

Our report is not qualified in respect of these matters.

13. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.

**Restriction on Use**

14. Our report is intended solely for use of the management for inclusion in the Offer Document in connection with the proposed issue of equity shares of the Company. Our report should not be used, referred to or distributed for any other purpose except with our prior consent in writing.

**For KALYANIWALLA & MISTRY LLP**
**CHARTERED ACCOUNTANTS**
**Firm Reg. No. 104607W / W100166**

**Ermin K. Irani**
**Partner**
**Membership No.: 35646**

Place: Mumbai
Dated: July 18, 2017

**Godrej Agrovet Limited**

**Annexure I: Restated Standalone Statement of Assets and Liabilities**

(Rs. in million)

| | Note | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 2 | 6,880.78 | 6,653.51 | 5,093.78 | 4,270.76 | 2,823.22 |
| Capital work-in-progress | | 300.91 | 369.52 | 1,380.49 | 1,491.57 | 1,245.83 |
| Intangible assets | 3 | 115.98 | 164.58 | 217.99 | 259.47 | 317.57 |
| Intangible assets under development | | 2.34 | 1.49 | - | 0.73 | - |
| Biological assets other than bearer plants | 4 | 46.70 | 88.68 | 123.36 | 184.29 | 178.79 |
| Financial Assets | | | | | | |
| (i) Investments | | | | | | |
| Investments in Subsidiary, Associate and Joint Venture | 5A | 5,059.84 | 4,801.39 | 1,091.64 | 994.18 | 1,318.85 |
| Other investments | 5B | 0.04 | 0.04 | 35.08 | 0.08 | 5.05 |
| (ii) Loans | 7 | 109.00 | 99.79 | 100.84 | 88.98 | 218.35 |
| (iii) Others | 8 | 17.49 | 17.35 | 17.72 | 17.52 | 16.45 |
| Deferred tax assets (net) | | 50.93 | 82.31 | 106.97 | 23.97 | 21.43 |
| Other tax assets | | 103.75 | 93.63 | 118.44 | 104.18 | 111.53 |
| Other non-current assets | 9 | 180.87 | 139.60 | 173.53 | 175.77 | 213.10 |
| **Total non current assets** | | **12,868.63** | **12,511.89** | **8,459.84** | **7,611.50** | **6,470.17** |
| **Current Assets** | | | | | | |
| Inventories | 10 | 5,730.44 | 5,228.40 | 3,869.97 | 3,187.11 | 2,634.84 |
| Financial Assets | | | | | | |
| (i) Investments | 11 | - | 16.28 | 366.11 | - | - |
| (ii) Trade receivables | 12 | 4,074.45 | 3,661.70 | 2,667.81 | 2,244.18 | 1,779.68 |
| (iii) Cash and cash equivalents | 13 | 373.72 | 194.65 | 118.32 | 1,131.27 | 209.72 |
| (iv) Bank balance other than (iii) above | 14 | 70.90 | 67.33 | 44.53 | 6.42 | 6.41 |
| (v) Loans | 15 | 343.53 | 1,371.45 | 1,028.05 | 950.48 | 766.77 |
| (vi) Others | 16 | 104.75 | 548.90 | 136.81 | 107.39 | 45.11 |
| Other current assets | 17 | 422.05 | 315.52 | 353.12 | 229.40 | 348.91 |
| **Total current assets** | | **11,119.84** | **11,404.23** | **8,584.72** | **7,856.25** | **5,791.44** |
| **TOTAL ASSETS** | | **23,988.47** | **23,916.12** | **17,044.56** | **15,467.75** | **12,261.61** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| (a) Equity share capital | 18 | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| (b) Other equity | 19 | 7,174.86 | 6,052.47 | 4,990.84 | 4,731.15 | 4,055.47 |
| **Total equity** | | **9,026.17** | **6,978.12** | **5,916.49** | **4,863.39** | **4,187.71** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 20 | 67.07 | 68.91 | 719.34 | 1,642.44 | 1,046.40 |
| (ii) Other financial liabilities | 21 | 0.01 | 65.37 | 44.60 | 11.15 | - |
| Provisions | 22 | 30.96 | 18.35 | 15.87 | 17.16 | 16.61 |
| Deferred tax liabilities(net) | | 729.44 | 609.66 | 589.15 | 466.68 | 392.65 |
| Other non-current liabilities | 23 | 132.53 | 123.97 | 72.04 | 70.86 | 7.82 |
| **Total non current liabilities** | | **960.01** | **886.26** | **1,441.00** | **2,208.29** | **1,463.48** |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| (i) Borrowings | 24 | 4,749.75 | 11,406.59 | 6,123.61 | 4,552.91 | 3,704.63 |
| (ii) Trade payables | 25 | 7,462.85 | 2,341.75 | 2,123.23 | 2,294.63 | 1,818.24 |
| (iii) Other financial liabilities | 26 | 1,262.37 | 1,797.06 | 1,047.55 | 1,120.29 | 788.92 |
| Other current liabilities | 27 | 320.39 | 382.61 | 272.72 | 325.84 | 228.41 |
| Provisions | 28 | 206.93 | 123.73 | 119.96 | 102.40 | 70.22 |
| **Total current liabilities** | | **14,002.29** | **16,051.74** | **9,687.07** | **8,396.07** | **6,610.42** |
| **Total liabilities** | | **14,962.30** | **16,938.00** | **11,128.07** | **10,604.36** | **8,073.90** |
| **Total Equity and Liabilities** | | **23,988.47** | **23,916.12** | **17,044.56** | **15,467.75** | **12,261.61** |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial information appearing in Annexure VI and Statement of adjustments to Audited Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Godrej Agrovet Limited**

**Annexure II: Restated Standalone Statement of Profit and Loss**

(Rs. in million)

| | Note | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|---|
| I. Revenue from Operations | 29 | 36,160.54 | 33,659.89 | 33,067.15 | 30,992.41 | 27,609.00 |
| II. Other income | 30 | 531.10 | 540.58 | 149.75 | 148.87 | 109.58 |
| **III. Total Income (I+II)** | | **36,691.64** | **34,200.47** | **33,216.90** | **31,141.28** | **27,718.58** |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 31 | 26,389.15 | 25,041.64 | 25,058.03 | 23,284.48 | 21,551.88 |
| Purchases of Stock-in-Trade | 32 | 1,836.05 | 1,745.22 | 1,420.97 | 2,069.39 | 1,189.66 |
| Changes in inventories of finished goods, Stock-in-trade and work-in-progress | 33 | 74.20 | (248.25) | (357.51) | (315.47) | (255.10) |
| Employee Benefits expenses | 34 | 1,647.00 | 1,351.17 | 1,328.01 | 1,287.95 | 1,037.04 |
| Finance costs | 35 | 680.36 | 910.81 | 654.15 | 397.62 | 482.46 |
| Depreciation and amortisation expenses | 36 | 488.37 | 441.62 | 369.75 | 273.66 | 192.18 |
| Other expenses | 37 | 2,988.93 | 2,851.52 | 2,563.82 | 2,257.67 | 2,133.28 |
| **Total Expenses** | | **34,104.06** | **32,093.73** | **31,037.22** | **29,255.30** | **26,331.40** |
| V. Profit Before Exceptional items and tax (III-IV) | | 2,587.58 | 2,106.74 | 2,179.68 | 1,885.98 | 1,387.18 |
| VI. Exceptional Items | | 200.00 | - | 346.47 | - | - |
| **VII. Profit Before Tax (V+VI)** | | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| **VIII. Tax expense:** | | **720.43** | **505.50** | **598.81** | **508.50** | **415.44** |
| 1. Current Tax | | 568.44 | 450.17 | 549.47 | 430.36 | 273.83 |
| 2. Deferred Tax | | 151.99 | 55.33 | 49.34 | 78.14 | 141.61 |
| **IX. Profit for the year after tax (VII-VIII)** | | **2,067.15** | **1,601.24** | **1,927.34** | **1,377.48** | **971.74** |
| **X. Other comprehensive income** | | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | | (27.80) | (23.54) | (22.82) | (1.43) | (17.28) |
| Income tax related to items that will not be reclassifed to profit or loss | | 9.62 | 8.15 | 7.76 | 0.49 | 5.87 |
| | | (18.18) | (15.39) | (15.06) | (0.94) | (11.41) |
| **Items that will be reclassified to profit or loss** | | | | | | |
| Exchange difference arising on currency translation cash flow hedge reserve | | 32.11 | - | - | - | - |
| Income tax related to items that will be reclassifed to profit or loss | | (11.11) | - | - | - | - |
| | | 21.00 | - | - | - | - |
| **Other comprehensive income (net of tax)** | | 2.82 | (15.39) | (15.06) | (0.94) | (11.41) |
| **XI. Total comprehensive income for the year** | | **2,069.97** | **1,585.85** | **1,912.28** | **1,376.54** | **960.33** |
| XII. Earnings per equity share | | | | | | |
| Basic | | 9.04 | 8.24 | 8.11 | 4.96 | 1.23 |
| Diluted | | 8.65 | 7.87 | 7.75 | 4.74 | 1.22 |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial information appearing in Annexure VI and Statement of adjustments to Audited Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Godrej Agrovet Limited**

**Annexure III: Restated Standalone Statement of Changes in Equity**

**(a) Equity share capital**

(Rs. In millions)

| | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| Balance at the beginning of the reporting period | 925.65 | 925.65 | 132.24 | 132.24 | 121.19 |
| Changes in equity share capital during the year | | | | | |
| Issue of equity shares to V-Sciences Investments Pte Ltd | - | - | - | - | 5.18 |
| Issue of equity shares to Company's ESOP Trust | - | - | - | - | 5.87 |
| Bonus shared issued | 925.66 | - | 793.41 | - | - |
| **Balance at the end of the reporting period** | **1,851.31** | **925.65** | **925.65** | **132.24** | **132.24** |

(Rs. In million)

| **(b) Other equity** | Attributable to the owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Retained earnings** | **General reserve** | **Reserve for employee compensation expense** | **Debenture redemption reserve** | **Employee share option outstanding** | **Share Premium Account** | **Treasury Share Reserve** | **Cash Flow Hedge Reserve** | **Total** |
| **Balance at March 31, 2016** | **4,533.18** | **37.26** | **238.98** | **187.50** | **1,061.42** | **-** | **(5.87)** | **-** | **6,052.47** |
| **Total comprehensive income for the year** | | | | | | | | | |
| Profit for the year | 2,067.15 | | | | | | | | 2,067.15 |
| Other comprehensive income for the year | (18.18) | | | | | | | | (18.18) |
| Exchange difference arising on currency translation cash flow hedge reserve net of Income Tax (Refer Note No. 42) | | | | | | | | 21.00 | 21.00 |
| **Total comprehensive income for the year** | **2,048.97** | **-** | **-** | **-** | **-** | **-** | **-** | **21.00** | **2,069.97** |
| **Transactions with the owners of the Company** | | | | | | | | | |
| **Transfers** | | | | | | | | | - |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 47) | | (27.80) | | - | | | | | (27.80) |
| Adjustment of Employee compensation expenses recognized during the period. | | | (237.57) | | 237.57 | | | | - |
| Transfer from Debenture Redemption Reserve | 187.50 | | | (187.50) | | | | | - |
| Bonus shares issued | (925.66) | | | | | | | | (925.66) |
| Shares held with Company's ESOP Trust subscribed by beneficiaries | | | | | | | 5.87 | | 5.87 |
| Transfer to Share Premium on ESOP shares subscribed by beneficiaries | | | | | (1,298.99) | 1,298.99 | | | - |
| Transfer from Reserve for employee compensation expenses | | 1.41 | (1.41) | | | | | | - |
| **Balance at March 31, 2017** | **5,844.00** | **10.87** | **-** | **-** | **-** | **1,298.99** | **-** | **21.00** | **7,174.86** |
| | | | | | | | | | |
| **Balance at April 1, 2015** | **3,630.47** | **65.84** | **352.64** | **-** | **947.76** | | **(5.87)** | **-** | **4,990.84** |
| Profit for the year | 1,601.24 | | | | | | | | 1,601.24 |
| Other comprehensive income for the year | (15.39) | | | | | | | | (15.39) |
| **Total comprehensive income for the year** | **1,585.85** | **-** | **-** | **-** | **-** | | **-** | **-** | **1,585.85** |
| ***Contributions and distributions*** | | | | | | | | | |
| Interim Dividend | (410.06) | - | - | - | - | - | - | - | (410.06) |
| Tax on Distributed Profit | (83.48) | - | - | - | - | - | - | - | (83.48) |
| ***Transfer/utilisations*** | | | | | | | | | |
| As Per Godrej Seeds and Genetics Limited Merger Scheme approved by Bombay High Court | | | | | | | | | |
| Expenses on Merger (Refer Note No. 51 ) | (1.94) | - | - | - | - | - | - | - | (1.94) |
| Transfer to Debenture Redemption Reserve from Retained Earnings | (187.50) | - | - | 187.50 | - | - | - | - | - |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court ((Refer Note No. 47). | - | (28.58) | - | - | - | - | - | - | (28.58) |
| Employee compensation expenses recognised during the period | - | - | (113.66) | - | 113.66 | - | - | - | - |
| Others | (0.16) | - | - | - | - | - | - | - | (0.16) |
| **Balance at March 31, 2016** | **4,533.18** | **37.26** | **238.98** | **187.50** | **1,061.42** | **-** | **(5.87)** | **-** | **6,052.47** |

(Rs. In million)

| (b) Other equity | Attributable to the owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| **Particulars** | **Retained earnings** | **General reserve** | **Reserve for employee compensation expense** | **Debenture redemption reserve** | **Employee share option outstanding** | **Share Premium Account** | **Treasury Share Reserve** | **Cash Flow Hedge Reserve** | **Total** |
| **Balance at March 31, 2014** | **3,337.91** | **98.71** | **466.52** | **-** | **833.88** | | **(5.87)** | **-** | **4,731.15** |
| **Total comprehensive income for the year** | | | | | | | | | |
| Profit for the year | 1,927.34 | - | - | - | - | - | - | - | 1,927.34 |
| Other comprehensive income for the year | (15.06) | - | - | - | - | - | - | - | (15.06) |
| Opening Deficit in Profit and Loss of Companies ESOP Trust | 0.05 | - | - | - | - | - | - | - | 0.05 |
| **Total comprehensive income for the year** | **1,912.33** | **-** | **-** | **-** | **-** | | **-** | **-** | **1,912.33** |
| **Transactions with the owners of the Company** | | | | | | | | | |
| ***Contributions and distributions*** | | | | | | | | | |
| Dividends | (363.65) | - | - | - | - | - | - | - | (363.65) |
| Intrim Dividend | (341.96) | - | - | - | - | - | - | - | (341.96) |
| Tax on Distributed Profit | (119.92) | - | - | - | - | - | - | - | (119.92) |
| ***Transfer/utilisations*** | - | - | - | - | - | - | - | - | - |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court (Refer Note No. 47). | - | (32.87) | - | - | - | - | - | - | (32.87) |
| Bonus shares issued | (793.41) | - | - | - | - | - | - | - | (793.41) |
| Adjustment of Employee compensation expenses recognized during the period | - | - | (113.88) | - | 113.88 | - | - | - | (0.00) |
| Others | (0.83) | - | - | - | - | - | - | - | (0.83) |
| **Balance at March 31, 2015** | **3,630.47** | **65.84** | **352.64** | **-** | **947.76** | | **(5.87)** | **-** | **4,990.84** |
| | | | | | | | | | |
| **Balance at March 31, 2013** | **2,760.44** | **200.50** | **379.99** | **-** | **720.41** | | **(5.87)** | **-** | **4,055.47** |
| **Total comprehensive income for the year** | | | | | | | | | - |
| Profit for the year | 1,377.48 | - | - | - | - | - | - | - | 1,377.48 |
| Other comprehensive income for the year | (0.94) | - | - | - | - | - | - | - | (0.94) |
| **Total comprehensive income for the year** | **1,376.54** | **-** | **-** | **-** | **-** | | **-** | **-** | **1,376.54** |
| **Transactions with the owners of the Company** | | | | | | | | | |
| ***Contributions and distributions*** | | | | | | | | | |
| Dividends | (251.25) | - | - | - | - | - | - | - | (251.25) |
| Tax on Distributed Profit | (42.70) | - | - | - | - | - | - | - | (42.70) |
| ***Transfer/utilisations*** | | | | | | | | | |
| Transfer from retained earnings | (143.87) | 143.87 | - | - | - | - | - | - | - |
| As per Golden Feed Product Ltd. Merger scheme approved by Bombay High Court | | | | | | | | | |
| (i) Excess of Investment over book value of net assets adjusted as per scheme of Merger (Refer Note No. 50) | (9.71) | (7.11) | - | - | - | - | - | - | (16.82) |
| (ii) Expenses on Merger (Refer Note No. 49, 50 ) | (1.35) | (4.07) | - | - | - | - | - | - | (5.44) |
| (iii) Transfer to Reserve for employee compensation expenses (Refer Note No. 49) | - | (200.00) | 200.00 | - | - | - | - | - | - |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court ((Refer Note No. 47). | - | (34.48) | - | - | - | - | - | - | (34.48) |
| Restatement /revision in the value of certain Asset as approved by Bombay High Court (Refer Note No. 50) | (350.59) | - | - | - | - | - | - | - | (350.59) |
| Adjustment of Employee compensation expenses recognized during the period | - | - | (113.47) | - | 113.47 | - | - | - | - |
| Others | 0.40 | - | - | - | - | - | - | - | 0.40 |
| **Balance at March 31, 2014** | **3,337.91** | **98.71** | **466.52** | **-** | **833.88** | | **(5.87)** | **-** | **4,731.15** |

(Rs. In million)

| (b) Other equity | Attributable to the owners of the Company | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| Particulars | Retained earnings | General reserve | Reserve for employee compensation expense | Debenture redemption reserve | Employee share option outstanding | Share Premium Account | Treasury Share Reserve | Cash Flow Hedge Reserve | Total |
| **Balance at March 31, 2012** | **1,897.68** | **139.99** | **-** | **-** | **-** | **46.77** | **-** | **-** | **2,084.44** |
| **Total comprehensive income for the year** | | | | | | | | | **-** |
| Profit for the year | 971.74 | - | - | - | - | - | - | - | **971.74** |
| Other comprehensive income for the year | (11.41) | - | - | - | - | - | - | - | **(11.41)** |
| **Total comprehensive income for the year** | **960.33** | **-** | **-** | **-** | **-** | **-** | **-** | **-** | **960.33** |
| **Transactions with the owners of the Company** | | | | | | | | | |
| ***Transfer/utilisations*** | | | | | | | | | |
| Transfer from retained earning | (100.16) | 100.16 | - | - | - | - | - | - | **-** |
| Share premium on 1,104,882 Equity Shares, each fully paid issued during the year | - | - | - | - | - | 2,380.37 | - | - | **2,380.37** |
| Amount recoverable from GAVL ESOP Trust | - | - | - | - | - | (1,264.13) | - | - | **(1,264.13)** |
| Share issue expenses charged to Share premium Account. | - | - | - | - | - | (62.61) | - | - | **(62.61)** |
| Transferred to Employee Compensation Reserve Account as per scheme of Capital Reduction approved by Bombay High Court | - | - | 1,100.40 | - | - | (1,100.40) | - | - | **-** |
| Adjustment of Employee compensation expenses recognized during the period | - | - | (720.41) | - | 720.41 | - | - | - | **-** |
| Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court ((Refer Note No. 47). | - | (39.65) | - | - | - | - | - | - | **(39.65)** |
| Shares held by company's ESOP Trust | - | - | - | - | - | - | (5.87) | - | **(5.87)** |
| Others | 2.59 | - | - | - | - | - | - | - | **2.59** |
| **Balance at March 31, 2013** | **2,760.44** | **200.50** | **379.99** | **-** | **720.41** | **(0.00)** | **(5.87)** | **-** | **4,055.47** |

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial information appearing in Annexure VI and Statement of adjustments to Audited Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

**Godrej Agrovet Limited**

**Annexure IV: Restated Standalone Statement of Cash Flows** **(Rs. in million)**

| Particulars | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| **A. Cash Flow from Operating Activities :** | | | | | |
| Net Profit Before Taxes | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| Adjustment for: | | | - | - | - |
| Depreciation | 488.37 | 441.62 | 369.75 | 273.66 | 192.18 |
| (Profit) / Loss on sale of fixed assets | (13.32) | (48.88) | (5.27) | (19.57) | 1.46 |
| Profit on sale of Investments (net) | (293.76) | (257.19) | - | - | (0.08) |
| Unrealised foreign exchange gain/loss | 4.50 | (0.47) | 30.83 | (32.08) | (2.74) |
| Dividend income | (0.00) | (19.02) | (6.25) | (8.93) | (7.50) |
| Grant amortisation | (8.11) | (8.70) | (4.73) | (0.95) | (0.45) |
| Interest income | (103.09) | (78.83) | (41.09) | (28.21) | (26.14) |
| Acturial gains and losses | (27.80) | (23.54) | (22.82) | (1.43) | (17.28) |
| Guarantee commission | - | (0.95) | (1.07) | (1.05) | (0.85) |
| MTM Derivative (gain)/ loss | - | - | (20.45) | 26.22 | (4.97) |
| Finance Cost | 680.36 | 910.81 | 654.15 | 397.62 | 482.46 |
| Provision for Doubtful Debts and Advances | 40.89 | 20.72 | (9.47) | (7.79) | (3.61) |
| Claims received | (3.63) | (4.74) | (3.41) | (7.87) | (0.57) |
| Extraordinary Income | (200.00) | - | (346.47) | - | - |
| Reversal of Temporary Diminution in Value of Current Investment | - | - | 19.90 | - | - |
| Bad Debts Written off | 63.01 | 42.91 | 42.28 | 60.53 | 59.98 |
| | **627.42** | **973.74** | **655.88** | **650.15** | **671.89** |
| | | | - | - | - |
| **Operating Profit Before Working Capital Changes** | 3,415.00 | 3,080.48 | 3,182.03 | 2,536.13 | 2,059.07 |
| Adjustments for: | | | | | |
| Inventories | (502.03) | (1,358.43) | (630.57) | (520.19) | (858.71) |
| Biological assets other than bearer plants | 41.98 | 34.68 | 8.64 | 17.41 | (36.59) |
| Trade Receivables | (518.26) | (1,058.77) | (454.46) | (488.73) | (622.39) |
| Long Term Loans and Advances and Other Non-current Assets | (30.21) | 14.69 | 7.69 | 86.16 | 263.19 |
| Short Term Loans and Advances and Other Current Assets | 1,565.60 | (250.17) | (241.66) | (54.89) | 147.35 |
| Trade Payables | 5,124.35 | 225.59 | (546.69) | 471.37 | 312.59 |
| Long Term Provisions and Other Long Term Liabilities | (27.75) | 23.27 | 32.16 | 9.13 | (7.99) |
| Short Term Provisions and Other Short Term Liabilities | (490.26) | 137.05 | (109.28) | 267.47 | (251.35) |
| | 5,163.42 | (2,232.09) | (1,934.17) | (212.27) | (1,053.90) |
| **Cash Generated from Operations** | 8,578.42 | 848.39 | 1,247.86 | 2,323.86 | 1,005.17 |
| Direct Taxes paid (net of refunds received) | (566.18) | (414.76) | (555.88) | (421.18) | (330.65) |
| **Net Cash Flow from Operating Activities** | **8,012.24** | **433.63** | **691.98** | **1,902.68** | **674.52** |
| | | | | | |
| **B. Cash Flow from Investing Activities :** | | | | | |
| Capital subsidy received | - | 30.00 | 5.00 | 20.58 | - |
| Acquisition of fixed assets | (743.30) | (992.52) | (1,113.88) | (1,753.72) | (1,593.30) |
| Proceeds from sale of fixed assets | 92.27 | 77.16 | 19.80 | 40.75 | 7.89 |
| Intercorporate Deposits Given | - | (357.80) | (110.03) | (64.00) | (120.00) |
| Purchase of Investments | (258.99) | (3,690.09) | (172.00) | (77.21) | (49.01) |
| Proceeds from sale of investments | 310.57 | 623.35 | - | - | 0.46 |
| Interest Received | 103.09 | 78.16 | 40.85 | 36.48 | 34.27 |
| Dividend Received | 0.00 | 19.03 | 6.26 | 8.93 | 7.50 |
| **Net Cash Flow from Investing Activities** | **(496.36)** | **(4,212.71)** | **(1,324.00)** | **(1,788.19)** | **(1,712.19)** |
| | | | | | |
| **C. Cash Flow from Financing Activities :** | | | | | |
| Proceeds from Issue of Equity Shares | 5.87 | - | - | - | 1,127.29 |
| Merger Expenses charged directly to Reserves | - | (1.94) | - | (5.43) | - |
| Share Issue Expenses charged directly to Reserves | - | - | - | - | (62.61) |
| Repayment of Short Term Borrowings | (11,406.59) | (6,192.16) | (39.13) | (350.00) | (1,402.15) |
| Proceeds from Short Term Borrowings | 4,749.75 | 11,368.64 | 2,065.82 | 1,258.03 | 892.10 |
| Repayment of Long Term Borrowings | (37.74) | (683.11) | (1,602.70) | (501.53) | - |
| Proceeds from Long Term Borrowings | 67.07 | 750.00 | 680.00 | 1,100.00 | 1,000.00 |
| Finance Cost | (715.17) | (892.48) | (659.39) | (405.89) | (490.61) |
| Dividend Paid | - | (410.06) | (705.61) | (251.25) | - |
| Dividend Tax Paid | - | (83.48) | (119.92) | (42.70) | - |
| **Net Cash Flow from Financing Activities** | **(7,336.81)** | **3,855.41** | **(380.93)** | **801.23** | **1,064.02** |
| | | | | | |
| **Net increase in Cash and Cash equivalents** | **179.07** | **76.33** | **(1,012.95)** | **915.72** | **26.35** |
| | | | - | - | - |
| **Cash and Cash equivalents (Opening balance)** | 194.65 | 118.32 | 1,131.27 | 209.72 | 183.37 |
| | | | | | |
| **Cash and Cash equivalents (Opening balance taken over)** | - | - | - | - | - |
| Goldmuhor Agrochem & Feeds Limited | - | - | - | 4.51 | - |
| Golden Feed Products Limited | - | - | - | 1.32 | - |
| **Cash and Cash equivalents (Closing balance)** | 373.72 | 194.65 | 118.32 | 1,131.27 | 209.72 |

1. The above cash flow statement has been prepared under the indirect method as set out in Indian Accounting standard 7 Statement of Cash Flows notified u/s 133 of Companies Act, 2013 ('Act') read with Rule 4 of the Companies (Indian Accounting Standards ) Rules 2015 and the relevant provisions of the Act.

2. Figures in bracket indicate cash outflow.

The above statement should be read with the Basis of preparation and Significant Accounting policies appearing in Annexure V, Notes to the Restated Financial information appearing in Annexure VI and Statement of adjustments to Audited Financial Statement appearing in Annexure VII.

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

For and on behalf of the Board

**A. B. GODREJ**
Director
DIN: 00065964

**B.S.YADAV**
Managing Director
DIN: 00294803

**ERMIN K. IRANI**
**PARTNER**
**Membership Number: 35646**
Mumbai, July 18, 2017.

**S. VARADARAJ**
Chief Financial Officer
ICAI Memb. No. 047959

**VIVEK RAIZADA**
Company Secretary
ICSI Memb. No. ACS11787

## Annexure V : Basis of preparation and Significant Accounting Policies

### Notes to the Financial Statements

1. Basis of preparation

The Restated Standalone Statement of Assets and Liabilities of Godrej Agrovet Limited as at March 31, 2017, 2016, 2015, 2014, and 2013, the Restated Standalone Statement of Profit and Loss, the Restated Standalone Statement of Changes in Equity and the Restated Standalone Statement of Cash flows for the years ended March 31, 2017, 2016, 2015, 2014, and 2013 and Restated Other Standalone Financial Information (together referred as 'Restated Standalone Financial Information') has been prepared under Indian Accounting Standards ('Ind AS') notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Standalone Financial Information have been compiled by the Company from the Audited Standalone Financial Statements of the Group for the respective years ("Audited Standalone Financial Statements") prepared under the previous generally accepted accounting principles followed in India ('Previous GAAP' or 'Indian GAAP').
The Restated Standalone Financial Information relates to the Company, its subsidiary companies, joint venture and associates (collectively referred to as "the Group").
In accordance with Ind AS 101 First-time Adoption of Indian Accounting Standard, the Group has presented a reconciliation from the presentation of Restated Standalone Financial Information under Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 ("Previous GAAP" or "Indian GAAP") to Ind AS of Restated Standalone Shareholders' equity as at March 31, 2016, 2015, 2014, 2013, and April 1, 2012 and of the Restated Standalone Statement of profit and loss for the years ended March 31, 2017, 2016, 2015, 2014 and 2013.

The Restated Standalone Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company by way of an offer for sale by the selling shareholders, to be filed by the Company with the Securities and Exchange Board of India, Registrar of Companies, Mumbai and the concerned Stock Exchange in accordance with the requirements of:

a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI regulations").

c) Guidance note on reports in Company prospectuses issued by the Institute of Chartered Accountants of India.

These Restated Standalone Financial Information have been compiled by the Company from the Audited Standalone Financial Statements and:
• there were no audit qualifications on these Restated Standalone financial statements except for the year ended March 31, 2017,
• there were no changes in accounting policies under Previous GAAP during the years of these financial statements,
• material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,

- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the condensed audited Standalone financial statements of the Group as at and for the half year ended September 30, 2016 prepared under Ind AS and the requirements of the SEBI Regulations, and

- the resultant tax impact on above adjustments has been appropriately adjusted in deferred taxes in the respective years to which they relate.

(i) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following:

- certain financial assets and liabilities (including derivative instruments) that are measured at fair value;

- asset held for sale and biological Assets – measured at fair value less cost to sell;

- defined benefit plans – plan assets measured at fair value; and
- share-based payments – measured at fair value

(ii) Functional and presentation currency

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

2. General information

Godrej Agrovet Ltd. ("the Company" or "Parent") 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. The Company and its subsidiaries, joint ventures and associates (the "Group") is a diversified agribusiness Group and its principal activities include manufacturing and marketing of high quality animal feed, innovative crop protection & agricultural inputs, palm oil & allied products & milk and milk products.

**3. Key estimates and assumptions**

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

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

Judgement, estimates and assumptions are required in particular for:

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

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

- **Recognition and measurement of defined benefit obligations**

  The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

- **Recognition of deferred tax assets**

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

- **Recognition and measurement of other provisions**

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

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

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

- **Fair valuation of employee share options**

  The fair valuation of the employee share options is based on the Black-Scholes model used for valuation of options. Key assumptions made with respect to expected volatility includes share price, expected dividends and discount rate, under this option pricing model.

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

  At inception of an arrangement, the Company determines whether the arrangement is or contains a lease.

  At inception or on reassessment of an arrangement that contains a lease, the Company separates payments and other consideration required by the arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Company concludes for a finance lease that it is impracticable to separate the payments reliably, then an asset and a liability are recognised at an amount equal to the fair value of the underlying asset; subsequently, the liability is reduced as payments are made and an imputed finance cost on the liability is recognised using the Company's incremental borrowing rate. And in case of operating lease, treat all payments under the arrangement as lease payments.

- **Rebates and sales incentives**

  Rebates are generally provided to distributors or customers as an incentive to sell the Company's products. Rebates are based on purchases made during the period by distributor / customer. The Company determines the estimates of rebate accruals primarily based on the contracts entered into with their distributors / customers and the information received for sales made by them.

- **Fair value of financial instruments**

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

**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.

**5. Standards issued but not yet effective**

[Not required to be given as per ITFG 8 issued recently]

i) Ind AS 102 Share-based Payment:

In March 2017, the Ministry of Corporate Affairs had made amendments to Classification and Measurement of Share-based Payment Transactions under Ind AS 102. Paragraphs 19, 30–31, 33 and 52 of Ind AS 102 were amended and paragraphs 33A–33H, 59A–59B, 63D and B44A-B44C and their related headings were added. It mainly deals with accounting for a modification of a share-based payment transaction that changes its classification from cash-settled to equity settled.

The Company is in the process of making an assessment of the impact of amendments to Ind AS 102. As at the date of this report, the Company's management does not expect that the impact on the Company's results of operations and financial position will be material upon adoption of amendments to Ind AS 102.

**6. Significant accounting policies**

**A. Revenue**

i. Sale of goods

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

ii. Dividend income

Dividend income is recognised only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be measured reliably.

iii. Interest income

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

**B. Foreign currency**

i. Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency') The Indian Rupee (INR) is the functional and presentation currency of the company.

ii. Transactions and balances

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

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

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

Exchange differences are generally recognised in profit or loss, except exchange differences arising from the translation of the following item which are recognized in OCI:

- Qualifying cash flow hedges to the extent that the hedges are effective.

**C. Employee benefits**

i. Short term employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short-term employee benefits. Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which rewards its employees based on either Economic Value Added (EVA) or Profit before tax (PBT). The PLVR amount is related to actual improvement made in either EVA or PBT over the previous year when compared with expected improvements.

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

ii. Defined contribution plans

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

iii. Defined benefit plans

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

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

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

  The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

- Gratuity Fund

  The Company provides for gratuity, a defined benefit retirement plan covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment with the Company. The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

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

iv. Other long-term employee benefits

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

v. Terminal Benefits:

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

**D. Income Tax**

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

**i. Current tax**

Current tax is the amount of tax payable (recoverable) in respect of the taxable profit ~~or~~ / (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
b) the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

**E. Inventories**

Inventories are carried in the balance sheet as follows:

(a) Raw materials, Stock in Trade and Stores & Spares: At lower of cost, on weighted average basis and net realisable value.

(b) Work-in-progress-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

(c) Finished Goods-Manufacturing: At lower of cost of materials, plus appropriate production overheads and net realisable value.

The cost of inventories have been computed to include all cost of purchases, cost of conversion and other related costs incurred in bringing the inventories to the present location and condition. Slow and non-moving material, obsolescence, defective inventories are duly provided for and valued at net realizable value. Goods and materials in transit are valued at actual cost incurred upto the date of balance sheet. Materials and supplies held for use in the production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.

**F. Property, plant and equipment**

**i. Recognition and measurement**

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

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 if 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. In case of the following category of property, plant and equipment, the depreciation has been provided based on the technical specifications, external & internal assessment, requirement of refurbishments and past experience of the remaining useful life which is different from the useful life as specified in Schedule II to the Act:

(a) Plant and Machinery: - 20 Years

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

(c) Leasehold Land:
Amortized over the primary lease period.

(d) Leasehold improvements and equipments:
Amortised over the Primary lease period or 16 years whichever is less

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

**G. Borrowing costs**

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of that asset till the date it is ready for its intended use or sale. Other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

H. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

**I. Intangible assets**

**Recognition and measurement**

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

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

The cost of intangible assets at 1st April 2015, the Company's date of transition to Ind AS, was determined with reference to its carrying value at that date.

**Amortisation**

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of profit or loss.

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

| | | |
|---|---|---|
| - | Grant of licenses | : 10 years |
| - | Computer Software | : 6 years |
| - | Tree Development Cost | : 15 years |
| - | Technical Know-how of a capital nature | : 6 years |

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

**J. Research and Development Expenditure**

Research Expenditure:

Revenue expenditure on research & development is charged to the Statement of Profit and Loss of the year in which it is incurred.

Capital expenditure incurred during the period on research & development is accounted for as an addition to property, plant & equipment.

**K. Share-based payments:**

a. Employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions).

b. The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

c. That cost is recognised, together with a corresponding increase in share-based payment reserves in equity, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

d. When the terms of an equity-settled award are modified, the minimum expense recognised is the expense had the terms had not been modified, if the original terms of the award are met. An additional expense is recognised for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee as measured at the date of modification. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through the Statement of Profit or Loss.

e. The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

**L. 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 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.

**Equity investments (other than investments in associates and joint venture)**

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company decides to classify the same either as at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- If the Company decides to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

**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 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.

**Financial guarantee contracts**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognised less cumulative amortisation.

**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.

**Derivative financial instruments**

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

**M. 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.

**N. Leases**

In determining whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease date if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in the arrangement.

**i. Lease payments**

Payments made under operating leases are recognised in the Statement of Profit and Loss on a straight line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor’s expected inflationary cost increase.

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

**ii. Lease assets**

Assets held by the Company under leases that transfer to the Company substantially all of the risks and rewards of ownership are classified as finance leases. The leased assets are measured initially at an amount equal to the lower of their fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the assets are accounted for in accordance with the accounting policy applicable to that asset.

Assets held under other leases are classified as operating leases and are not recognised in the Company's statement of financial position.

**O. 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 amounts 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.

**P. 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.

**Q. Grants / subsidies**

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

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

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

**R. Construction contracts**

When the outcome of a construction contract can be estimated reliably and it is probable that the contract will be profitable, contract revenue is recognized over the period of the contract by reference to the stage of completion.

Contract costs are recognized as expenses by reference to the stage of completion of the contract activity at the end of the reporting period. When it is probable that total contract costs will exceed total contract revenue, the expected loss is recognized immediately.

When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable.
Variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

Measurement of construction contract revenue and expense:
The Company uses the 'percentage-of-completion' method to determine the appropriate amount to recognize in a given period. The stage of completion is measured by reference to the contract costs incurred up to the end of the reporting period as a

percentage of total estimated costs for each contract. Costs incurred in the year in connection with future activity on a contract are excluded from contract costs in determining the stage of completion.

**S. Biological assets**

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

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note - 2 Property, plant and equipment**

**(Rs. in million)**

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **Year ended March 31, 2017** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2016 | 337.16 | 307.26 | 2,358.97 | 3,665.04 | 65.92 | 180.19 | 143.10 | 8.05 | 2.90 | 4.58 | 0.07 | 7,073.24 |
| Additions | 80.04 | - | 194.48 | 366.35 | 13.78 | 70.85 | 48.10 | - | 8.00 | 0.56 | - | 782.16 |
| Disposals | (62.12) | - | (0.02) | (8.60) | (2.52) | (13.17) | (0.83) | - | - | (0.57) | (0.06) | (87.89) |
| **Closing Gross Block** | 355.08 | 307.26 | 2,553.43 | 4,022.79 | 77.18 | 237.87 | 190.37 | 8.05 | 10.90 | 4.57 | 0.01 | 7,767.51 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2016 | - | 2.54 | 76.73 | 284.99 | 6.85 | 23.72 | 19.96 | 4.03 | 0.54 | 0.37 | - | 419.73 |
| Depreciation charge during the year | - | 3.51 | 90.28 | 314.33 | 7.87 | 29.56 | 24.96 | 4.02 | 1.00 | 0.45 | - | 475.98 |
| Disposals | - | - | (0.00) | (4.07) | (0.57) | (3.66) | (0.60) | - | - | (0.08) | - | (8.98) |
| **Closing Accumulated Depreciation** | - | 6.05 | 167.01 | 595.25 | 14.15 | 49.62 | 44.32 | 8.05 | 1.54 | 0.74 | - | 886.73 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2017** | 355.08 | 301.21 | 2,386.42 | 3,427.54 | 63.03 | 188.25 | 146.05 | - | 9.36 | 3.83 | 0.01 | 6,880.78 |
| **Year ended March 31, 2016** | | | | | | | | | | | | |
| **Deemed Cost as at April 1, 2015** | 331.31 | 137.01 | 1,236.17 | 3,109.35 | 24.20 | 151.79 | 89.67 | 8.05 | 1.75 | 4.45 | 0.08 | 5,093.83 |
| Additions | 11.09 | 170.25 | 1,129.25 | 565.23 | 42.25 | 35.30 | 54.16 | - | 1.15 | 1.15 | - | 2,009.83 |
| Disposals | (5.24) | - | (6.45) | (9.54) | (0.53) | (6.90) | (0.73) | - | - | (1.02) | (0.01) | (30.42) |
| **Closing Gross Block** | 337.16 | 307.26 | 2,358.97 | 3,665.04 | 65.92 | 180.19 | 143.10 | 8.05 | 2.90 | 4.58 | 0.07 | 7,073.24 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Depreciation charge during the year | - | 2.54 | 77.04 | 285.90 | 6.94 | 24.30 | 20.12 | 4.03 | 0.54 | 0.42 | - | 421.83 |
| Disposals | - | - | (0.31) | (0.91) | (0.09) | (0.58) | (0.16) | - | - | (0.05) | - | (2.10) |
| **Closing Accumulated Depreciation** | - | 2.54 | 76.73 | 284.99 | 6.85 | 23.72 | 19.96 | 4.03 | 0.54 | 0.37 | - | 419.73 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2016** | 337.16 | 304.72 | 2,282.24 | 3,380.05 | 59.07 | 156.47 | 123.14 | 4.02 | 2.36 | 4.21 | 0.07 | 6,653.51 |
| **Year ended March 31, 2015** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2014 | 318.19 | 105.75 | 1,054.68 | 3,055.49 | 27.72 | 86.17 | 68.23 | 14.92 | 2.28 | - | 0.13 | 4,733.56 |
| Additions | 13.12 | 35.55 | 316.03 | 650.73 | 11.51 | 104.60 | 53.65 | - | 0.05 | 4.66 | - | 1,189.90 |
| Disposals | - | - | (4.74) | (15.83) | (0.66) | (8.22) | (0.75) | - | (0.29) | - | (0.05) | (30.54) |
| **Closing Gross Block** | 331.31 | 141.30 | 1,365.97 | 3,690.39 | 38.57 | 182.55 | 121.13 | 14.92 | 2.04 | 4.66 | 0.08 | 5,892.92 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2014 | - | 2.77 | 72.06 | 339.54 | 10.69 | 15.14 | 16.69 | 5.72 | 0.18 | - | 0.01 | 462.80 |
| Depreciation charge during the year | - | 1.52 | 58.81 | 251.38 | 4.30 | 19.15 | 15.28 | 1.15 | 0.40 | 0.21 | 0.02 | 352.22 |
| Disposals | - | - | (1.08) | (9.83) | (0.61) | (3.52) | (0.52) | - | (0.29) | - | (0.03) | (15.88) |
| **Closing Accumulated Depreciation** | - | 4.29 | 129.79 | 581.09 | 14.38 | 30.77 | 31.45 | 6.87 | 0.29 | 0.21 | - | 799.14 |
| | | | | | | | | | | | | |
| **Net carrying amount as at March 31, 2015** | 331.31 | 137.01 | 1,236.18 | 3,109.30 | 24.19 | 151.78 | 89.68 | 8.05 | 1.75 | 4.45 | 0.08 | 5,093.78 |

(Rs. in million)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| **<u>Year ended March 31, 2014</u>** | | | | | | | | | | | | |
| **Gross carrying amount** | | | | | | | | | | | | |
| Cost as at April 1, 2013 | 262.85 | 104.94 | 724.60 | 1,751.82 | 21.50 | 60.48 | 57.24 | 14.92 | 1.11 | - | 0.17 | 2,999.63 |
| Taken over | 25.29 | 0.48 | 13.87 | 43.15 | 0.42 | 0.50 | 1.88 | - | - | - | - | 85.59 |
| Additions | 34.87 | 0.33 | 317.33 | 1,274.22 | 6.00 | 31.99 | 9.87 | - | 1.24 | - | | 1,675.85 |
| Disposals | (4.82) | - | (1.12) | (13.70) | (0.20) | (6.80) | (0.76) | - | (0.07) | - | (0.04) | (27.51) |
| **Closing Gross Block** | 318.19 | 105.75 | 1,054.68 | 3,055.49 | 27.72 | 86.17 | 68.23 | 14.92 | 2.28 | - | 0.13 | 4,733.56 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Accumulated depreciation as at April 1, 2013 | - | 1.33 | 24.94 | 129.95 | 2.42 | 6.89 | 6.80 | 3.97 | 0.10 | - | 0.01 | 176.41 |
| Depreciation charge during the year | - | 1.34 | 39.23 | 187.85 | 7.91 | 9.76 | 9.29 | 1.75 | 0.15 | - | - | 257.28 |
| Taken over | - | 0.10 | 8.04 | 26.08 | 0.39 | 0.21 | 0.62 | - | - | - | - | 35.44 |
| Disposals | - | - | (0.15) | (4.34) | (0.03) | (1.72) | (0.02) | - | (0.07) | - | - | (6.33) |
| **Closing Accumulated Depreciation** | - | 2.77 | 72.06 | 339.54 | 10.69 | 15.14 | 16.69 | 5.72 | 0.18 | - | 0.01 | 462.80 |
| **Net carrying amount as at March 31, 2014** | 318.19 | 102.98 | 982.62 | 2,715.95 | 17.03 | 71.03 | 51.54 | 9.20 | 2.10 | - | 0.12 | 4,270.76 |
| **<u>Year ended March 31, 2013</u>** | | | | | | | | | | | | |
| Deemed Cost as at April 1, 2012 | 226.34 | 104.94 | 314.12 | 812.92 | 17.19 | 42.95 | 39.84 | 14.92 | 0.07 | - | 0.13 | 1,573.42 |
| Additions | 36.51 | - | 410.48 | 944.87 | 4.36 | 22.54 | 17.95 | - | 1.04 | - | 0.04 | 1,437.79 |
| Disposals | - | - | - | (5.97) | (0.05) | (5.01) | (0.55) | - | - | - | - | (11.58) |
| **Closing Gross Block** | 262.85 | 104.94 | 724.60 | 1,751.82 | 21.50 | 60.48 | 57.24 | 14.92 | 1.11 | - | 0.17 | 2,999.63 |
| **Accumulated Depreciation** | | | | | | | | | | | | |
| Depreciation charge during the year | - | 1.33 | 24.94 | 131.01 | 2.42 | 7.43 | 6.83 | 3.97 | 0.10 | - | 0.01 | 178.04 |
| Disposals | - | - | - | (1.06) | - | (0.54) | (0.03) | - | - | - | - | (1.63) |
| **Closing Accumulated Depreciation** | - | 1.33 | 24.94 | 129.95 | 2.42 | 6.89 | 6.80 | 3.97 | 0.10 | - | 0.01 | 176.41 |
| **Net carrying amount as at March 31, 2013** | 262.85 | 103.61 | 699.66 | 1,621.87 | 19.08 | 53.59 | 50.44 | 10.95 | 1.01 | - | 0.16 | 2,823.22 |

(Rs. in million)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The Company has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Restated schedule for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

**Deemed cost as on 1 April 2015** (Rs. In million)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2015 | 331.31 | 143.43 | 1,452.65 | 4,149.12 | 54.79 | 190.22 | 133.35 | 41.48 | 2.91 | 4.66 | 1.58 | 6,505.50 |
| Accumulated Depreciation till 1 April 2015 | - | 6.42 | 216.48 | 1,039.77 | 30.59 | 38.43 | 43.68 | 33.43 | 1.16 | 0.21 | 1.50 | 1,411.67 |
| Net Block treated as Deemed cost upon transition | 331.31 | 137.01 | 1,236.17 | 3,109.35 | 24.20 | 151.79 | 89.67 | 8.05 | 1.75 | 4.45 | 0.08 | 5,093.83 |

**Deemed cost as on 1 April 2012** (Rs. In million)

| PARTICULARS | Freehold Land | Leasehold Land | Buildings | Plant and Machinery | Furniture and Fixtures | Vehicles | Office & Others Equipment | Tree Development Cost | Leasehold Improvements | Livestock used for R&D | Research Center | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Gross Block as on 1 April 2012 | 226.34 | 107.13 | 409.29 | 1,303.80 | 34.09 | 61.12 | 58.31 | 41.48 | 2.21 | - | 1.72 | 2,245.49 |
| Lesss: Accumulated Depreciation till 1 April 2012 | - | 2.19 | 95.17 | 490.88 | 16.90 | 18.17 | 18.47 | 26.56 | 2.14 | - | 1.59 | 672.07 |
| Net Block treated as Deemed cost upon transition | 226.34 | 104.94 | 314.12 | 812.92 | 17.19 | 42.95 | 39.84 | 14.92 | 0.07 | - | 0.13 | 1,573.42 |

2.1: Legal formalities relating to the transfer of title of immovable assets situated at Chennai (acquired as a part of the take over of Agrovet business from Godrej Industries Limited), Hyderabad (as part of the merger of Godrej Plant Biotech Limited), Dhule (as part of the merger of Goldmohur Foods & Feeds Ltd), Hanuman Jn. (as part of the merger of Golden Feed Products Ltd), Chintampalli (as part of the merger of Godrej Gokarna Oilpalm Limited), Ariyalur & Varanavasi (as part of the merger of Cauvery Oil Palm Limited) and at Kolkata are being complied with. Stamp duty payable thereon is not presently determinable.

2.2: Figures under Taken over relates to Assets taken over by the company as per the scheme of Arrangement for the demerger of Seeds business of Godrej Seeds and Genetics Limited into Godrej Agrovet Limited during the year March 31, 2016, and as per the scheme of amalgamation of Goldmuhor Agrochem & Feeds Limited. & Golden Feed Products Limited during the year as at March 31, 2014

2.3: Capital expenses incurred on Research & Development Centre Activities are included under the respective heads.

2.4: Plant & Machinery is net of capital subsidy received during the year as on March 31, 2016 of Rs. 30.00 Mn , March 31, 2015 Rs.5 Mn, March 31, 2014 Rs.0.078 Mn and Net of capital subisdy received for Capital work-in-progress Rs. 20.00 Mn and Vehicle Rs. 0.51 Mn.

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note - 3 Intangible assets**

**(Rs. in million)**

| P A R T I C U L A R S | Computer Software | Technical Know-how Fees | Grant of Licenses | Total |
|---|---|---|---|---|
| **Year ended March 31, 2017** | | | | |
| **Gross carrying amount** | | | | |
| Cost as at April 1, 2016 | 56.83 | - | 170.05 | 226.88 |
| Additions | 6.29 | - | - | 6.29 |
| **Closing Gross Block** | 63.12 | - | 170.05 | 233.17 |
| **Accumulated amortisation** | | | | |
| As at April 1, 2016 | 19.79 | - | 42.51 | 62.30 |
| For the year | 12.38 | - | 42.51 | 54.91 |
| **Closing Accumulated amortisation** | 32.17 | - | 85.02 | 117.19 |
| | | | | |
| **Net carrying amount as at March 31, 2017** | **30.95** | **-** | **85.03** | **115.98** |
| **Year ended March 31, 2016** | | | | |
| **Deemed Cost as at April 1, 2015** | 47.94 | - | 170.05 | 217.99 |
| Additions | 8.89 | - | - | 8.89 |
| **Closing Gross Block** | 56.83 | - | 170.05 | 226.88 |
| **Accumulated amortisation** | | | | |
| For the year | 19.79 | - | 42.51 | 62.30 |
| **Closing Accumulated amortisation** | 19.79 | - | 42.51 | 62.30 |
| | | | | |
| **Net carrying amount as at March 31, 2016** | **37.04** | **-** | **127.54** | **164.58** |
| **Year ended March 31, 2015** | | | | |
| **Gross carrying amount** | | | | |
| Cost as at April 1, 2014 | 77.43 | - | 297.58 | 375.01 |
| Additions | 18.55 | - | - | 18.55 |
| **Closing Gross Block** | 95.98 | - | 297.58 | 393.56 |
| **Accumulated amortisation** | | | | |
| As at April 1, 2014 | 30.52 | - | 85.02 | 115.54 |
| For the year | 17.52 | - | 42.51 | 60.04 |
| **Closing Accumulated amortisation** | 48.04 | - | 127.53 | 175.57 |
| | | | | |
| **Net carrying amount as at March 31, 2015** | **47.94** | **-** | **170.05** | **217.99** |
| **Year ended March 31, 2014** | | | | |
| **Gross carrying amount** | | | | |
| Cost as at April 1, 2013 | 76.64 | - | 297.58 | 374.22 |
| Additions | 0.79 | - | - | 0.79 |
| **Closing Gross Block** | 77.43 | - | 297.58 | 375.01 |
| **Accumulated amortisation** | | | | |
| As at April 1, 2013 | 14.14 | - | 42.51 | 56.65 |
| For the year | 16.38 | - | 42.51 | 58.89 |
| **Closing Accumulated amortisation** | 30.52 | - | 85.02 | 115.54 |
| | | | | |
| **Net carrying amount as at March 31, 2014** | **46.91** | **-** | **212.56** | **259.47** |
| **Year ended March 31, 2013** | | | | |
| Deemed Cost as at April 1, 2012 | 52.33 | - | 297.58 | 349.91 |
| Additions | 24.31 | - | - | 24.31 |
| **Closing Gross Block** | 76.64 | - | 297.58 | 374.22 |
| **Accumulated amortisation** | | | | |
| Taken over | 14.14 | - | 42.51 | 56.65 |
| **Closing Accumulated amortisation** | 14.14 | - | 42.51 | 56.65 |
| | | | | |
| **Net carrying amount as at March 31, 2013** | **62.50** | **-** | **255.07** | **317.57** |

3.1: To give effect to the Order of the Honorable High Court of Judicature at Bombay passed during the yeara as on March 31, 2012 regarding the scheme of Amalgamation of Godrej Gokarna Oil Palm Limited & Godrej Oil Palm Limited, the amortisation of Grant of Licenses are charged against the balance in the General Reserve Account.

3.2: On transition to Ind AS, the Company has elected to continue with the carrying value of all of its Intangible Assets recognised as at April 1, 2015 measured as per the previous Indian GAAP and use that carrying value as the deemed cost of the Intangible Assets. The Company has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Restated schedule for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012.

**Deemed cost as on 1 April 2015** **(Rs. In million)**

| **P A R T I C U L A R S** | **Computer Software** | **Technical Know-how Fees** | **Grant of Licenses** | **Total** |
|---|---|---|---|---|
| Gross Block as on 1 April 2015 | 119.77 | 20.00 | 425.12 | 564.89 |
| Accumulated Depreciation till 1 April 2015 | 71.83 | 20.00 | 255.07 | 346.90 |
| **Net Block treated as Deemed cost upon transition** | **47.94** | **-** | **170.05** | **217.99** |

**Deemed cost as on 1 April 2012** **(Rs. In million)**

| **P A R T I C U L A R S** | **Computer Software** | **Technical Know-how Fees** | **Grant of Licenses** | **Total** |
|---|---|---|---|---|
| Gross Block as on 1 April 2012 | 76.12 | 20.00 | 425.12 | 521.24 |
| Accumulated Depreciation till 1 April 2012 | 23.79 | 20.00 | 127.54 | 171.32 |
| **Net Block treated as Deemed cost upon transition** | **52.33** | **-** | **297.58** | **349.91** |

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note - 4 Biological Assets**

**A. Reconciliation of carrying amount**

**March 31, 2017** (Rs. in million)

| Particulars | Poultry | | Oil palm saplings | | Total |
|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2016 | - | - | 12,05,458 | 88.68 | 88.68 |
| Add: | | | | | |
| Purchases | - | - | 60,000 | 1.24 | 1.24 |
| Production/ Cost of Development | - | - | - | 4.22 | 4.22 |
| Less: | | | | | |
| Sales / Disposals | - | - | (6,53,286) | (46.58) | (46.58) |
| Change in fair value less cost to sell: | - | - | - | (0.86) | (0.86) |
| **Balance as at March 31, 2017** | **-** | **-** | **6,12,172** | **46.70** | **46.70** |

**March 31, 2016** (Rs. in million)

| Particulars | Poultry | | Oil palm saplings | | Total |
|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2015 | 3,25,469 | 18.13 | 12,94,667 | 105.23 | 123.36 |
| Add: | | | | | |
| Purchases | 14,013 | 2.53 | 4,92,200 | 17.81 | 20.34 |
| Production/ Cost of Development | 4,88,736 | 7.69 | - | 12.02 | 19.71 |
| Less: | | | | | |
| Sales/ Disposals | (8,28,218) | (30.11) | (5,81,409) | (45.27) | (75.38) |
| Change in fair value less cost to sell: | - | 1.76 | - | (1.11) | 0.65 |
| **Balance as at March 31, 2016** | **-** | **-** | **12,05,458** | **88.68** | **88.68** |

**March 31, 2015** (Rs. in million)

| Particulars | Poultry | | Oil palm saplings | | Plant Biotech | | Total |
|---|---|---|---|---|---|---|---|
| | Qty. | Amount | Qty. | Amount | Qty. | Amount | |
| Balance as April 1, 2014 | 2,74,280 | 21.64 | 20,44,696 | 156.27 | 11,486 | 6.38 | 184.29 |
| Add: | | | | | | | |
| Purchases | 10,563 | 1.89 | 1,25,000 | 2.52 | - | - | 4.41 |
| Production/ Cost of Development | 39,73,501 | 65.90 | - | 13.42 | - | - | 79.32 |
| Less: | | | | | | | |
| Sales/ Disposals | (39,32,875) | (68.97) | (8,75,029) | (61.13) | (11,486) | (5.92) | (136.02) |
| Change in fair value less cost to sell: | - | (2.34) | - | (5.84) | - | (0.46) | (8.64) |
| **Balance as at March 31, 2015** | **3,25,469** | **18.12** | **12,94,667** | **105.24** | **-** | **-** | **123.36** |

**March 31, 2014** **(Rs. in million)**

| **Particulars** | **Note** | **Poultry** | | **Oil palm saplings** | | **Plant Biotech** | | **Total** |
|---|---|---|---|---|---|---|---|---|
| | | **Qty.** | **Amount** | **Qty.** | **Amount** | **Qty.** | **Amount** | |
| Balance as April 1, 2013 | | 1,44,222 | 12.93 | 21,19,857 | 152.11 | 1,48,617 | 1.30 | 166.44 |
| Opening work in progress | | - | - | - | - | - | 12.45 | 12.45 |
| Add: | | | | | | | | |
| Purchases | | 39,682 | 6.12 | 11,69,000 | 59.37 | 3,465 | 0.02 | 65.51 |
| Production/ Cost of Development | | 34,34,566 | 63.56 | - | 46.96 | 52,55,737 | 46.86 | 157.28 |
| Less: | | | | | | | | |
| Change in workin progress | | - | - | - | - | - | (6.68) | (6.68) |
| Sales/ Disposals | | (33,44,190) | (62.25) | (12,44,161) | (85.41) | (53,96,333) | (45.65) | (193.31) |
| Change in fair value less cost to sell: | | - | 1.28 | - | (16.76) | - | (1.92) | (17.40) |
| **Balance as at March 31, 2014** | | **2,74,280** | **21.64** | **20,44,696** | **156.27** | **11,486** | **6.38** | **184.29** |

**March 31, 2013** **(Rs. in million)**

| **Particulars** | **Poultry** | | **Oil palm saplings** | | **Plant Biotech** | | **Total** |
|---|---|---|---|---|---|---|---|
| | **Qty.** | **Amount** | **Qty.** | **Amount** | **Qty.** | **Amount** | |
| **Balance as April 1, 2012** | **4,24,379** | **2.12** | **14,02,388** | **90.63** | **3,61,217** | **2.93** | **95.68** |
| Opening work in progress | - | - | - | - | - | 15.20 | **15.20** |
| Add: | | | | | | | |
| Purchases | 27,803 | 4.42 | 17,11,000 | 77.45 | 2,90,486 | 2.34 | **84.21** |
| Production/ Cost of Development | 11,95,923 | 7.56 | - | 55.09 | 55,06,430 | 38.75 | **101.40** |
| Less: | | | | | | | |
| Change in workin progress | - | - | - | - | - | (2.75) | **(2.75)** |
| Sales/ Disposals | (15,03,883) | (38.13) | (9,93,531) | (72.48) | (60,09,516) | (40.92) | **(151.53)** |
| Change in fair value less cost to sell: | - | 36.96 | - | 1.42 | - | (1.80) | **36.58** |
| **Balance as at March 31, 2013** | **1,44,222** | **12.93** | **21,19,857** | **152.11** | **1,48,617** | **13.75** | **178.79** |

The Group discontinued the poultry operations in 2015-16 and plant biotech operations in 2014-15.

**B. Measuement of Fair value**

**i. Fair Value hierarchy**
The fair value measurements for poultry and oil palm saplings has been categorised as Level 3 fair values based on the inputs to valuation technique used.

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

(Rs. in million)

| **Particulars** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| **Gain/(loss) included in 'other operating revenue'** | (0.86) | 0.65 | (8.64) | (17.41) | 36.59 |
| Change in fair value (realised) | (1.63) | (0.65) | (12.04) | (29.48) | 7.14 |
| Change in fair value (unrealised) | 0.77 | 1.30 | 3.40 | 12.07 | 29.45 |

**ii. Valuation techniques and significant unobservable inputs**

| Type | Valuation technique | Significant unobservable inputs | Inter-relationship between significant unobservable inputs and fair value measurement |
|---|---|---|---|
| Poultry stock - it comprises of parent chicken, eggs and livebirds | Discounted cashflows | 1. Estimated price of each component for parent chicken, eggs, and live birds<br>2. Discounting is not done considering the plan to sell the inventory in less than one year. | The estimated fair valuation would increase/(decrease) if<br>- Estimated price of each component of poultry stock was higher (lower)<br>- discounting is done for the expected cashflows |
| Oil Palm Saplings - it comprises the stock under cultivation | Cost approach and percentage completion method | 1. Estimated cost of completing the stock under cultivation per sapling/Plantlets | The estimated fair valuation would increase/(decrease) if<br>- Estimated cost to complete was lower (higher) |

**B. Risk Management strategies related to agricultural activities**

The group is exposed to the following risks relating to its plantations

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

**ii. Supply and demand risks**
The Group is exposed to risks arising from fluctuations in the price and sales volume of plants. When possible, the Group manages this risk by aligning its harvest volume to market supply and demand. Management performs regular industry trend analyses for projected harvest volumes and pricing.

**ii. Climate and other risks**
The Group's plantations are exposed to the risk of damage from climatic changes, diseases, forest fires and other natural forces. The Group has extensive processes in place aimed at monitoring and mitigating those risks, including regular forest health inspections and industry pest and disease surveys.

(Rs. in million)

| | Profit or (loss) March 31,2017 | | Profit or (loss) March 31,2016 | | Profit or (loss) March 31,2015 | | Profit or (loss) March 31,2014 | | Profit or (loss) March 31,2013 | |
|---|---|---|---|---|---|---|---|---|---|---|
| | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** | **10% increase** | **10% decrease** |
| **Cash flow sensitivity (net)** | (0.07) | 0.08 | (0.56) | 0.59 | (2.69) | (0.14) | (1.65) | 5.48 | (16.75) | 19.51 |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 5** | | | | | |
| **Non-current investments** | | | | | |
| **A. Investment in subsidiaries, joint ventures and associates** | | | | | |
| **(a) Investment in equity of subsidiaries** | | | | | |
| ***Quoted*** | | | | | |
| Astec LifeSciences Limited. | 2,340.65 | 2,106.65 | - | - | - |
| 1,08,37,139 (March 31, 2016: 1,04,34,880, March 31, 2015: Nil, March 31, 2014: Nil, March 31, 2013: Nil) Equity shares of Rs.10/- each. | | | | | |
| ***Unquoted*** | | | | | |
| Godrej Seeds & Genetics Limited | - | 0.54 | 0.54 | 0.54 | 0.50 |
| Nil (March 31, 2016: 54,000, March 31, 2015: 54,000, March 31, 2014: 54,000, March 31, 2013: 50,000) Equity shares of Rs.10/- each. | | | | | |
| Godvet Agrochem Limited | 99.50 | 99.50 | 60.50 | 0.50 | - |
| 99,50,000 (March 31, 2016: 99,50,000, March 31, 2015: 60,50,000, March 31, 2014: 50,000, March 31, 2013: Nil) Equity shares of Rs.10/- each. | | | | | |
| Goldmuhor Agrochem and Feeds Limited | - | - | - | - | 10.51 |
| Nil (March 31, 2016: Nil, March 31, 2015: Nil, March 31, 2014: Nil, March 31, 2013: 50,000) Equity shares of Rs.10/- each. | | | | | |
| Creamline Dairy Products Limited. | 1,620.72 | 1,620.72 | - | - | - |
| 58,79,008 (March 31, 2016: 58,79,008) Equity shares of Rs.10/- each. | | | | | |
| Golden Feed Products Limited | - | - | - | - | 30.50 |
| Nil (March 31, 2016: Nil, March 31, 2015: Nil, March 31, 2014: Nil, March 31, 2013: 3,050,000) Equity shares of Rs.10/- each. | | | | | |
| **(b) Investment in equity of associates** | | | | | |
| ***Unquoted*** | | | | | |
| Polchem Hygiene Laboratories Private Limited | - | - | 16.28 | 16.28 | 16.28 |
| Nil (March 31, 2015, March 31, 2014 & March 31, 2013 4,55,000) Equity Shares of Rs. 10/- each | | | | | |
| Al Rahaba International Trading Limited Liability Company | 0.43 | 0.43 | 0.43 | 0.43 | 0.43 |
| 24 (March 31, 2016, March 31, 2015 & March 31, 2014 & March 31, 2013 24) Equity Shares of AED. 1500/- each | | | | | |
| Creamline Dairy Products Limited | - | - | 103.80 | 103.80 | 103.80 |
| Classified as Subsidiary during March 31, 2017 & March 3, 2016. March 31, 2015, March 31, 2014 and March 31, 2013 2,671,993 Equity Shares of Rs. 10/- each | | | | | |
| Aaadhar wholesale Trading and Distribution Limited (Formerly known as Aadhaar Retailing Limited) | - | - | - | - | 326.70 |
| Nil (March 31, 2014 7,195,400 and March 31, 2013 6,800,000 Equity Shares of Rs. 10/- each | | | | | |
| **(c) Investment in equity of joint venture** | | | | | |
| ***Unquoted*** | | | | | |
| Godrej Tyson Foods Limited | 660.27 | 660.27 | 660.27 | 660.27 | 660.27 |
| 97,461 (March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 97,461) Equity Shares of Rs.10/- each | | | | | |
| ACI Godrej Agrovet Private Limited | 125.81 | 125.81 | 124.86 | 124.86 | 124.86 |
| 1,850,000 (March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 1,850,000) Equity Shares of Rs.10/- each | | | | | |
| Omnivore India Capital Trust | 212.46 | 187.47 | 124.96 | 87.50 | 45.00 |
| 2125 (March 31, 2016 1875, March 31, 2015 1250, March 31, 2014 875 and March 31, 2013 450) Units of Rs. 1,00,000/- each | | | | | |
| | **5,059.84** | **4,801.39** | **1,091.64** | **994.18** | **1,318.85** |
| **B. Other investments** | | | | | |
| **a. Investments at fair value through profit or loss** | | | | | |
| ***Unquoted*** | | | | | |
| Investments in Equity Instruments | 0.01 | 0.01 | - | - | 2.50 |
| Investment in Limited Liability Partnership | - | - | 0.05 | 0.05 | 0.05 |
| Investments in Co-operative society | 0.03 | 0.03 | 0.03 | 0.03 | 0.00 |
| **b. Investment in Preference Shares (Fully paid, unquoted, valued at cost)** | | | | | |
| Godvet Agrochem Limited | - | - | 35.00 | - | 2.50 |
| | **0.04** | **0.04** | **35.08** | **0.08** | **5.05** |
| **TOTAL** | **5,059.88** | **4,801.43** | **1,126.72** | **994.26** | **1,323.90** |

Annexure VI - Notes to Restated Standalone Financial Information

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 5.1** | | | | | |
| Aggregate amount of quoted investment | 2,340.65 | 2,106.65 | - | - | - |
| Market value of quoted investment | 6,539.40 | 2,062.98 | - | - | - |
| Aggregate amount of unquoted investments | 2,719.24 | 2,694.77 | 1,126.72 | 994.26 | 1,323.90 |

**Note No. 5.2**

| Name of subsidiary,associalte and joint ventures | - Place of business | % of holding | % of holding | % of holding | % of holding | % of holding |
|---|---|---|---|---|---|---|
| 1. Godvet Agrochem Limited | -Mumbai | 100.00 | 100.00 | 100.00 | 100.00 | 100.00 |
| 2. Godrej Seeds & Genetics Limited | -Mumbai | - | 90.00 | 90.00 | 90.00 | 100.00 |
| 3. Astec Lifescience Limited | -Mumbai | 55.54 | 53.64 | - | - | - |
| 4. Creamline Dairy Products Limited<br>Classified as current during April 1,2015 | -Hyderabad | 51.91 | 51.91 | 26.00 | 26.00 | 26.00 |
| 5. ACI Godrej Agrovet Private Limited | -Dhaka, Bangladesh | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 |
| 6. Godrej Tyson Foods Limited | -Mumbai | 49.00 | 49.00 | 49.00 | 49.00 | 49.00 |
| 7. Al Rahaba International Trading Limited Liability | -Abu Dhabi, UAE. | 24.00 | 24.00 | 24.00 | 24.00 | 24.00 |
| 8. Polchem Hygiene Laboratories Private Limited<br>Classified as current during the year ended March 31,2016 | -Mumbai | - | 26.00 | 26.00 | 26.00 | 26.00 |
| 9. Aaadhar wholesale Trading and Distribution Limited<br>(Formally known as Aadhaar Retailing Limited) | -Mumbai | - | - | - | 19.77 | 19.77 |
| 10. Goldmuhor Agrochem and Feeds Limited | -Mumbai | - | - | - | - | 100.00 |
| 11. Golden Feed Products Limited | -Mumbai | - | - | - | - | 100.00 |

Investment in units of Omnivore India Capital Trust, a venture capital organization, is considered as a joint venture as the Company participates in the key activities jointly with the Investment Manager.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 6** | | | | | |
| **Non-current Financial assets- Trade receivables** | | | | | |
| Unsecured and considered doubtful | 77.78 | 42.45 | 20.80 | 31.79 | 28.99 |
| Less : Allowances for Doubtful Receivables | (77.78) | (42.45) | (20.80) | (31.79) | (28.99) |
| **TOTAL** | - | - | - | - | - |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 7** | | | | | |
| **Non-current Financial assets- Loans** | | | | | |
| **Unsecured, considered good (unless otherwise stated)** | | | | | |
| Security deposits | | | | | |
| Considered good | 103.88 | 94.78 | 97.09 | 84.88 | 85.01 |
| Considered doubtful | 2.26 | 0.76 | 0.26 | 0.26 | 2.30 |
| Less : Allowance for bad and doubtful loans and advances | (2.26) | (0.76) | (0.26) | (0.26) | (2.30) |
| Net Deposits | 103.88 | 94.78 | 97.09 | 84.88 | 85.01 |
| Loan to ESOP Trust of Holding Company | - | - | - | - | 109.70 |
| Loans and advances to related parties (Refer Note No.57) | - | - | - | - | 19.70 |
| Loan to Employees | 5.12 | 5.01 | 3.75 | 4.10 | 3.94 |
| **TOTAL** | **109.00** | **99.79** | **100.84** | **88.98** | **218.35** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 8** | | | | | |
| **Non-current Financial assets- Others** | | | | | |
| Claims receivable | 14.61 | 15.90 | 15.30 | 14.67 | 14.72 |
| Interest accrued but not due on fixed deposits (unsecured) - non -current | 0.52 | 0.41 | 0.33 | 0.01 | 0.20 |
| Bank Deposit with more than 12 months maturity | 2.36 | 1.04 | 2.09 | 2.74 | 1.48 |
| Other advances | - | - | - | 0.10 | 0.05 |
| **TOTAL** | **17.49** | **17.35** | **17.72** | **17.52** | **16.45** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 9** | | | | | |
| **Other non-current assets** | | | | | |
| Capital advances | 100.90 | 78.29 | 99.60 | 80.01 | 200.56 |
| Balance with Government Authorities | 35.54 | 32.48 | 35.17 | 27.25 | 0.48 |
| Share Application money pending for Allotment | - | - | - | 60.00 | 5.00 |
| Others | | | | | |
| Considered good | 44.43 | 28.83 | 38.76 | 8.51 | 7.06 |
| Considered doubtful | 1.98 | 1.91 | 1.89 | - | 6.05 |
| Less : Allowance for bad and doubtful loans and advances | (1.98) | (1.91) | (1.89) | - | (6.05) |
| **TOTAL** | **180.87** | **139.60** | **173.53** | **175.77** | **213.10** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 10** | | | | | |
| **Inventories** | | | | | |
| (Valued at lower of cost and net realizable value) | | | | | |
| Raw materials | 3,671.50 | 3,714.89 | 2,416.09 | 2,169.21 | 1,932.79 |
| Raw Materials in Transit | - | 20.58 | 0.24 | - | 5.78 |
| Work-in-Progress | - | - | 230.23 | 40.14 | 43.32 |
| Finished goods | 650.76 | 745.38 | 621.94 | 440.09 | 318.92 |
| Project in progress | 607.19 | - | - | - | - |
| Stock-in-Trade (Refer Note No. 33.1) | 642.46 | 580.06 | 491.91 | 445.41 | 253.06 |
| Stock-in-Trade in Transit | - | - | - | - | 0.36 |
| Stores and Spares | 158.53 | 167.49 | 109.56 | 92.26 | 80.61 |
| **TOTAL** | **5,730.44** | **5,228.40** | **3,869.97** | **3,187.11** | **2,634.84** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 11** | | | | | |
| **Current financial assets- Investments** | | | | | |
| **A. Investment in Equity of associate** | | | | | |
| ***Unquoted*** | | | | | |
| Polchem Hygiene Laboratories Private Limited | - | 16.28 | - | - | - |
| March 31, 2015: 4,55,000 Equity shares of Rs. 10/- each | | | | | |
| **B. Other investments** | | | | | |
| **Investments at fair value through profit or loss** | | | | | |
| Investments in Equity Instruments | | | | | |
| *Quoted* | | | | | |
| Future Consumer Enterprises Limited | - | - | 366.11 | - | - |
| March 31, 2015: 3,02,56,870 Equity shares of Rs. 6/- each | | | | | |
| **TOTAL** | **-** | **16.28** | **366.11** | **-** | **-** |
| **Note 11.1** | | | | | |
| Aggregate amount of quoted investment | - | - | 366.11 | - | - |
| Market value of quoted investment | - | - | 366.11 | - | - |
| Aggregate amount of unquoted investments | - | 16.28 | - | - | - |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 12** | | | | | |
| **Trade receivables** | | | | | |
| Secured and considered good (Refer Note 12.1) | 754.46 | 802.50 | 777.66 | 632.51 | 438.06 |
| Unsecured and considered good | 3,319.99 | 2,859.20 | 1,890.15 | 1,611.67 | 1,341.62 |
| **TOTAL** | **4,074.45** | **3,661.70** | **2,667.81** | **2,244.18** | **1,779.68** |

Note No. 12.1: Secured by Security Deposits collected from customers or Bank Guarantees held against them.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 13** | | | | | |
| **Cash and cash equivalents** | | | | | |
| Balances with Banks: | | | | | |
| On Current Accounts | 329.85 | 168.56 | 101.33 | 82.21 | 130.62 |
| Deposit Account (Maturity less than Three months) | - | - | - | 1,000.00 | - |
| Saving Bank Account of Company's ESOP Trust | 7.72 | 0.46 | 0.94 | 5.41 | 0.13 |
| Cheques, Drafts on Hand | 29.90 | 16.58 | 3.82 | 33.01 | 66.81 |
| Cash on hand | 6.25 | 9.05 | 12.23 | 10.64 | 12.16 |
| **TOTAL** | **373.72** | **194.65** | **118.32** | **1,131.27** | **209.72** |

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 14** | | | | | |
| **Bank Balances Other Than Cash and Cash Equivalents** | | | | | |
| Deposit with more than 3 months but less than 12 months maturity | 70.90 | 67.33 | 44.53 | 6.42 | 6.41 |
| **TOTAL** | **70.90** | **67.33** | **44.53** | **6.42** | **6.41** |

Note No. 14.1: Fixed deposits pledged with Banks for Gurantees issued, during the year as on March 31, 2017 Rs.7.70 Mn, March 31, 2016 Rs.2.72 Mn , March 31, 2015 Rs. 2.65 Mn, March 31, 2014 Rs.2.62 Mn and March 31, 2013 Rs.0.01 Mn.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 15** | | | | | |
| **Current Financial assets- Loans** | | | | | |
| **Unsecured, Considered Good, Unless Otherwise Stated** | | | | | |
| Loans and advances to related parties (Refer Note No.57) | 6.36 | 57.33 | 34.44 | 41.93 | 39.46 |
| Loans and advances to employees | 5.36 | 5.15 | 3.57 | 3.90 | 2.50 |
| Loan to ESOP Trust of Holding Company | | | | | |
| Considered good | 163.38 | 556.02 | 598.59 | 613.56 | 512.64 |
| Considered doubtful | - | 200.00 | 200.00 | 200.00 | 200.00 |
| Less : Provision for Doubtful Advance (Refer Note xx) | - | (200.00) | (200.00) | (200.00) | (200.00) |
| Net Loan to ESOP Trust of Holding Company | 163.38 | 556.02 | 598.59 | 613.56 | 512.64 |
| Intercorporate Deposits | 98.85 | 716.83 | 359.03 | 249.00 | 185.00 |
| Deposits | 5.83 | 5.20 | 4.04 | 20.17 | 1.27 |
| Advances Recoverable in cash or kind | 63.75 | 30.92 | 28.38 | 21.92 | 25.90 |
| **TOTAL** | **343.53** | **1,371.45** | **1,028.05** | **950.48** | **766.77** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 16** | | | | | |
| **Current Financial assets- Others** | | | | | |
| Interest Accrued on Inter-Corporate Deposits | 0.67 | 84.88 | 54.53 | 31.53 | 17.03 |
| Interest on Bank Fixed Deposit | 0.35 | 0.51 | 0.40 | 1.50 | - |
| Interest Accrued on other Deposits | 0.21 | 0.20 | 0.19 | 0.25 | - |
| Non-Trade Receivables | 73.87 | 388.18 | 30.84 | 30.84 | - |
| Other Income Accrued | 29.65 | 75.13 | 50.85 | 43.27 | 22.78 |
| Derivative Asset | - | - | - | - | 5.30 |
| **TOTAL** | **104.75** | **548.90** | **136.81** | **107.39** | **45.11** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 17** | | | | | |
| **Other current assets** | | | | | |
| Advances to suppliers | 150.02 | 107.63 | 184.94 | 85.97 | 255.86 |
| Balance with government authorities | 25.45 | 46.46 | 40.51 | 44.86 | 20.91 |
| Others | 246.58 | 161.43 | 127.67 | 98.57 | 72.14 |
| TOTAL | **422.05** | **315.52** | **353.12** | **229.40** | **348.91** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 18** | | | | | |
| **Share Capital** | | | | | |
| a **Authorised :** | | | | | |
| 22,49,94,000 (March 31, 2016: 9,99,94,000, March 31, 2015: 1,00,000,000, March 31, 2014: 50,150,000, March 31, 2013: 50,150,000) Equity Shares of Rs. 10 each | 2,249.94 | 999.94 | 1,000.00 | 501.50 | 501.50 |
| (b) 6000 (as at March 31 , 2016 6,000) Preference shares of the par value of Rs. 10 each | 0.06 | 0.06 | - | - | - |
| **TOTAL** | **2,250.00** | **1,000.00** | **1,000.00** | **501.50** | **501.50** |
| b **Issued, Subscribed and Paid-up:** | | | | | |
| 185,130,876 (9,25,65,438 as at March 31,2016 and March 31, 2015, 13,223,634 as at March 31, 2014 and March 31, 2013) Equity shares of Rs. 10 each fully paid up were issued | 1,851.31 | 925.65 | 925.65 | 132.24 | 132.24 |
| **TOTAL** | **1,851.31** | **925.65** | **925.65** | **132.24** | **132.24** |

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

| **Equity shares :** | **No. of shares** | **(Rs. in million) Amount** |
|---|---|---|
| Outstanding at the beginning of the year as at April 1, 2012 | 121,18,752 | 121.19 |
| Issued during the year | | |
| Equity Shares of Rs.10 each fully paid to V-Sciences Investments Pte Ltd | 5,18,118 | 5.18 |
| Equity Shares of Rs.10/- each fully paid to the Company's ESOP Trust. | 5,86,764 | 5.87 |
| **Outstanding as at year ended March 31, 2013** | **132,23,634** | **132.24** |
| Issued during the year | - | - |
| **Outstanding as at year ended March 31, 2014** | **132,23,634** | **132.24** |
| Issued during the year | | |
| Bonus shares issued | 793,41,804 | 793.41 |
| **Outstanding as at year ended March 31, 2015** | **925,65,438** | **925.65** |
| Issued during the year | - | - |
| **Outstanding as at year ended March 31, 2016** | **925,65,438** | **925.65** |
| Issued during the year | | |
| Bonus shares issued | 925,65,438 | 925.66 |
| **Outstanding as at year ended March 31, 2017** | **1851,30,876** | **1,851.31** |

d **Rights, preferences and restrictions attached to Equity shares**

i **Equity Shares:** The Company has one class of Equity shares having a par value of Rs. 10 per share. Each Share holder is eligible for one vote per share held. All Equity Shareholders are eligible to receive dividends in proportion to their shareholdings. The dividends proposed by the Board of Directors are subject to the approval of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation, the Equity Shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their share holding.

ii **Preference Shares:** The Company has Non-Convertible Redeemable Preference Shares having a par value of Rs. 10 per share. Each eligible Shareholder is entitled for 8% dividend on par value of shares. In the event of liquidation, Preference Shareholders have preferential right on the asset over Equity Shareholders.

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

| **Equity shares** | **No. of shares** | **%** |
|---|---|---|
| **As at March 31, 2017** | | |
| Godrej Industries Limited (the holding Company) | 1178,78,964 | 63.67% |
| V-Sciences Investments Pte Ltd | 370,07,698 | 19.99% |
| **As at March 31, 2016** | | |
| Godrej Industries Limited (the holding Company) | 562,86,482 | 60.81% |
| V-Sciences Investments Pte Ltd | 185,03,849 | 19.99% |
| **As at March 31, 2015** | | |
| Godrej Industries Limited (the holding Company) | 562,86,482 | 60.81% |
| V-Sciences Investments Pte Ltd | 185,03,849 | 19.99% |
| **As at March 31, 2014** | | |
| Godrej Industries Limited (the holding Company) | 80,40,921 | 60.81% |
| V-Sciences Investments Pte Ltd | 26,43,407 | 19.99% |
| **As at March 31, 2013** | | |
| Godrej Industries Limited (the holding Company) | 84,19,921 | 63.67% |
| V-Sciences Investments Pte Ltd | 26,43,407 | 19.99% |

f There are no shares reserved for issue under options.

g There are no calls unpaid on equity shares.

h No equity shares have been forfeited.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 19** | | | | | |
| **Other Equity** | | | | | |
| Share Premium Account | 1,298.99 | - | - | - | - |
| General Reserve | 10.87 | 37.26 | 65.84 | 98.71 | 200.50 |
| Debenture Redemption Reserve | - | 187.50 | - | - | - |
| Employee Stock Options Outstanding | - | 1,061.42 | 947.76 | 833.88 | 720.41 |
| Reserve for employee compensation expenses | - | 238.98 | 352.64 | 466.52 | 379.99 |
| Cash Flow hedging reserve | 21.00 | - | - | - | - |
| Profit & Loss Account | 5,844.00 | 4,533.18 | 3,630.47 | 3,337.91 | 2,760.44 |
| Treasury stock | - | (5.87) | (5.87) | (5.87) | (5.87) |
| | **7,174.86** | **6,052.47** | **4,990.84** | **4,731.15** | **4,055.47** |

**Share Premium Account**

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

**Debenture Redemption Reserve**

The Company is required to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures.

**Employee Stock Options Outstanding**

The employee share options outstanding account is used to recognise grant date fair value of options issued to employees under the Company's stock option plan.

**Reserve for employee compensation expenses**

This reserve was created to give effect to the Honorable Bombay High Court's orders dated March 8, 2013 and September 20, 2013 (refer Note no. 59 (b)(iii)). The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for employee compensation expense.

**Cash Flow hedging reserve**

The Company uses hedging instruments as part of its management of foreign currency risk associated with foreign currency borrowings. For hedging foreign currency risk, the Company used foreign currency forward contracts which are designated as cash flow hedges. To the extent these hedges are effective, the change in fair value of the hedging instrument is recognised in the cash flow hedge reserve. Amounts recognised in the cash flow hedge reserve is reclassified to statement of profit & loss when the hedged item affects the profit & loss.

**Treasury stock**

Equty share reserve for ESOP Scheme (Refefer Note. 40)

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 20** | | | | | |
| **Non-current financial liabilities- borrowings** | | | | | |
| **Unsecured** | | | | | |
| Term loans from banks (Refer Note No. 20.1) | - | - | 680.00 | 1,600.00 | 1,000.00 |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each (Refer Note No. 18. d.ii) | 0.06 | 0.06 | - | - | - |
| Deferred Sales Tax Loan (Refer Note No. 20.2) | 25.82 | 26.78 | 39.34 | 42.44 | 46.40 |
| Deferred payment liablities (Refer Note No. 20.3) | 41.19 | 42.07 | - | - | - |
| **TOTAL** | **67.07** | **68.91** | **719.34** | **1,642.44** | **1,046.40** |

Note. No. 20.1 : During the Financial year 2014-15, Term Loans from Banks are at an Interest Rate of 9.80% to 10.75%. These loans were repayable after 13 months - Rs. 500.00 Mn, after 36 months - Rs. 180.00 Mn.

During the Financial year 2013-14, Term Loans from Banks are at an Interest Rate of 10.20% to 10.50%. These loans are repayable after 13 months - Rs. 450.00 Mn, after 18 months - Rs. 750.00 Mn and after 36 Months - Rs. 400.00 Mn.

During the Financial year 2012-13, Term Loans from Banks are at an Interest Rate of 9.99 % to 10.50%. These loans are repayable after 13 months - Rs. 500.00 Mn and after 18 months - Rs. 500.00 Mn.

Note No. 20.2 : Deferred Sales Tax Loan is availed interest free under the scheme floated by the Directorate of Industries, Government of Andhra Pradesh. Loan repayment shall be performed on an annual basis 14 years from the year of collection, commencing from March 2014 up to March 2021. Total loan availed was Rs. 46.67 Mn, given below schedule shows the outstanding and current maturity for all the years.

| Year | Outstanding Amount | Current maturity |
|---|---|---|
| 2016-17 | 37.68 | 3.52 |
| 2015-16 | 39.34 | 1.66 |
| 2014-15 | 42.44 | 3.11 |
| 2013-14 | 45.15 | 2.71 |
| 2012-13 | 46.67 | 0.27 |

Note No.20.3: Deferred Loan against acquisition of Lease hold Land is availed at interest rate 14% under the scheme floated by the Directorate of Industries, Government of Uttar Pradesh. Loan repayment shall be performed on an Six monthly (period) basis 6 years from 1st July 2016 up to 1st Jan 2022. Total loan availed was Rs.61.77 Mn and outstanding for the year 2016-17 was Rs.51.48 Mn with current maturity disclosed separately in note no. 26 (ii) at Rs. 10.30 Mn .

Annexure VI - Notes to Restated Standalone Financial Information

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 21** | | | | | |
| **Other non-current financial liabilities** | | | | | |
| Liability towards beneficiaries of Company's ESOP Trust | - | 65.37 | 44.60 | 11.15 | - |
| Preference dividend payable | 0.01 | 0.00 | - | - | - |
| Tax on preference dividend payable (Refer Note No. 18. d. ii) | 0.00 | 0.00 | - | - | - |
| **Total** | **0.01** | **65.37** | **44.60** | **11.15** | **-** |

Preference Dividend payable of Rs. 4799 and Rs. 763 as at March 31, 2017 and March 31, 2016 respectively corresponding tax on distributed profit Rs. 1068 and Rs. 169 provided for year ended March 31, 2017 and March 31, 2016 respectively.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 22** | | | | | |
| **Non-current libility- Provision** | | | | | |
| Provision for employee benefits : | | | | | |
| - Provision for gratuity | - | - | 1.63 | 0.81 | 0.50 |
| - Provision for compensated absences | 30.96 | 18.35 | 14.24 | 16.35 | 16.11 |
| **Total** | **30.96** | **18.35** | **15.87** | **17.16** | **16.61** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 23** | | | | | |
| **Other non-current liabilities** | | | | | |
| Deferred grant | 132.53 | 123.97 | 72.04 | 70.86 | 7.82 |
| **Total** | **132.53** | **123.97** | **72.04** | **70.86** | **7.82** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 24** | | | | | |
| **Current Financial Liablities - Borrowings** | | | | | |
| **Secured** | | | | | |
| Cash credit from banks (Refer Note 24.1) | - | 208.91 | - | - | - |
| **Unsecured** | | | | | |
| Term loans from Banks (Refer Note 24.2) | 1,703.32 | 7,112.24 | 4,511.18 | 4,513.78 | 3,704.63 |
| Commercial papers (Refer Note 24.3) | 2,750.00 | 4,000.00 | 1,250.00 | - | - |
| Cash credit (Refer Note 24.1) | 296.43 | 85.45 | 362.43 | 39.13 | - |
| **Total** | **4,749.75** | **11,406.59** | **6,123.61** | **4,552.91** | **3,704.63** |

Note No. 24.1: Cash Credit from banks are repayable on demand and carries interest during the year ended March 31st 2017 at 9.55% to 11.85 %, March 31st 2016 at 9.65% to 10.50%, March 31st 2015 at 10.35% to 13.65%, March 31st 2014 at 10% to 14.75%, March 31st 2013 at 10.20% to 14.75%. This cash credit fom Bank is secured against inventories and receivables.

Note No. 24.2: Term Loans from Banks as at year ended March 31st 2017 are at an Interest Rate of 5.96% to 13.60 %., March 31st 2016 at 8.5% to 13.6%, March 31st 2015 at 9.25% to 10.25%, 31st march 2014 at 8.11% to 10.93% and March 31st 2013 at 10.25% to 10.45%.These loans are repayable on different dates upto 3 months from the date of the Financial Statements

Note No. 24.3: As at year ended March 31st 2017 Commercial Papers carries interest rate of 5.95% to 8.85% and March 31st 2016 7.15% to 9.15% , March 31st 2015 8.14% to 9.05%, March 31st 2014 8.11% to 10.93% and March 31st 2013 8.03% to 10.25% respectively.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 25** | | | | | |
| **Current -Trade Payables** | | | | | |
| Due to Micro, Small and Medium Enterprises (Refer Note No. 25.1) | - | - | - | 0.43 | - |
| Others | 2,181.83 | 2,074.97 | 2,042.35 | 2,263.96 | 1,818.24 |
| Acceptances | 5,281.02 | 266.78 | 80.88 | 30.24 | - |
| **Total** | **7,462.85** | **2,341.75** | **2,123.23** | **2,294.63** | **1,818.24** |

Note. No. 25.1 Details of due to Micro, Small and Medium Enterprises

| | | | | | |
|---|---|---|---|---|---|
| A Principal amount remaining unpaid | - | - | - | 0.43 | - |
| B Interest due thereon | - | - | - | - | - |
| C Interest paid by the company in term of section 16 of the Micro, Small and Med 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 period of delay in making payment ( which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006 | - | - | - | - | - |
| E Interest accrued and remaining unpaid | - | - | - | - | - |
| F Further interest remaining due and payable even in the succeeding years, until s date when the interest dues as above are actually paid to the small enterprise | - | - | - | - | - |

**Annexure VI - Notes to Restated Standalone Financial Information**

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 26** | | | | | |
| **Other financial liabilities** | | | | | |
| Current maturities of long-term debt | | | | | |
| Unsecured Loan | | | | | |
| Debentures -750 (Previous year Nil) 8.63% Unsecured Non-convertible Debentures of Rs.10,00,000 each (Refer Note No.26.1) | - | 748.93 | - | - | - |
| Deferred Sales Tax Loan (Refer Note No. 20.2) | 3.51 | 1.66 | 3.11 | 2.70 | 0.27 |
| Deferred payment liablities | 10.30 | 10.30 | - | - | - |
| Security Deposit | 547.74 | 548.75 | 531.54 | 435.87 | 246.26 |
| Amount due for payment to Gratuity Fund | 42.06 | 35.38 | 28.89 | 9.09 | 23.45 |
| Non Trade Payables | 145.90 | 167.34 | 113.15 | 124.79 | 111.33 |
| Interest accrued but not due on borrowings | 3.39 | 38.21 | 2.09 | 7.33 | 4.35 |
| Derivative liability | 4.48 | 2.84 | 0.79 | 21.25 | 0.33 |
| Liabilities towards beneficiaries of companies ESOP Trust | 69.48 | - | - | - | - |
| Others | 435.51 | 243.65 | 367.98 | 519.26 | 402.93 |
| **Total** | **1,262.37** | **1,797.06** | **1,047.55** | **1,120.29** | **788.92** |

Note. No. 26.1: As at year ended March 31st 2016, 8.63% Debentures are redeemable at par at the end of 15 Months from the date of allotment, viz., December 7, 2016.

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 27** | | | | | |
| **Other current liabilities** | | | | | |
| Advances from Customers | 244.79 | 322.56 | 232.60 | 284.61 | 189.86 |
| Employee Deductions | 0.86 | 0.91 | 10.48 | 9.14 | 8.30 |
| Statutory Liabilities | 64.06 | 49.29 | 24.47 | 28.29 | 29.73 |
| Deferred Grant- Current | 10.68 | 9.85 | 5.17 | 3.80 | 0.52 |
| **Total** | **320.39** | **382.61** | **272.72** | **325.84** | **228.41** |

(Rs. in million)

| Particulars | As at March 31, 2017 | As at March 31, 2016 | As at March 31, 2015 | As at March 31, 2014 | As at March 31, 2013 |
|---|---|---|---|---|---|
| **Note 28** | | | | | |
| **Current Liablities - Provisions** | | | | | |
| Provision for employee benefits | | | | | |
| - Provision for compensated absences | 3.28 | 2.48 | 4.60 | 5.53 | 2.96 |
| Provision for sales return | 203.65 | 121.25 | 115.36 | 96.87 | 67.26 |
| **Total** | **206.93** | **123.73** | **119.96** | **102.40** | **70.22** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 29** | | | | | |
| **Revenue from operations** | | | | | |
| A **Sale of products** | 35,920.46 | 33,438.73 | 32,841.02 | 30,809.70 | 27,391.19 |
| B **Other operating revenue** | | | | | |
| Sale of Scrap and Empties | 240.94 | 220.51 | 234.77 | 200.12 | 181.22 |
| Change in fair value of biological assets | (0.86) | 0.65 | (8.64) | (17.41) | 36.59 |
| **Other operating revenue** | 240.08 | 221.16 | 226.13 | 182.71 | 217.81 |
| **Total Other operating income** | **36,160.54** | **33,659.89** | **33,067.15** | **30,992.41** | **27,609.00** |
| **Note No. 29.1: Details of Sale- Traded and manufactured** | | | | | |
| Sale of manufactured products | 33,856.45 | 31,507.24 | 31,159.65 | 28,607.08 | 25,803.86 |
| Sale of traded products | 2,064.01 | 1,931.49 | 1,681.37 | 2,202.62 | 1,587.33 |
| **Total Sale of products** | **35,920.46** | **33,438.73** | **32,841.02** | **30,809.70** | **27,391.19** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 30** | | | | | |
| **Other Income** | | | | | |
| **Interest Income** | | | | | |
| ***Interest received on instruments measured at amortised cost*** | | | | | |
| Interest received on Deposits | 31.38 | 78.83 | 41.09 | 28.21 | 26.14 |
| Interest Received on ESOP Loan | 71.71 | - | - | - | - |
| Interest received from Income Tax | - | - | 0.02 | - | - |
| **Dividend Income** | | | | | |
| Dividend received | | | | | |
| - from associate | - | 19.02 | 6.25 | 8.93 | 7.50 |
| - from others | 0.00 | 0.00 | 0.00 | - | - |
| Profit on sale of Fixed Assets (net) | 13.32 | 48.88 | 5.27 | 19.57 | - |
| Profit on sale of Investments (net) | 293.76 | 257.19 | - | - | 0.08 |
| Claims received | 3.63 | 4.74 | 3.41 | 7.87 | 0.57 |
| Recovery of Bad Debts written off | 2.89 | 4.16 | 10.18 | 7.60 | 2.67 |
| Royalty & Technical Knowhow | 24.75 | 28.45 | 19.70 | 12.90 | 3.70 |
| Other Miscellaneous Income and Income from R & D Center | 81.55 | 89.66 | 58.03 | 61.79 | 67.62 |
| Grant amortization | 8.11 | 8.70 | 4.73 | 0.95 | 0.45 |
| Guarantee commision | - | 0.95 | 1.07 | 1.05 | 0.85 |
| **TOTAL** | **531.10** | **540.58** | **149.75** | **148.87** | **109.58** |

INR 0.00 represents Dividend received of Rs. 3750 during the year ended March 31, 2017, Rs.3750 during the year ended 31.03.2016 and RS.2500 and March 31, 2015 respectively.

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 31** | | | | | |
| **Cost of materials consumed** | | | | | |
| Raw Material Stocks at the Commencement of the Year | 3,735.47 | 2,416.33 | 2,169.21 | 1,938.57 | 1,312.00 |
| Add : Purchases | 26,389.65 | 26,419.65 | 25,311.69 | 23,515.12 | 22,178.45 |
| Less : Raw Material sold | (64.47) | (36.84) | (6.54) | - | - |
| Less: Raw Material Stocks at the Close of the Year | (3,671.50) | (3,735.47) | (2,416.33) | (2,169.21) | (1,938.57) |
| Adjustment on merger of Non-trade division of GSGL | | (22.03) | | | |
| **Total Cost of Raw Material Consumed** | **26,389.15** | **25,041.64** | **25,058.03** | **23,284.48** | **21,551.88** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 32** | | | | | |
| **Purchase of stock-in-trade** | | | | | |
| Agri inputs | 1,836.05 | 1,745.22 | 1,359.87 | 1,380.94 | 964.41 |
| Animal Feeds | - | - | 61.10 | 688.45 | 225.25 |
| **TOTAL** | **1,836.05** | **1,745.22** | **1,420.97** | **2,069.39** | **1,189.66** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 33** | | | | | |
| **Changes In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade** | | | | | |
| **Stocks at the Commencement of the Year** | | | | | |
| Finished Goods | 745.38 | 621.94 | 440.09 | 318.92 | 242.16 |
| Work In Progress | - | 230.23 | 40.14 | 43.32 | 4.86 |
| Poultry Stock | - | 18.12 | 21.64 | 12.93 | 2.12 |
| Stock under cultivation | 88.68 | 105.24 | 162.65 | 165.87 | 108.76 |
| Stock-in-Trade | 580.06 | 491.91 | 445.41 | 253.42 | 181.46 |
| Total Stock at the commencement of the Year | 1,414.13 | 1,467.44 | 1,109.93 | 794.46 | 539.36 |
| Adjustment on merger of Non-trade division of GSGL | | (301.57) | | | |
| **Less : Stocks at the Close of the Year** | | | | | |
| Finished Goods | 650.76 | 745.38 | 621.94 | 440.09 | 318.92 |
| Work In Progress | - | - | 230.23 | 40.14 | 43.32 |
| Poultry Stock | - | - | 18.12 | 21.64 | 12.93 |
| Stock under cultivation | 46.70 | 88.68 | 105.24 | 162.65 | 165.87 |
| Stock-in-Trade | 642.46 | 580.06 | 491.91 | 445.41 | 253.42 |
| Total Stock at the close of the Year | 1,339.92 | 1,414.13 | 1,467.44 | 1,109.93 | 794.46 |
| **Change in the stock of Finished Goods, Work in Progress, Stock in Trade** | **74.20** | **(248.25)** | **(357.51)** | **(315.47)** | **(255.10)** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 34** | | | | | |
| **Employee benefit expense** | | | | | |
| Salaries, Wages, Bonus and Allowances | 1,412.60 | 1,138.66 | 1,144.69 | 1,123.09 | 905.66 |
| Contribution to Provident, Gratuity and Other Funds | 96.27 | 82.35 | 71.74 | 61.14 | 51.93 |
| Expense on Employee Stock based payments - net of Adjustment to Reserve for Employee compensation expense (Refer Note 49) | 19.00 | 18.70 | 13.50 | 16.00 | 16.00 |
| Staff Welfare Expense | 119.13 | 111.46 | 98.08 | 87.72 | 63.45 |
| **TOTAL** | **1,647.00** | **1,351.17** | **1,328.01** | **1,287.95** | **1,037.04** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 35** | | | | | |
| **Finance Costs** | | | | | |
| Interest Expense | | | | | |
| Paid to Banks on Loans and Cash Credit | 144.55 | 106.04 | 70.64 | 30.59 | 86.58 |
| Others | 512.05 | 412.09 | 222.29 | 51.94 | 138.46 |
| Other Borrowing Costs | 15.35 | 392.68 | 361.22 | 315.09 | 257.42 |
| Exchange differences regarded as a adjustment to borrowing cost | 8.40 | - | - | - | - |
| Preference dividend and tax on preference dividend | 0.01 | 0.00 | - | - | - |
| **TOTAL** | **680.36** | **910.81** | **654.15** | **397.62** | **482.46** |

Finance costs are net of interest capitalised to Project in Progress during the year ended March 31, 2017, 29.41 Mn and March 31, 2015 net of Interest capitalised to Fixed Assets Rs.6.23 Mn, , March 31, 2014 Rs.131.00 Mn and March 31, 2013 Rs. 60.97 Mn.

INR 0.00 represents Dividend proveided for Rs. 931 during the year ended March 31, 20167.

Annexure VI - Notes to Restated Standalone Financial Information

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 36** | | | | | |
| **Depreciation and Amortisation Expenses** | | | | | |
| Depreciation | 475.98 | 421.83 | 352.22 | 257.28 | 178.04 |
| Amortization | 54.90 | 62.30 | 60.04 | 58.89 | 56.65 |
| Less : Transfer from General Reserve | (42.51) | (42.51) | (42.51) | (42.51) | (42.51) |
| **TOTAL** | **488.37** | **441.62** | **369.75** | **273.66** | **192.18** |

(Rs. in million)

| Particulars | For the year ended 31 March 2017 | For the year ended 31 March 2016 | For the year ended 31 March 2015 | For the year ended 31 March 2014 | For the year ended 31 March 2013 |
|---|---|---|---|---|---|
| **Note 37** | | | | | |
| **Other Expenses** | | | | | |
| Stores and Spares consumed | 162.59 | 145.81 | 144.11 | 108.43 | 106.03 |
| Power and Fuel | 428.93 | 437.73 | 429.14 | 349.70 | 333.86 |
| Processing Charges | 696.53 | 664.38 | 675.35 | 587.66 | 582.05 |
| Rent | 99.30 | 90.93 | 84.99 | 69.68 | 74.39 |
| Rates and Taxes | 58.27 | 84.71 | 68.73 | 46.70 | 37.38 |
| Machinery | 51.62 | 47.78 | 51.49 | 34.21 | 29.51 |
| Buildings | 9.74 | 13.88 | 7.12 | 4.66 | 2.39 |
| Other assets | 10.85 | 11.46 | 14.88 | 10.80 | 9.19 |
| Insurance | 17.30 | 17.05 | 15.11 | 12.36 | 9.79 |
| Auditor's Remuneration (Refer Note No. 37.1) | 11.76 | 10.11 | 9.59 | 9.55 | 7.94 |
| Freight | 272.20 | 251.72 | 66.06 | 83.23 | 323.36 |
| Advertisement, Selling and Distribution Expenses | 371.69 | 402.33 | 385.71 | 372.15 | 204.06 |
| Bad Debts/Advances Written Off | 63.01 | 42.91 | 42.28 | 60.53 | 59.98 |
| Provision for Doubtful Debts and Advances/(Written back) | 40.89 | 20.72 | (9.47) | (7.79) | (3.61) |
| Change in fair valuation of investments | - | - | 19.90 | - | - |
| Loss on Sale/Write off of Fixed Assets | - | - | - | - | 1.46 |
| Research Expenses | 12.72 | 14.15 | 29.35 | 21.09 | 8.30 |
| Applicable net gain/loss on foreign currency transactions and translation | 9.55 | 7.50 | 40.23 | (18.07) | 2.87 |
| Corporate Social Responsibility Expenses | 40.60 | 21.47 | 13.02 | - | - |
| Miscellaneous Expenses | 631.38 | 566.88 | 476.23 | 512.78 | 344.33 |
| **TOTAL** | **2,988.93** | **2,851.52** | **2,563.82** | **2,257.67** | **2,133.28** |
| | | | | | |
| **Note No. 37.1: Auditor's Remuneration** | | | | | |
| Audit Fees | 5.50 | 5.47 | 5.54 | 5.48 | 4.63 |
| Audit under Other Statutes | 1.92 | 1.91 | 1.65 | 1.63 | 1.35 |
| Taxation matters | 3.08 | 1.11 | 1.24 | 0.65 | 0.89 |
| Management Consultancy , Certification & Company Law Matters | 0.28 | 0.63 | 0.56 | 0.92 | 0.32 |
| Reimbursement of Expenses | 0.98 | 0.99 | 0.60 | 0.87 | 0.75 |
| **Total** | **11.76** | **10.11** | **9.59** | **9.55** | **7.94** |

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note 38 Earnings per share**

Calculation of weighted average number of equity shares - Basic

| | Particulars | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|---|
| 1 | Calculation of weighted average number of equity shares - Basic | | | | | |
| | Number of shares at the beginning of the year | 884,58,090 | 884,58,090 | 126,36,870 | 126,36,870 | 121,18,752 |
| | Effect of bonus issue | 884,58,090 | 884,58,090 | 1642,79,310 | 1642,79,310 | 1575,43,776 |
| | Revised number of shares at the beginning of the year | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1696,62,528 |
| | Number of equity shares outstanding at the end of the year | 1851,30,876 | 884,58,090 | 884,58,090 | 126,36,870 | 126,36,870 |
| | Effect of bonus issue | - | 884,58,090 | 884,58,090 | 1642,79,310 | 1642,79,310 |
| | Revised number of shares outstanding at the end of the year | 1851,30,876 | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1769,16,180 |
| | Weighted average number of equity shares outstanding during the year | **1771,41,240** | **1769,16,180** | **1769,16,180** | **1769,16,180** | **1714,75,941** |
| 2 | Calculation of weighted average number of equity shares - Diluted | | | | | |
| | Number of potential shares at the beginning of the year | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1696,62,528 |
| | Effect of potential equity shares | 82,14,696 | 82,14,696 | 82,14,696 | 82,14,696 | - |
| | Revised number of potential shares at the beginning of the year | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1696,62,528 |
| | Number of potential equity shares outstanding at the end of the year | 1851,30,876 | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1769,16,180 |
| | Effect of potential equity shares | | 82,14,696 | 82,14,696 | 82,14,696 | 82,14,696 |
| | Revised number of potential equity shares outstanding at the end of the year | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 |
| | Weighted average number of potential equity shares outstanding during the year | **1851,30,876** | **1851,30,876** | **1851,30,876** | **1851,30,876** | **1728,85,101** |
| 3 | **Profit attributable to ordinary shareholders.** | | | | | |
| | Profit (loss) for the year, attributable to the owners of the Company | 2,067.15 | 1,601.24 | 1,927.34 | 1,377.48 | 971.74 |
| | Less : Extra ordinary income / Exceptional income after tax | (200.00) | - | (346.47) | - | - |
| | Less : Income/(Expense) recognized in Reserves | (265.37) | (144.18) | (146.75) | (499.89) | (760.06) |
| | Net Profit (loss) for the year, attributable to ordinary shareholders | **1,601.78** | **1,457.06** | **1,434.12** | **877.60** | **211.68** |
| **4** | Basic Earnings per share (Rs.) | **9.04** | **8.24** | **8.11** | **4.96** | **1.23** |
| **5** | Diluted Earnings per share (Rs.) | **8.65** | **7.87** | **7.75** | **4.74** | **1.22** |
| **6** | Nominal Value of Shares (Rs.) | **10.00** | **10.00** | **10.00** | **10.00** | **10.00** |

**Note. 39 Employee benefits**

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

Defined Contribution Plans:

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

The Company recognised Rs. 68.25 Mn for the year ended March 31, 2017, Rs. 62.03 Mn for March 31, 2016, Rs. 53.64 Mn for March 31, 2015, Rs.44.15 Mn for March 31, 2014, Rs.35.82 Mn for March 31, 2013 towards provident fund contribution and Rs. 5.71 Mn for the year ended March 31, 2017 Rs. 5.49 Mn for March 31, 2016, Rs. 5.25 Mn for March 31, 2015, Rs.5.32 Mn for March 31, 2014, Rs.4.99 Mn for March 31, 2013 towards super-annuation fund contribution in the Statement of Profit and Loss.

**Defined Benefit Plan:**

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

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

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

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

The most recent actuarial valuation of the defined benefit obligation along with the fair valuation of the plan assets in relation to the gratuity scheme was carried out as at March 31, 2017. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

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

(Rs. in million)

| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|
| Defined benefit obligation | 182.28 | 140.76 | 120.40 | 88.23 | 80.77 |
| Fair value of plan assets | 140.22 | 105.46 | 89.86 | 78.32 | 56.82 |
| **Net defined benefit (obligation)/assets** | (42.06) | (35.30) | (30.54) | (9.91) | (23.95) |

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

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

| | Defined benefit obligation | | | | | Fair value of plan assets | | | | | Net defined benefit | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31 |
| Opening balance | 140.76 | 120.40 | 88.23 | 80.77 | 62.21 | 105.46 | 89.86 | 78.32 | 56.82 | 43.04 | 35.30 | 30.54 | 9.91 | |
| Adjustment on Merger | - | (1.65) | - | - | - | - | - | - | - | - | - | (1.65) | - | |
| Included in profit or loss | | | | | | | | | | | - | - | - | |
| Current service cost | 11.50 | 9.46 | 6.81 | 6.30 | 5.11 | - | - | - | - | - | 11.50 | 9.46 | 6.81 | |
| Past service cost | | - | - | | | | | | | | - | - | - | |
| Interest cost (income) | 11.32 | 9.44 | 8.23 | 6.66 | 5.29 | 8.48 | 7.14 | - | - | - | 2.84 | 2.30 | 8.23 | |
| | | | | | | | | | | | - | - | - | |
| Included in OCI | | | | | | | | | | | - | - | - | |
| Remeasurement loss (gain): | | | | | | | | | | | - | - | - | |
| Actuarial loss (gain) arising from: | 33.42 | 19.31 | 28.28 | 2.42 | 15.31 | - | - | 5.46 | 0.98 | (1.96) | 33.42 | 19.31 | 22.82 | |
| Demographic assumptions | | - | - | | | | | | | | - | - | - | |
| Financial assumptions | 11.53 | (1.10) | 13.22 | - | - | - | - | - | - | - | 11.53 | (1.10) | 13.22 | |
| Experience adjustment | 21.89 | 20.41 | 15.06 | - | - | - | - | 5.46 | - | - | 21.89 | 20.41 | 9.60 | |
| Return on plan assets excluding interest income | - | - | - | - | - | 5.62 | (4.23) | 7.31 | 4.94 | 3.66 | (5.62) | 4.23 | (7.31) | |
| | 197.00 | 156.96 | 131.55 | 96.15 | 87.92 | 119.56 | 92.77 | 91.09 | 62.74 | 44.74 | 77.44 | 64.19 | 40.46 | |
| **Other** | | | | | | | | | | | | | | |
| Contributions paid by the employer | - | - | - | - | - | 35.38 | 28.89 | 9.92 | 23.50 | 19.13 | (35.38) | (28.89) | (9.92) | |
| Benefits paid | (14.72) | (16.20) | (11.15) | (7.92) | (7.15) | (14.72) | (16.20) | (11.15) | (7.92) | (7.05) | - | - | - | |
| Closing balance | 182.28 | 140.76 | 120.40 | 88.23 | 80.77 | 140.22 | 105.46 | 89.86 | 78.32 | 56.82 | 42.06 | 35.30 | 30.54 | |

**Represented by**

| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|
| Net defined benefit asset | | | | | |
| Net defined benefit liability | 42.06 | 35.30 | 30.54 | 9.91 | 23.95 |
| | 42.06 | 35.30 | 30.54 | 9.91 | 23.95 |

**ii. Plan assets**

Plan assets comprise the following

| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|
| **Insurer managed fund (100%)** | 140.22 | 105.46 | 89.86 | 78.32 | 56.82 |
| | 140.22 | 105.46 | 89.86 | 78.32 | 56.82 |

**iii. Actuarial assumptions**

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

| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
|---|---|---|---|---|---|
| Discount rate | 7.29% | 8.04% | From 7.92% to 7.95% | From 9.33% to 9.36% | From 8.00% to 8.25% |
| Future salary growth | 5.00% | 5.00% | 5.00% | 5.00% | 5.00% |
| Rate of employee turnover | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. | For service 4 yrs & Below 15.00 % p.a. & For service 5 yrs and above 2.00 % p.a. |
| Mortality rate | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) | Indian Assured Lives Mortality(2006-08) |

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

**iv. Sensitivity analysis**

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

| | **March 31, 2017** | | **March 31, 2016** | | **March 31, 2015** | | **March 31, 2014** | | **March 31, 2013** | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Increase | Decrease | Increase | Decrease | Increase | Decrease | Increase | Decrease | Increase | Decrease |
| Discount rate (1% movement) | (15.10) | 17.64 | (11.26) | 13.07 | (9.83) | 11.40 | (6.61) | 7.61 | (6.45) | 7.45 |
| Future salary growth (1% movement) | 17.87 | (15.54) | 13.34 | (11.67) | 11.62 | (10.18) | 7.87 | (6.93) | 7.62 | (6.69) |
| Rate of employee turnover (1% movement) | 3.14 | (3.59) | 3.19 | (3.62) | 2.64 | (3.00) | 2.81 | (3.15) | 1.95 | (2.20) |

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

**v. Expected future cash flows**

The expected future cash flows in respect of gratuity as at March 31, 2017 were as follows

**Expected contribution**

The expected contributions for defined benefit plan for the next financial year will be in line with the contribution for the year ended March 31, 2017, i.e. Rs. 35.38 Mn .

| **Expected future benefit payments** | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| March 31, 2014 | - | - | - | - | 5.64 |
| March 31, 2015 | - | - | - | 9.65 | 5.11 |
| March 31, 2016 | - | - | 8.33 | 3.55 | 6.21 |
| March 31, 2017 | - | 13.13 | 8.36 | 7.51 | 7.75 |
| March 31, 2018 | 15.57 | 5.33 | 5.91 | 4.79 | 5.50 |
| March 31, 2019 | 11.07 | 11.24 | 10.54 | 9.92 | - |
| March 31, 2020 | 10.49 | 8.96 | 7.68 | - | - |
| March 31, 2021 | 15.45 | 14.12 | - | - | - |
| March 31, 2022 | 13.03 | - | - | - | - |
| Therafter | 74.14 | 59.88 | 54.69 | 43.71 | 53.93 |

Other long-term employee benefits:

Compensated absences are payable to employees at the rate of daily salary for each day of accumulated leave on death or on resignation or upon retirement. The charge towards compensated absences for the year ended 31 March 2017 based on actuarial valuation using the projected accrued benefit method is Rs. 26.90 Mn, Rs. 25.70 Mn for March 31, 2016, Rs. 18.25 Mn for March 31, 2015, Rs.20.44 Mn for March 31, 2014, Rs.14.45 Mn for March 31, 2013.

Terminal Benefits: All terminal benefits including voluntary retirement compensation are fully written off to the Statement of Profit & Loss

Incentive Plans: The Company has a scheme of Performance Linked Variable Remuneration (PLVR) which is fully written off to the Statement of Profit & Loss. The Scheme rewards its employees based on Economic Value Addition (EVA), which is related to actual improvement made in EVA over the previous period when compared with expected improvements.

**Godrej Agrovet Limited**
**Annexure VI - Notes to Restated Standalone Financial Information**

**Note No. 40 Share-based payment arrangements:**

**Description of share-based payment arrangements**
**Employee stock options - cash settled**
The Company has participated in the Godrej Industries Limited Employee Stock Grant Scheme 2011 and on May 30, 2011 the Compensation Committee of the Company has approved the grant of stocks to certain eligible employees in terms of the Employee Stock Grant Scheme 2011. The grants would vest in three equal parts every year over the next three years. The exercise price is Re. 1 per equity share as provided in the scheme. The Company has provided Rs. 19.0 Mn (Previous Year Rs. 18.7 Mn) for the aforesaid eligible employees for the current financial year.

**Employee stock options - equity settled**
In December 2012, the Company instituted an Employee Stock Option Plan (GAVL ESOP) as approved by the Board of Directors and the Shareholders, for the allotment of 5,86,764 options convertible into 5,86,764 equity shares of Rs. 10 each and Bonus Shares issued against the initial allotment for 35,20,584 shares of Rs. 10 each to eligible employees of the company.

The scheme is administered by an independent ESOP Trust created. The Company has issued 586,764 equity shares and Bonus Shares issued against the initial allotment for 76,27,932 shares to the said ESOP Trust at face value of Rs. 10 each amounting to Rs. 5.87 Mn. During the current year, all the stock options were vested, exercised and transferred to the eligible employees by March 31, 2017.

**Category A**

| Particulars | For the year ended 31 March 2017 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 18,43,457.00 | 10.00 | 1.43 | 21.5 months |
| Add: Options granted during the year | 1,48,463.00 | 10.00 | 1.43 | |
| Less: Options lapsed during the year | (1,48,463.00) | - | - | |
| Bonus shares issue against the allotment | 18,43,457.00 | - | - | |
| Less: Options exercised during the year | (36,86,914.00) | 10.00 | 0.71 | - |
| Options outstanding at the year end | - | | | |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2016 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 18,43,457.00 | 10.00 | 1.43 | 33.5 months |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Bonus shares issue against the allotment | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | 18,43,457.00 | 10.00 | 1.43 | 21.5 months |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2015 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 2,63,351.00 | 10.00 | 10.00 | 45.5 months |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Bonus shares issue against the allotment | 15,80,106.00 | - | - | |
| Options outstanding at the year end | - | - | - | |
| Exercisable at the end of the period | 18,43,457.00 | 10.00 | 10.00 | 33.5 months |
| | | | | |

| Particulars | For the year ended 31 March 2014 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 2,63,351.00 | 10.00 | 10.00 | 57.5 months |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | - | - | - | |
| Exercisable at the end of the period | 2,63,351.00 | 10.00 | 10.00 | 45.5 months |

| Particulars | For the year ended 31 March 2013 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 2,63,351.00 | 10.00 | 10.00 | 60 Months |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | - | - | - | |
| Exercisable at the end of the period | 2,63,351.00 | 10.00 | 10.00 | 57.5 months |

The weighted average grant date fair value of par value options granted under Category A during the years ended March 31, 2017 was Rs. 154.60 and 2016 was Rs 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is Rs. 297.17 per share.

**Category B**

| Particulars | For the year ended 31 March 2017 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 22,63,891.00 | 10.00 | 1.43 | |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Bonus shares issue against the allotment | 22,63,891.00 | 10.00 | - | |
| Less: Options exercised during the year | (45,27,782.00) | 10.00 | 0.71 | |
| Options outstanding at the year end | - | | | |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2016 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 22,63,891.00 | 10.00 | 1.43 | |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | 22,63,891.00 | 10.00 | 1.43 | |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2015 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 3,23,413.00 | 10.00 | 10.00 | |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Bonus shares issue against the allotment | 19,40,478.00 | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | 22,63,891.00 | 10.00 | 10.00 | |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2014 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 3,23,413.00 | 10.00 | 10.00 | |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | 3,23,413.00 | 10.00 | 10.00 | |
| Exercisable at the end of the period | | | | |

| Particulars | For the year ended 31 March 2013 | | | |
|---|---|---|---|---|
| | Shares arising out of options | Range of exercise prices | Weighted average exercise price | Weighted average remaining contractual life |
| Options outstanding at the beginning of the year | 3,23,413.00 | 10.00 | 10.00 | |
| Add: Options granted during the year | - | - | - | |
| Less: Options lapsed during the year | - | - | - | |
| Less: Options exercised during the year | - | - | - | |
| Options outstanding at the year end | 3,23,413.00 | 10.00 | 10.00 | |
| Exercisable at the end of the period | | | | |

The weighted average grant date fair value of par value options granted under Category B during the years ended March 31, 2017 was Rs. 154.60 and 2016 was Rs 309.20 per option, respectively. The weighted average share price during the years ended March 31, 2017 is Rs. 297.17 per share .

**Valuation of stock options**

The fair value of stock options granted during the period has been measured using the Black–Scholes option pricing model at the date of the grant. The Black-Scholes option pricing model includes assumptions regarding dividend yields, expected volatility, expected terms and risk free interest rates. They key inputs and assumptions used are as follows:

Share price: The share price has been obtained through valuation report.

Exercise Price: Exercise Price is the market price or face value or such other price as determined by the Remuneration and Compensation Committee.

Expected Volatility: The historical volatility of the stock till the date of grant has been considered to calculate the fair value of the options.

Expected Option Life: Expected Life of option is the period for which the Company expects the options to be live. The minimum life of a stock option is the minimum period before which the options cannot be exercised and the maximum life is the period after which the options cannot be exercised.

Expected dividends: Expected dividend yield has been calculated as an average of dividend yields for the four financial years preceding the date of the grant.

Risk free interest rate: The risk free interest rate on the date of grant considered for the calculation is the interest rate applicable for a maturity equal to the expected life of the options based on the zero coupon yield curve for Government Securities.

These assumptions reflect management's best estimates, but these assumptions involve inherent market uncertainties based on market conditions generally outside of the Company's control. As a result, if other assumptions had been used in the current period, stock-based compensation expense could have been materially impacted. Further, if management uses different assumptions in future periods, stock based compensation expense could be materially impacted in future years. The estimated fair value of stock options is charged to income on a straight-line basis over the requisite service period for each separately vesting portion of the award as if the award was, in-substance, multiple awards. The weighted average inputs used in computing the fair value of options granted were as follows:

| | **Grant date** |
|---|---|
| | 16/01/2013 |
| Fair value | 154.14 |
| Share price | 154.60 |
| Exercise price | 10.00 |
| Expected volatility (weighted-average) | 0.00% |
| Expected life (weighted-average) | 5 |
| Expected dividends | 0.00% |
| Risk-free interest rate (based on government bonds) | 9.00% |

**Note No.41 Financial instruments – Fair values and risk management**

**Note No.41.1 Financial instruments – Fair values**

**A. 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

| | | **Carrying amount** | | | | | **Fair value** | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **March 31, 2017 (Rs. in million)** | **Note** | **FVTPL** | **FVOCI** | **Amortised Cost** | **Total** | | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Financial assets** | | | | | | | | | | |
| Non Current Financial Assets | | | | | | | | | | |
| Non-current investments | | 0.04 | | - | 0.04 | | | 0.04 | | 0.04 |
| Loans | | | | 109.00 | 109.00 | | | - | | - |
| Other Non-current financial asset * | | | | 17.49 | 17.49 | | | | | - |
| | | | | | | | | | | - |
| Current Financial Assets | | | | | | | | | | - |
| Trade receivables | | | | 4,074.45 | 4,074.45 | | | | | - |
| Cash and cash equivalents | | | | 373.72 | 373.72 | | | | | - |
| Bank balance other than (iii) above | | | | 70.90 | 70.90 | | | | | - |
| Loans | | | 17.03 | 326.50 | 343.53 | | | 17.03 | | 17.03 |
| Other current financial assets | | | - | 104.75 | 104.75 | | | - | | - |
| | | | | - | - | | | | | - |
| | | 0.04 | 17.03 | 5,076.81 | 5,093.88 | - | - | 17.07 | - | 17.07 |
| **Financial liabilities** | | | | | | | | | | |
| Non Current Financial Liablities | | | | | - | | | | | |
| Long term borrowings | | 25.82 | - | 41.25 | 67.07 | | - | 25.82 | - | 25.82 |
| Other non-current financial liabilities - | | | | 0.01 | 0.01 | | - | - | - | - |
| | | | | | | | | | | |
| Short term borrowings | | | | 4,749.75 | 4,749.75 | | - | - | - | - |
| Trade and other payables | | | | 7,462.85 | 7,462.85 | | - | - | - | - |
| Other financial liabilities | | 4.48 | | 1,257.89 | 1,262.37 | | - | 4.48 | - | 4.48 |
| | | | | | | | | | | - |
| | | 30.30 | - | 13,511.75 | 13,542.05 | - | - | 30.30 | - | 30.30 |

| | | **Carrying amount** | | | | | **Fair value** | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| **March 31, 2016 (Rs. in million)** | **Note** | **FVTPL** | **FVOCI** | **Amortised Cost** | **Total** | | **Level 1** | **Level 2** | **Level 3** | **Total** |
| **Non-current Financial Assets** | | | | | | | | | | |
| Non-current investments | | 0.04 | | | 0.04 | | | 0.04 | | 0.04 |
| Long-term loans and advances | | - | | 99.79 | 99.79 | | | | | - |
| Other non-current financial assets | | | | 17.35 | 17.35 | | | | | - |
| | | | | | - | | | | | - |
| **Current Financial Assets** | | | | | - | | | | | - |
| Trade and other receivables | | | | 3,661.70 | 3,661.70 | | | | | - |
| Cash and cash equivalents | | | | 194.65 | 194.65 | | | | | - |
| Bank balance other than (iii) above | | | | 67.33 | 67.33 | | | | | - |
| Short-term loans and advances | | | | 1,371.45 | 1,371.45 | | | | | - |
| Other current financial assets | | | | 548.90 | 548.90 | | | | | - |
| | | **0.04** | **-** | **5,961.17** | **5,961.21** | **-** | **-** | **0.04** | **-** | **0.04** |
| **Non-current Financial liabilities** | | | | | | | | | | |
| Long term borrowings | | 26.78 | | 42.13 | 68.91 | | | 26.78 | | 26.78 |
| Other non-current financial liabilities - | | | | 65.37 | 65.37 | | | | | - |
| | | | | | | | | | | |
| **Current Financial liabilities** | | | | | | | | | | |
| Short term borrowings | | | | 11,406.59 | 11,406.59 | | | | | - |
| Trade and other payables | | | | 2,341.75 | 2,341.75 | | | | | - |
| Other financial liabilities | | 2.84 | | 1,794.22 | 1,797.06 | | | 2.84 | | 2.84 |
| | | | | | | | | | | |
| | | **29.62** | **-** | **15,650.06** | **15,679.68** | **-** | **-** | **29.62** | **-** | **29.62** |

| March 31, 2015<br>(Rs. in million) | Note | FVTPL | FVOCI | Carrying amount<br>Amortised Cost | Total | | Fair value<br>Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **<u>Non-current Financial Assets</u>** | | | | | | | | | | |
| Non-current investments | | 0.08 | | 35.00 | 35.08 | | | 0.08 | | 0.08 |
| Long-term loans and advances | | - | | 100.84 | 100.84 | | | | | - |
| Other non-current financial assets * | | | | 17.72 | 17.72 | | | | | - |
| | | | | | - | | | | | - |
| **<u>Current Financial Assets</u>** | | | | | - | | | | | - |
| Current investments | | 366.11 | | | 366.11 | | 366.11 | | | 366.11 |
| Trade and other receivables | | | | 2,667.81 | 2,667.81 | | | | | - |
| Bank balance other than (iii) above | | | | 118.32 | 118.32 | | | | | - |
| Cash and cash equivalents | | | | 44.53 | 44.53 | | | | | - |
| Short-term loans and advances | | | | 1,028.05 | 1,028.05 | | | | | - |
| Other current financial assets | | | | 136.81 | 136.81 | | | | | - |
| | | **366.19** | **-** | **4,149.08** | **4,515.27** | **-** | **366.11** | **0.08** | **-** | **366.19** |
| **Non-current Financial liabilities** | | | | | | | | | | |
| Long term borrowings | | - | - | 719.34 | 719.34 | | - | 30.24 | - | 30.24 |
| Other non-current financial liabilities - | | | | 44.60 | 44.60 | | | | | - |
| **Current Financial liabilities** | | | | | | | | | | |
| Short term borrowings | | | | 6,123.61 | 6,123.61 | | | | | - |
| Trade and other payables | | | | 2,123.23 | 2,123.23 | | | | | - |
| Other financial liabilities | | 0.79 | | 1,046.76 | 1,047.55 | | | 0.79 | | 0.79 |
| | | | | | - | | | | | - |
| | | **0.79** | **-** | **10,057.54** | **10,058.33** | **-** | **-** | **31.03** | **-** | **31.03** |

| March 31, 2014<br>(Rs. in million) | Note | FVTPL | FVOCI | Carrying amount<br>Amortised Cost | Total | | Fair value<br>Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **<u>Non-current Financial Assets</u>** | | | | | | | | | | |
| Non-current investments | | 0.08 | | - | 0.08 | | | 0.08 | | 0.08 |
| Long-term loans and advances | | - | | 88.98 | 88.98 | | | | | - |
| Other non-current financial assets * | | | | 17.52 | 17.52 | | | | | - |
| | | | | | - | | | | | - |
| **<u>Current Financial Assets</u>** | | | | | - | | | | | - |
| Trade and other receivables | | | | 2,244.18 | 2,244.18 | | | | | - |
| Cash and cash equivalents | | | | 1,131.27 | 1,131.27 | | | | | - |
| Bank balance other than (iii) above | | | | 6.42 | 6.42 | | | | | - |
| Short-term loans and advances | | | | 950.48 | 950.48 | | | | | - |
| Other current financial assets | | | | 107.39 | 107.39 | | | | | - |
| | | | | | - | | | | | - |
| | | **0.08** | **-** | **4,546.24** | **4,546.32** | **-** | **-** | **0.08** | **-** | **0.08** |
| **Non-current Financial liabilities** | | | | | | | | | | |
| Long term borrowings | | | | 1,642.44 | 1,642.44 | | | 305.98 | | 305.98 |
| Other non-current financial liabilities - | | | | 11.15 | 11.15 | | | | | - |
| | | | | | - | | | | | - |
| **Current Financial liabilities** | | | | | - | | | | | - |
| Short term borrowings | | | | 4,552.91 | 4,552.91 | | | | | - |
| Trade and other payables | | | | 2,294.63 | 2,294.63 | | | | | - |
| Other financial liabilities | | 21.25 | | 1,099.05 | 1,120.30 | | | 21.25 | | 21.25 |
| | | **21.25** | **-** | **9,600.18** | **9,621.43** | **-** | **-** | **327.23** | **-** | **327.23** |

| March 31, 2013<br>(Rs. in million) | Note | Carrying amount<br>FVTPL | FVOCI | Amortised Cost | Total | | Fair value<br>Level 1 | Level 2 | Level 3 | Total |
|---|---|---|---|---|---|---|---|---|---|---|
| **Non-current Financial Assets** | | | | | | | | | | |
| Non-current investments | | 2.55 | | 2.50 | 5.05 | | | 2.55 | | 2.55 |
| Long-term loans and advances | | - | | 218.35 | 218.35 | | | | | - |
| Other non-current financial assets * | | | | 16.45 | 16.45 | | | | | - |
| | | | | | - | | | | | - |
| **Current Financial Assets** | | | | | - | | | | | - |
| Trade and other receivables | | | | 1,779.68 | 1,779.68 | | | | | - |
| Cash and cash equivalents | | | | 209.72 | 209.72 | | | | | - |
| Bank balance other than (iii) above | | | | 6.41 | 6.41 | | | | | - |
| Short-term loans and advances | | | | 766.77 | 766.77 | | | | | - |
| Other current financial assets | | | | 45.11 | 45.11 | | | | | - |
| | | **2.55** | **-** | **3,044.99** | **3,047.54** | **-** | **-** | **2.55** | **-** | **2.55** |
| **Non-current Financial liabilities** | | | | | | | | | | |
| Long term borrowings | | | | 1,046.40 | 1,046.40 | | | 29.00 | | 29.00 |
| | | | | | - | | | | | - |
| **Current Financial liabilities** | | | | | - | | | | | - |
| Short term borrowings | | | | 3,704.63 | 3,704.63 | | | | | - |
| Trade and other payables | | | | 1,818.24 | 1,818.24 | | | | | - |
| Other financial liabilities | | 0.33 | | 788.59 | 788.92 | | | 3.31 | | 3.31 |
| | | | | | - | | | | | |
| | | **0.33** | **-** | **7,357.86** | **7,358.19** | **-** | **-** | **32.31** | **-** | **32.31** |

**B. Measurement of fair values**

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include :

- the fair value of the forward foreign exchange contracts is determined using forward exchange rates at the balance sheet date.
- the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

**C. Financial risk management**

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

▪ Credit risk ;
▪ 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 board of directors has established the Risk Management Committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities

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

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

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Annexure VI - Notes to Restated Standalone Financial Information

**Financial instruments – Fair values and risk management (continued)**
**Note No.41.2 Financial instruments – 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, 2017** | Carrying amount | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **(Rs. in million)** | | | | | | | |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each | 0.06 | 0.06 | - | - | - | - | 0.06 |
| Deferred Sales Tax Loan | 25.82 | 34.16 | - | - | 8.49 | 25.67 | - |
| Deferred Payment Liability | 41.18 | 41.18 | - | - | 10.30 | 30.88 | - |
| Other non-current financial liabilities-Others | 0.01 | 0.01 | - | - | - | - | 0.01 |
| | | - | - | - | | | |
| **Current, non derivative financial liabilities** | | - | - | - | | | |
| Cash credit from bank | 296.43 | 296.43 | 296.43 | - | | | |
| Term loans from banks | 1,703.32 | 1,703.32 | 1,703.32 | - | | | |
| Commercial papers | 2,750.00 | 2,750.00 | 2,750.00 | - | | | |
| Working Capital Loans from Banks and Acceptances | - | - | - | - | | | |
| Trade and other payables- others | 2,181.83 | 2,181.83 | 2,181.83 | - | | | |
| Acceptances | 5,281.02 | 5,281.02 | 5,281.02 | - | | | |
| Other current financial liabilities | 1,257.89 | 1,257.89 | 1,249.23 | 8.66 | - | | |
| **Derivative liability** | 4.48 | 4.48 | | 4.48 | | | |
| **Total** | **13,542.04** | **13,550.38** | **13,461.83** | **13.14** | **18.79** | **56.55** | **0.07** |

| March 31, 2016 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **(Rs. in million)** | | | | | | | |
| **<u>Non-derivative financial liabilities</u>** | | | | | | | |
| **<u>Non current, non derivative financial liabilities</u>** | | | | | | | |
| 6,000 8% Cumulative Non-convertible Redeemable Preference Shares of the par value of Rs.10 each | 0.06 | 0.06 | - | - | - | - | 0.06 |
| Deferred Sales Tax Loan | 26.78 | 37.68 | - | - | 3.52 | 34.16 | - |
| Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust # | 65.37 | 65.37 | - | - | 65.37 | - | - |
| Deferred payment Liabilities | 42.07 | 42.07 | - | - | 0.89 | 30.88 | 10.30 |
| | | - | - | | | | |
| **<u>Current, non derivative financial liabilities</u>** | | - | - | | | | |
| Cash credit from bank | 294.35 | 294.35 | 294.35 | | | | |
| Term loans from banks | 7,112.24 | 7,112.24 | 7,112.24 | | | | |
| Commercial papers | 4,000.00 | 4,000.00 | 4,000.00 | | | | |
| Trade and other payables- others | 2,074.97 | 2,074.97 | 2,074.97 | | | | |
| Acceptances | 266.78 | 266.78 | 266.78 | | | | |
| Other current financial liabilities | 1,794.21 | 1,794.21 | 1,023.25 | 770.96 | - | - | - |
| Derivative liability | 2.84 | 2.84 | - | 2.84 | | | |
| **Total** | **15,679.67** | **15,690.57** | **14,771.59** | **773.80** | **69.78** | **65.04** | **10.36** |

| March 31, 2015 | Carrying amount | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **Non-derivative financial liabilities** | | | | | | | |
| **Non current, non derivative financial liabilities** | | | | | | | |
| Deferred Sales Tax Loan | 39.34 | 39.34 | - | - | 1.66 | 37.68 | - |
| Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust # | 44.60 | 44.60 | - | - | 44.60 | - | - |
| Term loans from banks | 680.00 | 680.00 | - | - | 500.00 | 180.00 | - |
| **Current, non derivative financial liabilities** | | | | | | | |
| Cash credit from bank | 362.43 | 362.43 | 362.43 | | | | |
| Term loans from banks | 4,511.18 | 4,511.18 | 4,511.18 | | | | |
| Commercial papers | 1,250.00 | 1,250.00 | 1,250.00 | | | | |
| Trade and other payables- others | 2,042.35 | 2,042.35 | 2,042.35 | | | | |
| Acceptances | 80.88 | 80.88 | 80.88 | | | | |
| Other current financial liabilities | 1,046.76 | 1,046.76 | 1,043.65 | 3.11 | | | |
| Debentures -750 (Previous year Nil) 8.63% Unsecured Non-convertible Debentures of Rs.10,00,000 each (Refer Note No.9.1) | - | - | - | | | | |
| From others - Deferred Sales Tax Loan (Refer Note No. 4.1) | 3.11 | 3.11 | | 3.11 | | | |
| Security Deposit | 531.54 | 531.54 | 531.54 | | | | |
| Amount due for payment to Gratuity Fund | 28.89 | 28.89 | 28.89 | | | | |
| Non Trade Payables | 113.15 | 113.15 | 113.15 | | | | |
| Interest accrued but not due on borrowings | 2.09 | 2.09 | 2.09 | | | | |
| Others | 367.98 | 367.98 | 367.98 | | | | |
| **Derivative liability** | 0.79 | 0.79 | | 0.79 | | | |
| **Total** | **10,058.33** | **10,058.33** | **9,290.49** | **3.90** | **546.26** | **217.68** | **-** |

| March 31, 2014 | | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **(Rs. in million)** | | | | | | | |
| **<u>Non-derivative financial liabilities</u>** | | | | | | | |
| **<u>Non current, non derivative financial liabilities</u>** | | | | | | | |
| Deferred Sales Tax Loan | 42.44 | 42.44 | | | 3.11 | 13.66 | 25.67 |
| Other non-current financial liabilities-Liability towards beneficiaries of Company's ESOP Trust # | 11.15 | 11.15 | | | | 11.15 | |
| Term loans from banks | 1,600.00 | 1,600.00 | | | 1,200.00 | 400.00 | |
| **<u>Current, non derivative financial liabilities</u>** | | - | | | | | |
| Cash credit from bank | 39.13 | 39.13 | 39.13 | | | | |
| Term loans from banks | 4,513.78 | 4,513.78 | 4,513.78 | | | | |
| Commercial papers | - | - | - | | | | |
| Trade and other payables- others | 2,264.38 | 2,264.38 | 2,264.38 | | | | |
| Acceptances | 30.24 | 30.24 | 30.24 | | | | |
| Other current financial liabilities | 1,099.04 | 1,099.04 | 1,096.34 | 2.70 | | | |
| **<u>Derivative financial liabilities</u>** | 21.25 | 21.25 | 21.25 | | | | |
| **Total** | **9,621.41** | **9,621.41** | **7,965.12** | **2.70** | **1,203.11** | **424.81** | **25.67** |

| March 31, 2013 | | Contractual cash flows | | | | | |
|---|---|---|---|---|---|---|---|
| | | Total | 0-6 months | 6-12 months | 1-2 years | 2-5 years | More than 5 years |
| **<u>Non-derivative financial liabilities</u>** | | | | | | | |
| **<u>Non current, non derivative financial liabilities</u>** | | | | | | | |
| Deferred Sales Tax Loan | 46.40 | 46.40 | | | 3.96 | 4.76 | 37.68 |
| Term loans from banks | 1,000.00 | 1,000.00 | | | 1,000.00 | | |
| **<u>Current, non derivative financial liabilities</u>** | | | | | | | |
| Term loans from banks | 3,704.63 | 3,704.63 | 3,704.63 | | | | |
| Trade and other payables- others | 1,818.24 | 1,818.24 | 1,818.24 | | | | |
| Other current financial liabilities | 788.59 | 788.59 | 788.32 | 0.27 | - | - | - |
| **Derivative financial liabilities** | 0.33 | 0.33 | 0.33 | | | | |
| **Total** | **7,358.19** | **7,358.19** | **6,311.52** | **0.27** | **1,003.96** | **4.76** | **37.68** |

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to derivative financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity. The disclosure shows net cash flow amounts for derivatives that are net cash-settled and gross cash inflow and outflow amounts for derivatives that have simultaneous gross cash settlement.

Guarantees issued by the Company on behalf of subsidiaries are with respect to borrowings raised by the respective subsidiary. These amounts will be payable on default by the concerned subsidiary. As of the reporting date, none of the subsidiary have defaulted and hence, the Company does not have any present obligation to third parties in relation to such guarantees.

## Financial instruments – Fair values and risk management (continued)

### Note No.41.3 Financial instruments – Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers.
The carrying amount of following financial assets represents the maximum credit exposure:

**Trade receivables**

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

The Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's export sales are backed by letters of credit, Export Credit Guarantee Corporation and accordingly no provision has been made on the same. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

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

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

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

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

(Rs. in million)

| | Carrying amount | | | | |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| Trade and other receivables | 4,074.45 | 3,661.70 | 2,667.81 | 2,244.18 | 1,779.68 |
| Exports | | | | | |
| *Distributors* | - | - | - | | - |
| *Other* | 37.24 | 47.65 | 13.58 | 33.30 | - |
| Domestic | - | - | - | - | - |
| *Distributors* | 3,918.17 | 3,430.02 | 2,482.53 | 1,886.49 | 1,527.85 |
| *Other* | 119.04 | 184.03 | 171.70 | 324.39 | 251.83 |
| | **4,074.45** | **3,661.70** | **2,667.81** | **2,244.18** | **1,779.68** |
| Other Receivables | **267.26** | **650.80** | **695.68** | **698.43** | **597.65** |

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

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Neither past due nor impaired | 2,544.24 | 2,262.70 | 942.02 | 1,370.03 | 1,028.34 |
| Past due 1–30 days | 604.54 | 510.56 | 674.12 | 436.53 | 315.32 |
| Past due 31–90 days | 395.63 | 357.88 | 558.65 | 304.83 | 157.62 |
| Past due 91–180 days | 148.82 | 136.70 | 309.45 | 39.95 | 91.53 |
| > 180 days | 381.22 | 393.87 | 183.57 | 92.85 | 186.87 |
| **Total** | **4,074.45** | **3,661.70** | **2,667.81** | **2,244.18** | **1,779.68** |

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

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Balance as at April 1 | 42.45 | 20.80 | 31.79 | 28.99 | 37.28 |
| Impairment loss recognised | 94.99 | 61.67 | 29.60 | 52.18 | 51.69 |
| Amounts written off | (59.66) | (40.02) | (40.59) | (49.38) | (59.98) |
| Balance as at March 31 | 77.78 | 42.45 | 20.80 | 31.79 | 28.99 |

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

| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
|---|---|---|---|---|---|
| Balance as at April 1 | 200.76 | 200.26 | 200.26 | 202.30 | 200.00 |
| Impairment loss recognised | (195.15) | 3.39 | 1.69 | 9.10 | 2.30 |
| Amounts written off | (3.35) | (2.89) | (1.69) | (11.14) | - |
| Balance as at March 31 | 2.26 | 200.76 | 200.26 | 200.26 | 202.30 |

**Cash and cash equivalents**
The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

**Financial instruments – Fair values and risk management (continued)**

**Note No.41.4 Financial instruments – 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 is as follows.

(Rs. in million)

| | Nominal amount | | | | |
|---|---|---|---|---|---|
| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
| **Fixed-rate instruments** | | | | | |
| **Financial assets** | 366.76 | 1,415.78 | 1,051.72 | 1,948.75 | 882.43 |
| **Financial liabilities** | 5,349.02 | 12,756.69 | 7,335.14 | 6,588.78 | 4,950.89 |

**Fair value sensitivity analysis for fixed-rate instruments**

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

**Financial instruments – Fair values and risk management (continued)**

**Note No.41.5 Financial instruments – Market risk & Currency risk**

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

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

We have a written treasury policy, and reconciliations of our positions with our counter-parties are performed at regular intervals.

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

**Currency risk**

The functional currencies of company is primarily the local currency of the company in which it operate. The company is exposed to currency risk to the extent that there is a mismatch between the currencies in which revenues and expenses are denominated and the respective functional currencies of company companies. The currencies in which these transactions are primarily denominated are INR.

Foreign currency revenues and expenses are in the nature of export sales and import purchases.

**Exposure to currency risk**

The summary quantitative data about the company's exposure to currency risk as reported to the management of the company is as follows.The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

**(Rs. in million)**

| | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | | March 31, 2013 |
|---|---|---|---|---|---|---|
| | USD | USD | USD | USD | EUR | USD |
| **Financial Assets** | | | | | | |
| Trade receivables | 36.24 | 47.28 | 13.65 | 33.30 | - | - |
| Foreign exchange forward contracts | - | - | - | - | - | - |
| **Net exposure to foreign currency risk (Assets)** | 36.24 | 47.28 | 13.65 | 33.30 | - | - |
| **Financial Liabilities** | | | | | | |
| Trade payables | (123.59) | (83.94) | (161.93) | (469.79) | (30.11) | (106.87) |
| Borrowings | (243.32) | | | | | |
| Foreign exchange forward contracts | 364.19 | 83.94 | 149.43 | 439.61 | 30.11 | 35.64 |
| **Net exposure to foreign currency risk (Liabilities)** | (2.72) | - | (12.50) | (30.18) | - | (71.23) |
| **Net exposure** | 33.52 | 47.28 | 1.15 | 3.12 | - | (71.23) |

**Sensitivity analysis**

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

| | **Profit or loss** | |
|---|---|---|
| **Effect in Rs. in million** | Weakening | Strengthning |
| **March 31, 2017** | | |
| USD (1% movement) | 0.34 | (0.34) |

| | **Profit or loss** | |
|---|---|---|
| **Effect in Rs. in million** | Weakening | Strengthning |
| **March 31, 2016** | | |
| USD (3% movement) | 1.42 | (1.42) |

| | **Profit or loss** | |
|---|---|---|
| **Effect in Rs. in million** | Weakening | Strengthning |
| **March 31, 2015** | | |
| USD (2% movement) | 0.02 | (0.02) |

| **Effect in Rs. in million** | Weakening | Strengthning |
|---|---|---|
| **March 31, 2014** | | |
| USD (5% movement) | (0.16) | 0.16 |

| **Effect in Rs. in million** | Weakening | Strengthning |
|---|---|---|
| **March 31, 2013** | | |
| USD (2% movement) | 1.42 | (1.42) |

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

**Note. 42 Hedge accounting**

The Company's risk management policy is to hedge its foreign currency exposure in accordance with the exposure limits advised from time to time. The Company uses forward exchange contracts to hedge its currency risk. Such contracts are generally designated as cash flow hedges.

The forward exchange contracts are denominated in the same currency as the highly probable future transaction value, therefore the hedge ratio is 1:1. Most of these contracts have a maturity of 18 months from the reporting date. The Company's policy is for the critical terms of the forward exchange contracts to align with the hedged item.

The Company determines the existence of an economic relationship between the hedging instrument and hedged item based on the currency, amount and timing of their respective cash flows. The Company assesses whether the derivative designated in each hedging relationship is expected to be and has been effective in offsetting changes in the cash flows of the hedged item using the hypothetical derivative method.

In these hedge relationships, changes in timing of the hedged transactions is the main source of hedge ineffectiveness.

**a. Disclosure of effects of hedge accounting on financial position**

**March 31, 2017** **(Rs. in million)**

| Type of hedge | Nominal Value (in respective currencies) | | Carrying amount of hedging instrument | | Line item in the statement of financial position where the hedging instrument is included | Maturity date | Hedge ratio | Average strike price/ rate | Changes in fair value of the hedging instrument | Change in the value of hedged item used as the basis for recognising hedge effectiveness |
|---|---|---|---|---|---|---|---|---|---|---|
| | Assets | Liabilities | Assets | Liabilities | | | | | | |
| Forward exchange forward contracts on outstanding borrowings | - | 266.53 | 17.03 | - | Current Asset- Others | May 1,2017 to Sep 25,2017 | 1:1 | 71.02 | 23.71 | (23.71) |
| Forward exchange forward contracts on account of future interest payments | - | 0.97 | 0.05 | - | | | | | | |
| | | **267.50** | **17.08** | | | | | | | |

**b. Disclosure of effects of hedge accounting on financial performance**

| March 31, 2017 | Change in the value of the hedging instrument recognised in OCI | Hedge ineffectiveness recognised in profit or loss | Line item in the statement of profit or loss that includes the hedge ineffectiveness | Amount reclassified from cash flow hedging reserve to profit or loss | Line item affected in statement of profit or loss because of the reclassification |
|---|---|---|---|---|---|
| Cash flow hedge | (32.11) | NA | NA | NA | |

**c. The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting**

| Movements in cash flow hedging reserve | Amount |
|---|---|
| **As at March 31, 2016** | **-** |
| Add : Changes in fair value | (32.11) |
| Less : Amounts reclassified to profit or loss | - |
| Less: Deferred tax relating to the above | 11.11 |
| **As at March 31, 2017** | **(21.00)** |

**Godrej Agrovet Limited**
**Annexure VI - Notes to Restated Standalone Financial Information**

**Note. 43 Movement in deferred tax**

**Movement in deferred tax balances for the year ended March 31, 2017** **(Rs. in million)**

| | Net balance April 1, 2016 | Recognised in profit or loss | Recognised in OCI | On account of Merger | Recognised directly in equity | Net balance March 31, 2017 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| Property, plant and equipment & Intangible assets | (656.54) | (75.06) | - | - | 11.94 | (719.66) | 41.29 | (760.95) |
| Compensated absence | 7.21 | (2.09) | - | - | - | 5.12 | - | 5.12 |
| Investments | 13.07 | (3.43) | - | - | - | 9.64 | 9.64 | - |
| Biological Assets | (1.41) | 0.30 | - | - | - | (1.11) | - | (1.11) |
| Doubtful Debtors | 18.53 | 9.85 | - | - | - | 28.38 | - | 28.38 |
| Brought forward Losses | 30.87 | (30.87) | - | - | - | - | - | - |
| Employee benefits | - | - | - | - | - | - | - | - |
| MAT Credit Entitlment | 60.69 | (60.69) | - | - | - | (0.00) | - | - |
| Other items | 0.23 | 10.00 | (11.11) | - | - | (0.88) | - | (0.88) |
| **Deferred tax asset/ (liability)** | **(527.35)** | **(151.99)** | **(11.11)** | **-** | **11.94** | **(678.51)** | **50.93** | **(729.44)** |

**Movement in deferred tax balances for the year ended March 31, 2016** **(Rs. in million)**

| | Net balance April 1, 2015 | Recognised in profit or loss | Recognised in OCI | On account of Merger | Recognised directly in equity | Net balance March 31, 2016 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| Property, plant and equipment & Intangible assets | (581.77) | (84.94) | - | - | 10.17 | (656.54) | 38.37 | (694.91) |
| Compensated absence | - | 7.21 | - | - | - | 7.21 | - | 7.21 |
| Investments | 6.30 | 6.77 | - | - | - | 13.07 | 13.07 | - |
| Biological Assets | (1.16) | (0.25) | - | - | - | (1.41) | - | (1.41) |
| Doubtful Debtors | 10.64 | 7.89 | - | - | - | 18.53 | - | 18.53 |
| Brought forward Losses | 68.18 | (37.31) | - | - | - | 30.87 | 30.87 | - |
| Employee benefits | 6.18 | (6.18) | - | - | - | - | - | - |
| MAT Credit Entitlment | 12.71 | 47.98 | - | - | - | 60.69 | - | 60.69 |
| Other items | (3.27) | 3.50 | - | - | - | 0.23 | - | 0.23 |
| **Deferred tax asset/ (liability)** | **(482.19)** | **(55.33)** | **-** | **-** | **10.17** | **(527.35)** | **82.31** | **(609.66)** |

**Movement in deferred tax balances for the year ended March 31, 2015** **(Rs. in million)**

| | Net balance April 1, 2014 | Recognised in profit or loss | Recognised in OCI | On account of Merger | Recognised directly in equity | Net balance March 31, 2015 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| Property, plant and equipment & Intangible assets | (456.52) | (135.10) | - | - | 9.85 | (581.77) | 32.12 | (613.89) |
| Compensated absence | - | - | - | - | - | - | - | - |
| Investments | 4.13 | 2.17 | - | - | - | 6.30 | 6.30 | - |
| Biological Assets | (4.09) | 2.94 | - | - | - | (1.16) | - | (1.16) |
| Doubtful Debtors | 12.31 | (1.68) | - | - | - | 10.64 | - | 10.64 |
| Brought forward Losses | - | 68.18 | - | - | - | 68.18 | 68.18 | - |
| Employee benefits | 7.27 | (1.09) | - | - | - | 6.18 | - | 6.18 |
| MAT Credit Entitlment | - | 12.71 | - | - | - | 12.71 | - | 12.71 |
| Other items | (5.81) | 2.53 | - | - | - | (3.27) | 0.36 | (3.64) |
| **Deferred tax asset/ (liability)** | **(442.71)** | **(49.34)** | **-** | **-** | **9.85** | **(482.18)** | **106.97** | **(589.15)** |

**Movement in deferred tax balances for the year ended March 31, 2014**

(Rs. in million)

| | Net balance April 1, 2013 | Recognised in profit or loss | Recognised in OCI | On account of Merger | Recognised directly in equity | Net balance March 31, 2014 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| Property, plant and equipment & Intangible assets | (378.93) | (84.24) | - | (0.63) | 7.28 | (456.52) | 19.53 | (476.05) |
| Compensated absesce | - | - | - | - | - | - | - | - |
| Investments | 2.13 | 2.00 | - | - | - | 4.13 | 4.13 | - |
| Biological Assets | (10.01) | 5.92 | - | - | - | (4.09) | - | (4.09) |
| Doubtful Debtors | 22.22 | (9.91) | - | - | - | 12.31 | - | 12.31 |
| Brought forward Losses | 6.97 | (6.97) | - | - | - | - | - | - |
| Employee benefits | 6.32 | 0.95 | - | - | - | 7.27 | - | 7.27 |
| MAT Credit Entitlment | - | - | - | - | - | - | - | - |
| Other items | (19.92) | 14.11 | - | - | - | (5.81) | 0.31 | (6.12) |
| **Deferred tax asset/ (liability)** | **(371.22)** | **(78.14)** | **-** | **(0.63)** | **7.28** | **(442.71)** | **23.97** | **(466.68)** |

**Movement in deferred tax balances for the year ended March 31, 2013**

(Rs. in million)

| | Net balance April 1, 2012 | Recognised in profit or loss | Recognised in OCI | On account of Merger | Recognised directly in equity | Net balance March 31, 2013 | Deferred tax asset | Deferred tax liability |
|---|---|---|---|---|---|---|---|---|
| Deferred tax asset | | | | | | | | |
| Property, plant and equipment & Intangible assets | (240.08) | (139.66) | - | - | 0.81 | (378.93) | 12.02 | (390.95) |
| Compensated absesce | - | - | - | - | - | - | - | - |
| Investments | - | 2.13 | - | - | - | 2.13 | 2.13 | - |
| Biological Assets | 2.32 | (12.33) | - | - | - | (10.01) | - | (10.01) |
| Doubtful Debtors | 27.96 | (5.74) | - | - | - | 22.22 | - | 22.22 |
| Brought forward Losses | 6.65 | 0.32 | - | - | - | 6.97 | 6.97 | - |
| Employee benefits | 7.19 | (0.87) | - | - | - | 6.32 | - | 6.32 |
| MAT Credit Entitlment | - | - | - | - | - | - | - | - |
| Other items | (34.46) | 14.54 | - | - | - | (19.92) | 0.31 | (20.23) |
| **Tax assets (Liabilities)** | **(230.42)** | **(141.61)** | **-** | **-** | **0.81** | **(371.22)** | **21.43** | **(392.65)** |

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.

During the previous year, the company has accounted tax credits in respect of Minimum Alternative Tax (MAT credit) of Rs. 47.97 Mn (March 31, 2015 Rs. 12.71 Mn) of earlier years. The company is reasonably certain of availing the said MAT credit in future years against the normal tax expected to be paid in those years.

Given that the company does not have any intention to dispose investments in subsidiaries in the forseeable future, deferred tax asset on indexation benefit in relation to such investments has not been recognised.

Tax losses carried forward

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future capital gains profit will be available against which the company can use the benefits therefrom.

| | Year ended | (Rs. in million) | Expiry date |
|---|---|---|---|
| | March 31, 2017 | - | |
| Capital loss | March 31, 2016 | 30.87 | Not applicable |
| Capital loss | March 31, 2015 | 68.18 | Not applicable |
| | March 31, 2014 | - | |
| Capital loss | March 31, 2013 | 6.97 | Not applicable |

**Godrej Agrovet Limited**
**Annexure VI - Notes to Restated Standalone Financial Information**

**Note No. 44 Tax expense**

**(a) Amounts recognised in profit and loss**

| | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| | INR million | INR million | INR million | INR million | INR million |
| **Current tax** | 568.44 | 450.17 | 549.47 | 430.36 | 273.83 |
| **Deferred income tax liability / (asset), net** | | | | | |
| Origination and reversal of temporary differences | 151.99 | 45.07 | 49.34 | 78.14 | 138.06 |
| Change in tax rate | | 10.26 | | | 3.55 |
| **Deferred tax expense** | 151.99 | 55.33 | 49.34 | 78.14 | 141.61 |
| **Tax expense for the year** | **720.43** | **505.50** | **598.81** | **508.50** | **415.44** |

**(b) Amounts recognised in other comprehensive income**

| | For the year ended March 31, 2017 | | | For the year ended March 31, 2016 | | | For the year ended March 31, 2015 | | | For the year ended March 31, 2014 | | | For the year ended March 31, 2013 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax |
| | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million |
| **Items that will not be reclassified to profit or loss** | | | | | | | | | | | | | | | |
| Remeasurements of defined benefit liability (asset) | (27.80) | 9.62 | **(18.18)** | (23.54) | 8.15 | **(15.39)** | (22.82) | 7.76 | **(15.06)** | (1.43) | 0.49 | **(0.94)** | (17.28) | 5.87 | **(11.41)** |
| **Items that will be reclassified to profit or loss** | | | | | | | | | | | | | | | |
| Deferred gain/loss on cash flow hedges | 32.11 | (11.11) | **21.00** | | | | | | | | | | | | |
| | **4.31** | **(1.49)** | **2.82** | **(23.54)** | **8.15** | **(15.39)** | **(22.82)** | **7.76** | **(15.06)** | **(1.43)** | **0.49** | **(0.94)** | **(17.28)** | **5.87** | **(11.41)** |

**(c) Amounts recognised directly in equity**

| | For the year ended March 31, 2017 | | | For the year ended March 31, 2016 | | | For the year ended March 31, 2015 | | | For the year ended March 31, 2014 | | | For the year ended March 31, 2013 | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax | Before tax | Tax (expense) benefit | Net of tax |
| | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million | INR million |
| Retained Earnings | | | | | | | | | | | | | | | |
| Defered Tax on Deemed Cost adjustment on Property Plant Equipment | - | - | - | - | - | - | - | - | - | (2.16) | 0.73 | (1.43) | (6.08) | 2.05 | (4.03) |
| General Reserve | | | | | | | | | | | | | | | |
| Less: Amortisation of Intangibles as per Oil Palm Companies Merger Scheme approved by Bombay High Court ((Refer Note No. 47). | 42.51 | (14.71) | 27.80 | 42.51 | (13.93) | 28.58 | 42.51 | (9.64) | 32.87 | 42.51 | (8.03) | 34.48 | 42.51 | (2.86) | 39.65 |
| | **42.51** | **(14.71)** | **27.80** | **42.51** | **(13.93)** | **28.58** | **42.51** | **(9.64)** | **32.87** | **40.35** | **(7.30)** | **33.05** | **36.43** | **(0.81)** | **35.62** |

**(d) Reconciliation of effective tax rate**

| | For the year ended March 31, 2017 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 |
|---|---|---|---|---|---|
| | INR million | INR million | INR million | INR million | INR million |
| **Profit before tax** | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| Company's domestic tax rate | 34.61% | 34.61% | 33.99% | 33.99% | 33.99% |
| Tax using the Company's domestic tax rate | 964.72 | 729.10 | 858.64 | 641.04 | 471.50 |
| **Tax effect of:** | | | | | |
| Expense not allowed for tax purposes | 29.59 | 6.84 | (2.27) | (30.43) | (29.98) |
| Additional allowance for tax purpose | (161.71) | (85.39) | (113.32) | (99.73) | (38.47) |
| Income not considered for tax purpose/ Exempt income | (69.22) | (112.51) | (114.92) | (9.69) | - |
| Brought forward losses on which deferred tax asset not recognised | - | (38.23) | (39.02) | 15.12 | 9.32 |
| Impact due to change in Income tax rate | - | 32.64 | - | - | (9.00) |
| *Difference in tax rate* | | | | | |
| Incremental tax on account of applicability of MAT | - | - | - | - | 6.86 |
| Long term capital gains | (38.29) | - | - | 0.35 | - |
| Deferred Tax liablity on write off of FA to reserves | - | - | 2.85 | - | - |
| DTA created on Short term capital loss c/f of earliers years reversed | - | - | - | 6.97 | - |
| Difference between carry forward DTL on account of amalgamation | - | - | - | (0.66) | - |
| MAT credit utilisation | - | - | - | (3.74) | - |
| Tax benefit on accelarated depreciation/sales of Fixed assets/Indexation of Fixed Assets and Investments | (6.30) | - | - | - | - |
| Reversal of deferred tax on undistributed reserves of CDPL | - | (26.67) | - | - | - |
| Others | 1.64 | (0.28) | 6.85 | (10.73) | 5.21 |
| | ***720.43*** | ***505.50*** | ***598.81*** | ***508.50*** | ***415.44*** |
| **Current tax** | **568.44** | **450.17** | **549.47** | **430.36** | **273.83** |
| **Deffered tax** | **151.99** | **55.33** | **49.34** | **78.14** | **141.61** |

The Company's weighted average tax rates for the years ended March 31, 2017, 2016, 2015, 2014 and 2013 were 26%, 24%, 24%, 27% and 30%, respectively.
The effective tax rate was lower due to various reasons like weighted deduction on research and development expenses and other specific deductions under Section 35 of the Income Tax Act, 1961 and recognition tax credit in relation to minimum alternate tax.

**Note. 45 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 Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity other than amounts accumulated in the hedging reserve.

The Company's policy is to keep the ratio below 2.00. The company's adjusted net debt to equity ratio were as follows.

(Rs. in million)

| | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|
| Total Borrowings | 4,830.62 | 12,236.38 | 6,846.05 | 6,198.05 | 4,751.30 |
| Less : Cash and cash equivalent | 373.72 | 194.65 | 118.32 | 1,131.27 | 209.72 |
| **Adjusted net debt** | 4,456.90 | 12,041.73 | 6,727.73 | 5,066.78 | 4,541.58 |
| **Adjusted equity** | 9,026.17 | 6,978.12 | 5,916.49 | 4,863.39 | 4,187.71 |
| Adjusted net debt to adjusted equity ratio | 0.49 | 1.73 | 1.14 | 1.04 | 1.08 |

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**Note. 46 Segment reporting**

**Factors used to identify the entity's reportable segments, including the basis of organisation -**

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the group. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director (MD) of the group. The group has identified the following segments as reporting segments based on the information reviewed by CODM:

1) Animal feed
2) Vegetable Oil
3) Crop Protection
4) Other Business Segment includes, Seed Business, Energy Generation through Windmill, Tissue Culture Business and Pure Line Grand Parent Poultry Business.

**Segment Information**

**Information about Primary business Segments for the year ended March 31, 2017** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | TOTAL |
|---|---|---|---|---|---|---|
| | | | | | | |
| Total Sales | 26,208.22 | 5,066.42 | 4,513.22 | 372.68 | - | 36,160.54 |
| Segment Result | 1,656.55 | 1,026.01 | 1,167.10 | (116.03) | (8.53) | 3,725.10 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (854.01) | (854.01) |
| Interest expenses | - | - | - | - | (680.36) | (680.36) |
| Interest Income | - | - | - | - | 103.09 | 103.09 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 293.76 | 293.76 |
| Profit before Exceptional Items | 1,656.55 | 1,026.01 | 1,167.10 | (116.03) | (1,146.05) | 2,587.58 |
| Exceptional Items | - | - | - | - | 200.00 | 200.00 |
| Profit Before Taxation | 1,656.55 | 1,026.01 | 1,167.10 | (116.03) | (946.05) | 2,787.58 |
| Provision for taxation | | | | | | 720.43 |
| Profit after taxation | | | | | | 2,067.15 |
| *Other Information* | | | | | | |
| Segment assets | 9,476.61 | 1,910.20 | 4,225.55 | 648.84 | 7,727.27 | 23,988.47 |
| Segment liabilities | 7,198.94 | 173.07 | 1,378.41 | 219.23 | 5,992.65 | 14,962.30 |
| Capital expenditure | 462.76 | 174.63 | 69.45 | 1.14 | 35.32 | 743.30 |
| Depreciation and amortisation | 268.47 | 131.04 | 25.30 | 16.01 | 47.55 | 488.37 |

**Information about Primary business Segments for the year ended March 31, 2016** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | TOTAL |
|---|---|---|---|---|---|---|
| Total Sales | 25,442.02 | 4,041.92 | 3,825.70 | 350.25 | - | 33,659.89 |
| Segment Result | 1,836.92 | 616.30 | 957.91 | (135.97) | | 3,275.16 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (612.66) | (612.66) |
| Interest expenses | - | - | - | - | (910.81) | (910.81) |
| Interest Income | - | - | - | - | 78.83 | 78.83 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 276.22 | 276.22 |
| Profit Before Taxation | 1,836.92 | 616.30 | 957.91 | (135.97) | (1,168.42) | 2,106.74 |
| Provision for taxation | | | | | | 505.50 |
| Profit after taxation | | | | | | 1,601.24 |
| Other Information | | | | | | |
| Segment assets | 9,588.62 | 2,060.30 | 3,440.72 | 727.99 | 8,098.49 | 23,916.12 |
| Segment liabilities | 5,823.14 | 310.18 | 1,461.09 | 533.76 | 8,809.83 | 16,938.00 |
| Capital expenditure | 518.99 | 306.35 | 34.73 | 26.08 | 88.18 | 974.33 |
| Depreciation and amortisation | 239.96 | 118.06 | 20.34 | 13.90 | 49.36 | 441.62 |

**Information about Primary business Segments for the year ended March 31, 2015** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | TOTAL |
|---|---|---|---|---|---|---|
| Total Sales | 25,429.88 | 3,937.98 | 3,352.48 | 346.81 | - | 33,067.15 |
| Segment Result | 2,108.04 | 639.03 | 842.41 | (65.82) | - | 3,523.66 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (737.20) | (737.20) |
| Interest expenses | - | - | - | - | (654.15) | (654.15) |
| Interest Income | - | - | - | - | 41.12 | 41.12 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 6.25 | 6.25 |
| Profit before Exceptional Items | 2,108.04 | 639.03 | 842.41 | (65.82) | (1,343.98) | 2,179.68 |
| Exceptional Items | - | - | - | - | 346.47 | 346.47 |
| Profit Before Taxation | 2,108.04 | 639.03 | 842.41 | (65.82) | (997.51) | 2,526.15 |
| Provision for taxation | | | | | | 598.81 |
| Profit after taxation | | | | | | 1,927.34 |
| Other Information | | | | | | |
| Segment assets | 8,194.74 | 1,868.02 | 2,360.88 | 691.48 | 3,929.44 | 17,044.56 |
| Segment liabilities | 6,141.26 | 122.65 | 844.61 | 440.72 | 3,578.83 | 11,128.07 |
| Capital expenditure | 736.96 | 116.52 | 153.04 | 0.73 | 94.72 | 1,101.97 |
| Depreciation and amortisation | 205.12 | 107.76 | 16.33 | 13.91 | 26.63 | 369.75 |

**Information about Primary business Segments for the year ended March 31, 2014** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | TOTAL |
|---|---|---|---|---|---|---|
| Total Sales | 24,232.06 | 3,574.41 | 2,852.94 | 333.00 | - | 30,992.41 |
| Segment Result | 1,749.97 | 633.44 | 645.28 | (46.60) | - | 2,982.09 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (735.63) | (735.63) |
| Interest expenses | - | - | - | - | (397.62) | (397.62) |
| Interest Income | - | - | - | - | 28.21 | 28.21 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 8.93 | 8.93 |
| Profit before Exceptional Items | 1,749.97 | 633.44 | 645.28 | (46.60) | (1,096.11) | 1,885.98 |
| Exceptional Items | - | - | | - | | - |
| Profit Before Taxation | 1,749.97 | 633.44 | 645.28 | (46.60) | (1,096.11) | 1,885.98 |
| Provision for taxation | | | | | | 508.50 |
| Profit after taxation | | | | | | 1,377.48 |
| Other Information | | | | | | |
| Segment assets | 6,871.74 | 2,078.55 | 1,718.70 | 582.61 | 4,216.14 | 15,467.74 |
| Segment liabilities | 6,585.12 | 176.95 | 932.53 | 256.92 | 2,652.83 | 10,604.35 |
| Capital expenditure | 1,289.84 | 294.53 | 94.69 | 13.06 | 125.73 | 1,817.84 |
| Depreciation and amortisation | 125.94 | 98.42 | 6.10 | 17.62 | 25.58 | 273.66 |

**Information about Primary business Segments for the year ended March 31, 2013** (Rs. in million)

| | Animal Feeds | Vegetable Oil | Crop Protection | Other | Unallocated | TOTAL |
|---|---|---|---|---|---|---|
| Total Sales | 22,388.72 | 2,752.24 | 2,198.94 | 269.10 | - | 27,609.00 |
| Segment Result | 1,416.39 | 543.40 | 495.31 | (27.70) | - | 2,427.40 |
| Unallocated expenditure net of unallocated income | - | - | - | - | (591.48) | (591.48) |
| Interest expenses | - | - | - | - | (482.46) | (482.46) |
| Interest Income | - | - | - | - | 26.14 | 26.14 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 7.58 | 7.58 |
| Profit before Exceptional Items | 1,416.39 | 543.40 | 495.31 | (27.70) | (1,040.22) | 1,387.18 |
| Exceptional Items | - | - | - | - | - | - |
| Profit Before Taxation | 1,416.39 | 543.40 | 495.31 | (27.70) | (1,040.22) | 1,387.18 |
| Provision for taxation | | | | | | 415.44 |
| Profit after taxation | | | | | | 971.74 |
| *Other Information* | - | - | - | - | - | - |
| Segment assets | 5,276.11 | 1,850.20 | 1,402.98 | 414.91 | 3,317.41 | 12,261.61 |
| Segment liabilities | 4,915.89 | 247.08 | 549.52 | 175.08 | 2,186.33 | 8,073.90 |
| Capital expenditure | 812.80 | 398.11 | 5.17 | 4.32 | 483.84 | 1,704.24 |
| Depreciation and amortisation | 83.36 | 72.88 | 3.79 | 17.70 | 14.45 | 192.18 |

## Note No. 47 : Amalgamation of Oil Palm Companies

As per the scheme of Amalgamation ("the Scheme") of Godrej Gokarna Oil Palm Ltd (GGOPL), Godrej Oil Palm Ltd (GOPL) and Cauvery Palm Oil Ltd (CPOL), ("the Transferor Companies"), with Godrej Agrovet Limited (the " Transferee Company"), with effect from April 1, 2011, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated March 16, 2012, the following entries have been passed.

i Amortisation on Intangible Assets of the Transferor Companies amounting to Rs 42.51 Mn in the year ended March 31, 2017, March 31, 2016, March 31, 2015,March 31, 2014 , March 31,2013 recorded in the books of the Transferee Company are charged against the balance in the General Reserve Account of the Transferee Company. The Gross Book value of these Assets now held by the transferee Company is Rs. 425.12 Mn

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to Rs. 605.53 Mn over the face value of the shares held by the transferee Company has been credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by Rs. 605.53 Mn as at March 31, 2017, March 31 , 2016 , March 31,2015 , March 31,2014 , March 31, 2013, the balance in General Reserve would have been higher by Rs. 255.07 Mn as at March 31, 2017, Rs. 212.56 Mn as at March 31,2016 , Rs.170.05 Mn as at March 31,2015 , Rs. 127.54 Mn as at March 31,2014 ,by Rs. 85.02 Mn as at March 31,2013 .

**Note No. 48 : Amalgamation of Godrej Gold Coin Aquafeed Limited (GGCAL)**

As per the scheme of Amalgamation ("the Scheme") of Godrej Gold Coin Aquafeed Ltd (the Transferor Company), with Godrej Agrovet Limited with effect from April 1,2010, ("the Appointed date") as sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated January 5, 2011, the following entries have been passed

i The Intangible assets held by GGCAL amounting to Rs. 166.91 Mn were adjusted against the balance in the Securities Premium Account of the Company.

ii The excess of book value of the net assets of the Transferor Company taken over, amounting to Rs. 250.57 Mn over the face value of the shares held by the transferee Company was credited to the Securities Premium Account as per the Scheme.

Had the Scheme not prescribed the treatment of adjusting Intangibles against the balance in the Securities Premium Account, The balance in Security Premium Account would have been higher by Rs. 417.48 Mn as at March 31,2017 ,March 31, 2016 , March 31,2015 , March 31, 2014 , March 31,2013, the Intangible Assets would have been higher by Rs. 15.74 Mn as at March 31,2016 , Rs. 40.94 Mn as at March 31,2015 , by Rs. 66.13 Mn as at March 31, 2014, by Rs. 91.33 Mn as at March 31, 2013, the balance at the beginning of the year in Surplus Account would have been lower by Rs. 151.16 Mn as at March 31, 2017, by Rs. 125.97 Mn for the year 2015-16 by Rs. 100.77 Mn for the year 2014-15 , by Rs. 75.58 Mn for the year 2013-14 ,by Rs. 50.38 Mn for the year 2012-13 and the profit would have been lower by Rs. 15.74 Mn for the year 2016-17, by Rs. 25.19 Mn for the year 2015-16 , 2014-15, 2013-14, 2012-13 .

**Note No. 49: Amalgamation of Goldmuhor Agrochem & Feeds Limited**

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Goldmuhor Agrochem & Feeds Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from October 1st, 2013, ("the Appointed date") was sanctioned by the Honorable High Court of Judicature at Bombay ("the Court"), vide its Order dated September 20th, 2013 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on December 13th , 2013 (the "Effective Date").

b The amalgamation has been accounted for under the "purchase method" as prescribed by the Accounting Standard AS 14 -Accounting for Amalgamations of then Generally Accepted Accounting Practices and the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of the Transferor Company stand transferred to and vested in the Transferee Company with effect from the Appointed Date and are recorded by the Transferee Company at their book values as appearing in the books of the Transferor Company.

c The value of the Net Assets of the Transferor Company taken over by the Transferee Companies on Amalgamation is as under :

| **Particulars** | Rs. In million |
|---|---|
| Fixed Assets | 24.85 |
| Investments | 0.03 |
| Long Term Loans And Advances | 33.49 |
| Other Non Current Assets | 0.48 |
| Inventories | 54.98 |
| Trade Receivables | 35.58 |
| Cash & Cash Equivalents | 4.51 |
| Short Term Loans And Advances | 2.92 |
| Other Current Assets | 0.07 |
| Deferred Tax Liabilities (Net) | (0.66) |
| Long Term Provision | (2.57) |
| Trade Payables | (19.24) |
| Other Current Liabilities | (127.64) |
| Short Term Provision | (0.89) |
| | 5.90 |

d To give effect to the Honourable Bombay High Court's Order dated September 20th, 2013 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to Rs. 7.11 Mn has been debited to the General Reserve Account of the Transferee Company as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting Rs. 4.07 Mn have been directly charged against the balance in General Reserve Account of the Transferee Company.

iii An amount of Rs. 200.00 Mn standing to the credit of the General Reserve Account of the Transferee Company has been utilised to increase the Reserve for Employee Compensation Account of the Transferee Company. The expenses in respect of the Company's ESOP scheme will be charged against the Reserve for Employee Compensation Account.

e Had the Scheme not prescribed the above treatment, the balance in General Reserve would have been higher by Rs. 211.18 Mn as at March 31,2017, March 31,2016, March 31, 2015 & March 31, 2014 .

f Since the aforesaid scheme of amalgamation of the above mentioned Transferor Company with the Transferee Company, which is effective from October 1st, 2013, has been given effect to in these accounts, the figures for the year ended March 31 2014 to that extent are not comparable with those of the previous year.

**Note No. 50 : Amalgamation of Golden Feed Products Limited.**

a A scheme of Amalgamation ("the Scheme") for the amalgamation of Golden Feed Products Limited (called "the Transferor Company"), with Godrej Agrovet Limited (the "Transferee Company"), with effect from March 31st, 2014, ("the Appointed date") was sanctioned by the Hon'ble High Court of Judicature at Bombay ("the Court"), vide its Order dated April 29th, 2014 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on May 09th, 2014 (the "Effective Date").

b The amalgamation has been accounted for under the "purchase method" as prescribed by the Accounting Standard AS 14 -Accounting for Amalgamations then Generally Accepted Accounting Practices and the specific provisions of the Scheme. Accordingly, the Scheme has been given effect to in these accounts and all the assets and liabilities of the Transferor Company stand transferred to and vested in the Transferee Company with effect from the Appointed Date and are recorded by the Transferee Company at their book values as appearing in the books of the Transferor Company.

c The value of the Net Assets of the Transferor Company taken over by the Transferee Companies on Amalgamation is as under :

| **Particulars** | Rs. In million |
|---|---|
| Fixed Assets | 25.29 |
| Long Term Loans And Advances | 0.83 |
| Trade Receivables | 1.02 |
| Cash & Cash Equivalents | 1.32 |
| Short Term Loans And Advances | 12.50 |
| Trade Payables | (1.25) |
| Other Current Liabilities | (3.92) |
| | 35.79 |

d To give effect to the Honourable Bombay High Court's Order dated April 29th, 2014 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, amounting to Rs. 9.71 Mn has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii An amount of Rs. 350.58 Mn standing to the credit of Surplus in Statement of Profit and Loss of the Transferee Company has been utilised to restate/revise value of certain Assets of the Transferee Company.

iii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.35 Mn have been directly charged against the Surplus in Statement of Profit and Loss of the Transferee Company.

e Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by Rs. 360.29 Mn as at March 31, 2017, March 31,2016 , March 31,2015 and as at March 31,2014.

f Since the aforesaid Scheme of amalgamation of the above mentioned Transferor Company with the Transferee Company, which is effective from March 31st, 2014, has been given effect to in these accounts, the figures for the year ended March 31 2014 to that extent are not comparable with those of the previous year.

**Note No. 51 : Acquisition of Seeds business.**

a A scheme of Arrangement ("the Scheme") for the demerger of Seeds business of Godrej Seeds and Genetics Limited ("the Demerged Company) into Godrej Agrovet Limited ("the Resulting Company") effect from April 1st, 2015, ("the Appointed date") was sanctioned by the Honorable High Court of Judicature at Bombay ("the Court"), vide its Order dated January 8th, 2016 and certified copies of the Order of the Court sanctioning the Scheme were filed with the Registrar of Companies, Maharashtra on February 9, 2016 (the "Effective Date").

b The scheme has accordingly, been given effect to in these accounts and following assets and liabilities were taken over by the Resulting Company::

| **Particulars** | Rs. In million |
|---|---|
| Fixed Assets | 11.81 |
| Long Term Loans And Advances | 3.82 |
| Inventories | 323.60 |
| Trade Receivables | 68.22 |
| Cash & Cash Equivalents | 1.19 |
| Short Term Loans And Advances | 16.39 |
| Non Current Liabilities | (2.04) |
| Trade Payables | (164.21) |
| Short Term Borrowings | (325.82) |
| Other Current Liabilities | (52.35) |
| | (119.39) |

c To give effect to the Honourable Bombay High Court's Order dated January 8th, 2016 regarding Scheme of the Arrangement, the following actions have been performed.

i The excess of face value of the preference shares held by the transferee Company over book value of the net assets of the Transferor Company taken over, along with face value of preference shares issued on account the amalgamation, amounting to Rs.169.45 Mn has been debited to the Surplus in Statement of Profit and Loss as per the Scheme.

ii The cost and expenses arising out of or incurred in carrying out and implementing the scheme amounting to Rs. 1.94 Mn have been directly charged against the Surplus in Statement of Profit and Loss of the Resulting Company.

d Had the Scheme not prescribed the above treatment, the Surplus in Statement of Profit and Loss would have been higher by Rs. 169.45 Mn as at March 31, 2017 and as at March 31, 2016.

e Since the aforesaid scheme of arrangement of the above mentioned Transferor Division with the Resulting Company, which was effective from April 1st, 2015, has been given effect to in these accounts, the figures for the year ended March 31, 2016 to that extent are not comparable with those of the previous year.

**Note No. 52 : Contingent Liabilities & Commitments**

**A : Contingent Liabilities** **(Rs. in million)**

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| Claims against the Company not acknowledged as debts: | | | | | |
| (i) Excise Matter | | | | | |
| Excise duty demands relating to disputed classification, assessable values, availment of credit etc. which the Company has contested and is in appeal at various levels | 998.88 | 629.90 | 545.52 | 445.87 | 266.13 |
| | - | - | - | - | - |
| (ii) Service Tax demand amounting to Rs 0.10 Mn raised by Central Excise Department at Lote in respect of dispute arising out of works contract transaction. An equal amount is levied by the department towards interest and penalty. The Company has preferred an Appeal against this Order of Assessing Officer. | 0.20 | - | - | - | - |
| (iii) Customs Matter | | | | | |
| a The Company has preferred an appeal with the Customs Dept. in the matter of Assessable value of imported Capital goods and presently the case is pending with the Commissioner of Customs, Chennai. | 8.54 | - | 1.28 | 1.28 | 1.28 |
| b The Company has preferred an appeal with the Custom Dept. in the matter of Assessable value of imported Capital goods ans presently the case is pending with the commissioner of customs, Chennai. | - | - | - | - | 0.11 |
| (iv) Income Tax | | | | | |
| a The Company has received a rectification order u/s 154 of Income Tax Act 1961 for AY 2014-15 dated 23.01.2017, as per the said order amount determined to be payable is Rs 13.24 Mn which includes interest amounting to Rs 2.55 Mn. | 13.24 | - | - | | |
| b The Company has preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y 2013-14 in which a demand of Rs.14.31 Mn has been determined to be payable by the Company. | 14.31 | 105.92 | - | | |
| c The Company has preferred an Appeal before the Commissioner of Income Tax ( Appeals) against the order of the Assessing Officer for the A.Y 2012-13 and A.Y 2013-14 in which a demand of Rs 0.20 Mn and Rs 0.30 Mn respectively has been determined to be payable by the Company. The above demand pertains to Dividend Distribution Tax paid by Bahar Agrochem & Feeds Ltd (since merged with Godrej Agrovet Ltd) the credit of which has not been granted by the Income Tax department and disallowances under section 14 A of the Income Tax Act. | - | 0.50 | 0.20 | | |
| d The company has preferred appeal before the Commissioner of Income Tax (Appeals) against the order of the Assessing Officer for the A.Y. 2012-13 in which a demand of Rs. 91.62 Mn has been determined to be payable by the company. The above demand includes taxes amounting to Rs. 76.99 Mn towards which credit has not been granted by the Income Tax department | - | - | 91.62 | | |
| (v) Sales Tax Matters | | | | | - |
| The Company has preferred an appeal before the Deputy Excise and Taxation Commissioner, Jalandhar against the penalty order issued by the VAT officer for the F.Y. 2010-11 | - | 0.10 | 0.10 | 0.10 | |
| The Company has preferred an appeal before the Joint Commissioner, Kashipur against the penalty order issued by the VAT officer for the F.Y 2008-09 & F.Y 2012-13 | - | 1.26 | 1.26 | 1.26 | - |
| The company has preferred an appeal before the VAT Tribunal at Bhatinda against the penalty order issued by the VAT officer for the F.Y. 2013-14 | - | - | 0.17 | | |
| (vi) Buy-back guarantee issued to Industrial Promotional & Development Company on behalf of Joint Venture. | - | 41.13 | 41.13 | 50.00 | - |
| (vii) Surety Bond issued on behalf of Fellow Subsidiary. | 12.07 | 12.07 | 202.81 | 202.81 | - |
| | - | - | - | | |
| (viii) Guarantees issued by the Banks and counter guaranteed by the company which have been secured by deposits with bank. | 41.01 | 43.62 | 35.42 | 43.96 | 48.53 |
| (ix) Gurantee issued to banks on behalf of the Joint Venture Company | - | - | 70.32 | 65.97 | 107.56 |
| (x) Claims against the Company not acknowledge as Debt | 90.59 | 64.09 | 67.11 | 80.29 | 100.04 |

**B : Commitments** **(Rs. In million)**

| | | | | | |
|---|---|---|---|---|---|
| Estimated value of contracts remaining to be executed on capital account (net of Advances), to the extent not provided for: | 645.53 | 360.07 | 256.68 | 466.88 | 531.68 |
| Outstanding Export obligation Under EPCG Scheme | 347.23 | 347.23 | 347.23 | 329.01 | 48.84 |

**Note No. 53 :Reserve created for employee compensation expenses**

To give effect to the Honorable Bombay High Court's Order dated March 8, 2013, an amount of Rs. 1,100.40 Mn standing to the credit of the Securities Premium Account of the Comp been utilised to create Reserve for Employee Compensation Account. The expense in respect of GAVL ESOP scheme of Rs. 1,100.40 Mn (as of March 31, 2016 Rs. 1,061.42 Mn, M 2015 Rs. 947.76 Mn, March 31, 2014 Rs. 833.88 Mn and March 31, 2013 Rs.720.41 Mn) has been charged against the Reserve for Employee Compensation.

Had the order passed by the Honorable Bombay High Court not prescribed the above treatment, the balance in the Securities Premium Account would have been higher by Rs. 1,100 the Reserve for employee compensation expenses would have been Nil ( as of March 31, 2016 Rs. 238.98 Mn, March 31, 2015 Rs. 352.64 Mn, March 31, 2014 Rs. 466.52 Mn and M 2013 Rs.379.99 Mn, during the year ended March 31, 2016 ,the employee Benefit expense would have been higher by Rs. 113.66 Mn, year ended March 31, 2015 Rs. 113.88 Mn, ye March 31, 2014 Rs. 113.47 Mn and year end March 31 2013 Rs. 720.41 Mn and the Opening Balance in the Surplus in the Statement of Profit & Loss of the year ended March 3 would have been lower by Rs. 947.76 Mn, of the year ended March 31, 2015 by Rs. 833.88 Mn and of the year ended March 31 2014 by Rs. 720.41 Mn.

**Note No.54 : Corporate Social Responsibility expenditure.**

Total expenditure incurred on Corporate Social Responsibility activities during the current year is Rs.40.60 Mn (for the year 2015-16 Rs.21.47 Mn and for the year 2014-15 Rs. 13.02

Amount spent during the year on:

| | | In cash | Yet to be paid in cash | TOTAL |
|---|---|---|---|---|
| (i) | Construction/acquisition of any asset | - | - | - |
| (ii) | On purpose other than (i) above | 40.60 | - | 40.60 |

**Note No.55 : Managerial Remuneration.**

During the year, the stock options granted under the Company's stock option scheme were fully vested, exercised and transferred to the eligible employees including the Managing Di the Company. The perquisite value of the said stock options have been included in the managerial remuneration which resulted in the same exceeding the limits prescribed under Sec of the Companies Act, 2013 by an amount of Rs. 866.11 Mn. The Company is in the process of obtaining approval from the Shareholders and Central Government of India for ratific payment of excess remuneration.

**Note No.56 : Lease.**

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

a. The total of future minimum lease payments under non-cancellable operating leases for each of the following periods :

**(Rs. In**

| Particulars | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012 |
|---|---|---|---|---|---|
| Future lease commitments | | | | | |
| - Within one year | 29.57 | 21.19 | 23.76 | 10.22 | |
| - Later than one year and not later than five years | 95.89 | 73.16 | 66.60 | 33.09 | |
| - Later than five years | 27.97 | 42.54 | 22.01 | 34.38 | |
| | 153.42 | 136.89 | 112.36 | 77.70 | |

b. Lease payments recognised in the Statement of Profit & Loss for the year :

| | | | | | |
|---|---|---|---|---|---|
| Minimum lease payments | 166.94 | 118.66 | 72.21 | 39.82 | |

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated standalone financial information**

**Note No. 57: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

**1 Relationships:**

**(i) Holding Companies:**

Godrej Industries Limited (GIL), Holding Company holds 63.67% Equity Shareholding in Godrej Agrovet Limited (GAVL) as on March 31, 2017.

GIL was a subsidiary of Godrej & Boyce Manufacturing Company Limited (G&B) till March 29, 2017. Consequently, G&B was also the Ultimate Holding Company of GAVL till March 29, 2017 and ceased to be so w.e.f. March 30, 2017.

GIL became a subsidiary of Vora Soaps Limited (VSL) w.e.f. March 30, 2017. Consequently, VSL is the Ultimate Holding Company of GAVL w.e.f. March 30, 2017.

**(ii) Subsidiary Companies:**

1 Golden Feed Products Limited (till Marh 31, 2014 the effecet date of Merger)
2 Goldmohur Agrochem & Feeds Limited (from January 2, 2013,till December 12, 2013 the effecet date of Merger)
3 Godvet Agrochem Limited (Incorporate on January 22, 2014)
4 Godrej Seeds & Genetics Limited (upto March 18, 2017)
5 Astec LifeSciences Limited (a Subsidiary w.e.f. 6th November, 2015)
6 Behram Chemicals Private Limited (a subsidiary of Astec LifeSciences Limited)
7 Astec Europe Sprl (a subsidiary of Astec LifeSciences Limited)
8 Comercializadora Agricola Agroastrachem Cia Ltda (a subsidiary of Astec LifeSciences Limited)
9 Creamline Dairy Products Limited (a Subsidiary w.e.f. 21st December, 2015)
10 Nagavalli Milkline Private Limited (a subsidiary of Creamline Dairy Products Limited)
11 Astec Crop Care Private Limited (a subsidiary of Astec LifeSciences Ltd up to 17th February, 2016)

**(iii) Fellow Subsidiaries:**

**A. Subsidiaries of Godrej & Boyce Mfg. Co. Ltd. (G&B), Fellow subsidiaries upto March 29, 2017 :**

1 Godrej Infotech Ltd.
2 Wadala Commodities Ltd. (merged with Godrej Industries Ltd. w.e.f. 21st November, 2014)
3 Godrej (Malaysia) Sdn. Bhd. (incorporated in Malaysia)
4 Godrej (Singapore) Pte. Ltd., (Incorporate in Singapore)
5 Veromatic International BV, (Incorporate in Netherlands)
6 Busbar Systems (India) Ltd. (from 1st February, 2013)
7 Mercury Mfg. Co. Ltd.
8 East View Estates Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
9 First Rock Infrastructure Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
10 Miracletouch Developers Pvt. Ltd. (a wholly-owned subsidiary w.e.f. 31st March, 2015)
11 Godrej Americas Inc., USA
12 India Circus Retail Pvt. Ltd.

**B. Subsidiaries of Godrej Industries Ltd. (GIL) :**

1 Godrej Properties Ltd. (GPL)
2 Ensemble Holdings & Finance Ltd.
3 Godrej International Ltd., (Incorporated in the Isle of Man)
4 Natures Basket Ltd.
5 Godrej International Trading & Investments Pte Ltd., (Incorporate in Singapore)
6 Godrej International Ltd., Labuan Malaysia
7 Swadeshi Detergents Limitied (a subsidiary of Godrej Industries Ltd from 20th March, 2013 Merged into Godrej Industries Ltd w.e.f. 6th September, 2013)
8 Godrej Hershey Limited (upto Sept 27, 2012)

**C. Subsidiaries of Godrej Properties Limited (GPL) :**

1 City Infraprojects Limited
2 Godrej Realty Pvt. Ltd.
3 Godrej Real Estate Pvt. Ltd.
4 Godrej Buildcon Pvt. Ltd.
5 Godrej Projects Development Pvt. Ltd. (GPDPL)
6 Godrej Redevelopers (Mumbai) Pvt. Ltd. (a subsidiary of GPDPL w.e.f 8th February, 2013)
7 Godrej Garden City Properties Pvt. Ltd.
8 Godrej Landmark Redevelopers Pvt. Ltd.
9 Godrej Green Homes Ltd. (a subsidiary in corporated on 24th December, 2013)
10 Godrej Home Developers Pvt. Ltd.
11 Godrej Hillside Properties Pvt. Ltd.
12 Godrej Prakriti Facilities Private Limited (a subsidiary of Happy Highrises Ltd.)
13 Godrej Investment Advisers Private Limited
14 Godrej Highrises Properties Private Limited
15 Godrej Genesis Facilities Management Private Limited (a subsidiary of Happy Highrises Ltd.)
16 Godrej Residency Private Limited
17 Godrej Skyline Developers Private Limited
18 Godrej Vikhroli Properties India Limited (Godrej Vikhroli Properties LLP converted into a Public Limited Company)
19 Prakritiplaza Facilities Management Private Limited
20 Godrej Waterside Properties Pvt. Ltd. (merged with Godrej Properties Ltd. w.e.f. 29th April, 2013)
21 Godrej Developers Pvt. Ltd. (a subsidiary of Godrej Projects Development Pvt. Ltd. w.e.f. 6th December, 2013) Conversion from Pvt Ltd to Public Ltd w.e.f 1st November, 2013) and merged into GPDPL w.e.f. 30th April, 2014)
22 Happy Highrises Ltd.
23 Godrej Estate Developers Ltd. (formerly Godrej Estate Developers Pvt. Ltd. - (a subsidiary of GSVPL w.e.f. 11th November, 2013 and merged with GSVPL w.e.f. 12th April, 2014)
24 Godrej Buildwell Pvt. Ltd.
25 Godrej Premium Builders Pvt. Ltd.
26 Godrej Nandhi Hills Project Pvt. Ltd. (merged with GPL w.e.f 30th April, 2014)
27 Wonder City Buildcon Pvt. Ltd. ( a subsidiary till June 24, 2014.)
28 Godrej Property Developers LLP
29 Mosiac Landmarks LLP
30 Dream World Landmarks LLP
31 Oxford Realty LLP
32 Godrej SSPDL Green Acres LLP
33 Oasis Landmarks LLP
34 M S Ramaiah Ventures LLP
35 Caroa Properties LLP
36 Godrej Construction Projects LLP
37 Godrej Housing Projects LLP
38 Godrej Land Developers LLP
39 Godrej Developers & Properties LLP
40 Godrej Highrises Realty LLP
41 Godrej Project Developers & Properties LLP
42 Godrej Highview LLP

43 Prakhhyat Dwellings LLP
44 Godrej Skyview LLP
45 Bavdhan Realty @ Pune 21 LLP
46 Godrej Green Properties LLP
47 Godrej Projects (Pune) LLP
48 Godrej Projects (Bluejay) LLP
49 Godrej Projects (Soma) LLP
50 Godrej Century LLP
51 Godrej Sea view Property Ltd (GSVPL) (megged with GPL w.e.f. 30th April, 2014)
52 Godrej Greenview Housing Private Limited (a subsidiary w.e.f. 15th May,2015)
53 Wonder Projects Development Private Limited (asubsidiary w.e.f. 24th June, 2015)

**D. Subsidiaries of Godrej Infotech Ltd. (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej Infotech Americas Inc., North Carolina, USA
2 Godrej Infotech (Singapore) Pte. Ltd., Singapore
3 LVD Godrej Infotech NV, Belgium

**E. Subsidiary of Godrej (Malaysia) Sdn. Bhd.:**

G&B Enterprises (Mauritius) Pvt. Ltd. (incorporated in Mauritius) (a wholly-owned subsidiary of Godrej (Malaysia) Sdn. Bhd.)

**F. Subsidiaries of Godrej (Singapore) Pte. Ltd. (Fellow subsidiaries upto March 29, 2017) :**

1 JT Dragon Pte. Ltd., Singapore
2 Godrej (Vietnam) Co. Ltd., Vietnam (a wholly owned subsidiary of JT Dragon Pte. Ltd.)

**G. Subsidiaries of Veromatic International BV:**

1 Veromatic Services BV (incorporated in the Netherlands)
2 Prowama Trading BV (incorporated in the Netherlands) (formerly Water Wonder Benelux BV) liquidated on 28th December 2015

**H. Other Fellow Subsidiaries (where Godrej & Boyce Mfg. Co. Ltd. owns directly and/or indirectly through one or more subsidiaries, more than one-half of the equity share capital) (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej Consumer Products Ltd. (GCPL)
2 Godrej One Premises Management Private Limited

**I. Other Associates of Godrej & Boyce Mfg. Co. Ltd.:**
1 Godrej & Boyce Enterprises LLP
2 JNG Enterprise LLP
3 RKN Enterprise LLP
4 ABG Venture LLP
5 NBG Enterprise LLP
6 SVC Enterprise LLP
7 Godrej Vikhroli Properties LLP
8 Godrej Property Developers LLP
9 Mosaic Landmarks LLP
10 Dream World Landmarks LLP
11 Oxford Realty LLP
12 Godrej SSPDL Green Acres LLP
13 M S Ramaiah Ventures LLP
14 Oasis Landmarks LLP
15 Godrej Housing Projects LLP
16 Godrej Construction Projects LLP
17 Godrej Land Developers LLP (w.e.f 22nd April, 2015)
18 Godrej Developers & Properties LLP (w.e.f. 22nd April, 2015)
19 Godrej Highrises Realty LLP (w.e.f. 22nd April, 2015)
20 Godrej Project Developers & Properties LLP (w.e.f 16th June, 2015)
21 Amitis Developers LLP
22 Caroa Properties LLP
23 Sheetak Inc.
24 Urban Electric Power LLC
25 Future Factory LLP
26 Anamudi Real Estates LLP
27 Proboscis Inc., USA

**J. Subsidiaries and Sub-subsidiaries of Godrej Consumer Products Limited (GCPL) (Fellow subsidiaries upto March 29, 2017) :**

1 Godrej South Africa (Proprietary) Ltd., South Africa (formerly, Rapidol (Pty) Ltd.)
2 Godrej Netherlands BV, Netherlands
3 Godrej UK Ltd. (a subsidiary of Godrej Netherlands BV)
4 Godrej Consumer Products Holding (Mauritius) Ltd., (In Corporated Mauritius)
5 Godrej Global Mid East FZE (incorporated in Sharjah, U.A.E.) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
6 Godrej Consumer Products Mauritius Ltd., Mauritius
7 Godrej Household Products Lanka (Private) Ltd., (In Corporatged in Sri Lanka)
8 Godrej Household Products Bangladesh Pvt. Ltd., (In Corporated in Bangladesh)
9 Godrej Consumer Products Bangladesh Ltd., (In Corporated in Bangladesh)
10 Godrej Mauritius Africa Holdings Ltd., (In Corporated in Mauritius)
11 Godrej West Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
12 Godrej Consumer Products (UK) Ltd. (a subsidiary of Godrej UK Ltd.)
13 Godrej Consumer Investments (Chile) Spa, Chile (a subsidiary of Godrej Netherlands BV)
14 Godrej Mideast Holdings Limited, Dubai (a subsidiary of Godrej Indonesia IP Holdings Limited)
15 Godrej Holdings (Chile) Limitada, Chile (a subsidiary of Godrej Consumer Investments (Chile) Spa)
16 Cosmetica Nacional, Chile (a subsidiary of Godrej Holdings (Chile) Limitada)
17 Plasticos Nacional, Chile (a subsidiary of Cosmetica Nacional)
18 Kinky Group (Proprietary) Ltd. (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
19 Godrej Nigeria Ltd., Nigeria (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
20 Indovest Capital Ltd., Malaysia (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
21 Godrej Consumer Products Dutch Cooperatief UA, Netherlands (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
22 Godrej Consumer Products (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
23 Godrej Consumer Holdings (Netherlands) BV, Netherlands (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA)
24 PT Megasari Makmur, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
25 PT Intrasari Raya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
26 PT Ekamas Sarijaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
27 PT Indomas Susemi Jaya, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
28 PT Sarico Indah, Indonesia (a subsidiary of Godrej Consumer Holdings (Netherlands) BV)
29 Panamar Produccioness Srl, Argentina (a subsidiary of Godrej Netherlands Argentina BV)
30 Argencos S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
31 Laboratoria Cuenca S.A., Argentina (a subsidiary of Godrej Netherlands Argentina BV)
32 Deciral Ltd., Uruguay (a subsidiary of Laboratoria Cuenca S.A.)
33 Issue Group Brazil Ltda., Brazil (a subsidiary of Godrej Netherlands Argentina BV)
34 Consell S.A ., Argentina (a subsidiary of Laboratoria Cuenca S.A.)
35 Subinite Pty. Ltd., South Africa (a subsidiary of Godrej West Africa Holdings Ltd.)
36 Lorna Nigeria Ltd., Nigeria (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
37 Weave IP Holding Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej West Africa Holdings Ltd.)

38 Weave Trading Mauritius Pvt. Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
39 Hair Trading (Offshore) S. A. L., Lebanon (a subsidiary of Weave Trading Mauritius Pvt Ltd.)
40 Weave Mozambique Limitada, Mozambique (a subsidiary of Godrej West Africa Holdings Ltd.)
41 Godrej East Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
42 Style Industries Ltd., Kenya (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
43 DGH Phase Two Mauritius, Mauritius (a subsidiary Godrej East Africa Holdings Ltd.)
44 Godrej Tanzania Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Ltd.)
45 DGH Tanzania Ltd., Tanzania (a subsidiary of Godrej Tanzania Holdings Ltd.)
46 Sigma Hair Ind. Ltd., Tanzania (a subsidiary of DGH Tanzania Ltd.)
47 Weave Ghana Ltd., Ghana (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
48 Godrej Consumer Products US Holding Limited, Mauritius
49 Darling Trading Company Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
50 Godrej Africa Holdings Ltd., Mauritius (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
51 Godrej Indonesia IP Holdings Ltd., Mauritius (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd.)
52 Frika Weave (Pty) Ltd., South Africa (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
53 Belaza Mozambique LDA
54 Charm Industries Ltd.
55 Canon Chemicals Ltd.
56 Godrej Hair Weave Nigeria Ltd.
57 Godrej International Trading Company, Sharjah
58 DGH Angola (name changed from 'Godrej Megasari Holdings' incorporated in Mauritius) (a subsidiary of Godrej Consumer Products Holding (Mauritius) Ltd. w.e.f. 18th March, 2015)
59 Godrej Hair Care Nigeria Limited
60 Godrej Household Insecticide Nigeria Ltd.
61 Hair Credentials Zambia Limited
62 Godrej SON Holdings Inc., USA
63 Old Pro International Inc
64 Strength of Nature LLC, USA
65 Strength of Nature South Africa Proprietary Limited
66 Style Industries Uganda Limited
67 Weave Senegal Ltd.
68 DGH Uganda
69 Godrej Consumer Products FZCO
70 Godrej Hygiene Products Ltd. (merged with GCPL w.e.f 7th September, 2013)
71 Godrej Weave Holdings Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Mauritius Africa Holdings Ltd.)
72 Godrej Consumer Products Holdings (UK) Ltd. (incorporated in the United Kingdom, a subsidiary of Godrej Netherlands BV)
73 Inecto Manufacturing Ltd. (a subsidiary of Keyline Brands Ltd.)
74 Godrej Kinky Holdings Ltd. (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
75 Kinky Group Pty Ltd. (a subsidiary of Godrej Kinky Holdings Ltd.)
76 Godrej Consumer Investments Holding Ltd. ( a subsidiary of Godrej Consumer Products Mauritius Ltd.)
77 Godrej Indonesia Netherlands Holding BV (incorporated in the Netherlands) (a subsidiary of Godrej Consumer Products Dutch Cooperatief UA) BV w.e.f 30th September, 2013)
78 PT Simba Indosnack Makmur (incorporated in Indonesia) (a subsidiary of Godrej Consumer Holdings (Netherlands) BV upto 21st March, 2013)
79 Godrej Argentina Dutch Cooperatief UA (incorporated in Netherlands) (a subsidiary of Godrej Consumer Products Mauritius Ltd.)
80 Godrej Netherlands Argentina Holding BV . (incorporated in Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
81 Godrej Netherlands Argentina BV (incorporated in the Netherlands) (a subsidiary of Godrej Argentina Dutch Cooperatief UA)
82 Issue Group Uruguay S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
83 Deciral S.A. (incorporated in Uruguay) (a subsidiary of Laboratoria Cuenca S.A.)
84 Godrej Consumer Products Nepal Pvt. Ltd.
85 DGH Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of Godrej Weave Holdings Ltd.)
86 Weave Business Holdings Mauritius Pvt. Ltd. (incorporated in Mauritius) (a subsidiary of DGH Phase Two Mauritius Pvt. Ltd.)
87 Frika Pty. Ltd. (incorporated in South Africa) (a subsidiary of DGH Mauritius Pvt. Ltd. w.e.f. 1st October, 2014)
88 DGH Phase 3 Mauritius Pvt. Ltd. (incorporated in Mauritius) ( a subsidiary of Weave Business Holding Mauritius Pvt. Ltd.)
89 Godrej Easy IP Holding Ltd. (incorporated in Dubai) (a subsidiary of Godrej Consumer Products Mauritius Ltd. w.e.f. 16th October, 2014)

**(iv) Joint Ventures of Godrej Agrovet Limited:**
1 Godrej Tyson Foods Limited
2 ACI Godrej Agrovet Private Limited, Bangladesh

**(v) Associates of Godrej Agrovet Limited:**
1 **Polchem Hygiene Laboratories Private Limited (upto December 12, 2016)**
2 Crop Science Advisors LLP
3 Al Rahba International Trading LLC
4 Creamline Dairy Products Limited (upto December 20, 2015)

**(vi) Other related parties**
1 Anamudi Real Estates LLP
2 Godrej Agrovet Limited Employees Provident Fund Trust.
3 Godrej Agrovet Limited Employees Superannuation Scheme.
4 Godrej Agrovet Limited Employees Group Gratuity Trust.
5 **Bahar Agrochem & Feeds Private Limited (upto August 31, 2012)**

**(vii) Individuals owning, directly or indirectly, an interest in the voting power of Godrej Agrovet Limited that gives them control or significant influence over the enterprise and relatives of any such individual.**
1 Mr. Adi B. Godrej
2 Mr. Nadir B. Godrej
3 Mrs. Rati Nadir Godrej (Wife of Mr. Nadir B. Godrej)
4 Ms. Tanya Dubash (Daughter of Mr. Adi B. Godrej)
5 Mr. Arvind Darab Dubash (Husband of Ms. Tanya Dubash)
6 Ms. Nisaba Godrej (Daughter of Mr. Adi B. Godrej)
7 Mr. Kalpesh Mehta (Husband of Ms. Nisaba Godrej)
8 Mr. Pirojsha Godrej (Son of Mr. Adi B. Godrej)
9 Mrs. Karla Godrej (Wife of Mr. Pirojsha Godrej)
10 Mr. Burjis Nadir Godrej (Son of Mr. Nadir B. Godrej)
11 Mr. Sohrab Nadir Godrej (Son of Mr. Nadir B. Godrej)
12 Mr. Hormazad Nadir Godrej ( Son of Mr. Nadir B. Godrej)

**Key Management Personnel and relatives of such Personnel**
1 Mr. B. S. Yadav (Managing Director)
2 Mrs. Upassna Singh
3 Mrs. Kamal Yadav
4 Mr. Anirudh Singh
5 Ms. Anika Singh
6 Mrs. Monica Yadav
7 Ms. Charu Yadav
8 Mr. S. Varadaraj (Chief Financial Officer)
9 Mr. Vivek Raizada (Company Secretary)

**ENTERPRISES OVER WHICH ANY OF THE FOLLOWING PERSONS IS ABLE TO EXERCISE SIGNIFICANT INFLUENCE:**
**(i) INDIVIDUALS OWNING, DIRECTLY OR INDIRECTLY, AN INTEREST IN THE VOTING POWER OF THE REPORTING ENTERPRISE THAT GIVES THEM CONTROL OR SIGNIFICANT INFLUENCE OVER THE ENTERPRISE, AND RELATIVES OF ANY SUCH INDIVIDUAL**

**(ii) KEY MANAGEMENT PERSONNEL AND RELATIVES OF SUCH PERSONNEL**

**Annexure VI - Notes to Restated standalone financial information**

**Note No. 57: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

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

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

Rs.In million

| | | Nature of Transactions | Holding Companies (i) | Subsidiaries & LLP (ii) | Fellow Subsidiaries (iii) | Joint Ventures (iv) | Associates (v) | Other related Parties (vi) |
|---|---|---|---|---|---|---|---|---|
| 1 | 2016-17 | Purchase / Transfer of fixed assets | **7.67** | - | - | - | - | - |
| | 2015-16 | Purchase / Transfer of fixed assets | 24.47 | - | - | 1.42 | - | - |
| | 2014-15 | Purchase / Transfer of fixed assets | 66.44 | (0.10) | 23.77 | 0.49 | - | - |
| | 2013-14 | Purchase / Transfer of fixed assets | 1.05 | | | | | |
| | 2012-13 | Purchase / Transfer of fixed assets | 3.23 | | | | | |
| | | | | | | | | |
| 2 | 2016-17 | Investment in share capital | - | - | - | - | - | - |
| | 2015-16 | Investment in share capital | - | 39.00 | - | - | - | 0.01 |
| | 2014-15 | Investment in share capital | - | 95.00 | - | - | - | - |
| | 2013-14 | Investment in share capital | | 65.54 | | | | |
| | 2012-13 | Investment in share capital | | 13.01 | | | | |
| | | | | | | | | |
| 3 | 2016-17 | Investment in Preference Share Redeemed | - | - | - | - | - | - |
| | 2015-16 | Investment in Preference Share Redeemed | - | 35.00 | - | - | - | - |
| | 2014-15 | Investment in Preference Share Redeemed | | | | | | |
| | 2013-14 | Investment in Preference Share Redeemed | | | | | | |
| | 2012-13 | Investment in Preference Share Redeemed | | | | | | |
| | | | | | | | | |
| 4 | 2016-17 | Advances given during the year | - | - | - | - | - | - |
| | 2015-16 | Advances given during the year | - | - | - | - | - | - |
| | 2014-15 | Advances given during the year | - | 2.44 | - | - | - | - |
| | 2013-14 | Advances given during the year | | | | | | |
| | 2012-13 | Advances given during the year | | | | | | |
| | | | | | | | | |
| 5 | 2016-17 | Sundry Deposits Placed | **0.66** | - | - | - | - | **0.90** |
| | 2015-16 | Sundry Deposits Placed | 1.42 | - | - | - | - | - |
| | 2014-15 | Sundry Deposits Placed | 0.96 | - | - | - | - | - |
| | 2013-14 | Sundry Deposits Placed | 1.02 | | | | | |
| | 2012-13 | Sundry Deposits Placed | 0.31 | | | | | |
| | | | | | | | | |
| 6 | 2016-17 | Intercorporate Deposits Placed during the year | - | **611.91** | - | - | - | - |
| | 2015-16 | Intercorporate Deposits Placed during the year | - | 459.50 | - | - | - | - |
| | 2014-15 | Intercorporate Deposits Placed during the year | - | 110.03 | 30.00 | - | - | - |
| | 2013-14 | Intercorporate Deposits Placed during the year | | 64.50 | 52.00 | | | |
| | 2012-13 | Intercorporate Deposits Placed during the year | | | 100.00 | | | - |
| | | | | | | | | |
| 7 | 2016-17 | Intercorporate Deposits Returned | - | **1,045.38** | - | - | - | - |
| | 2015-16 | Intercorporate Deposits Returned | - | 101.70 | - | - | - | - |
| | 2014-15 | Intercorporate Deposits Returned | | | | | | |
| | 2013-14 | Intercorporate Deposits Returned | | | | | | |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2012-13 | Intercorporate Deposits Returned | | | | | | |
| | | | | | | | | |
| 8 | 2016-17 | Sale of materials / finished goods | - | **36.15** | **-** | **2,409.86** | **-** | - |
| | 2015-16 | Sale of materials / finished goods | - | 6.00 | 14.41 | 2,528.54 | 7.83 | - |
| | 2014-15 | Sale of materials / finished goods | - | - | 21.31 | 2,166.46 | 17.94 | - |
| | 2013-14 | Sale of materials / finished goods | | - | 11.28 | 2,170.36 | 23.56 | |
| | 2012-13 | Sale of materials / finished goods | | 17.00 | 0.84 | 2,052.91 | 43.01 | |
| | | | | | | | | |
| 9 | 2016-17 | Purchase of materials / finished goods | **18.81** | **130.66** | **3.02** | **29.26** | **57.47** | - |
| | 2015-16 | Purchase of materials / finished goods | 0.54 | 3.71 | 4.10 | 38.48 | 31.97 | - |
| | 2014-15 | Purchase of materials / finished goods | - | - | 1.49 | 35.24 | 43.81 | - |
| | 2013-14 | Purchase of materials / finished goods | 0.58 | 259.08 | 3.78 | 20.82 | 41.70 | |
| | 2012-13 | Purchase of materials / finished goods | - | 15.53 | | 10.34 | 37.62 | 319.93 |
| | | | | | | | | |
| 10 | 2016-17 | Expenses Charged to / Reimbursement made from other companies | **1.18** | **21.41** | **2.14** | **28.82** | - | - |
| | 2015-16 | Expenses Charged to / Reimbursement made from other companies | 0.01 | 13.07 | 0.17 | 25.82 | - | - |
| | 2014-15 | Expenses Charged to / Reimbursement made from other companies | - | 55.65 | 6.06 | 3.94 | - | - |
| | 2013-14 | Expenses Charged to / Reimbursement made from other companies | 0.77 | 39.73 | 5.71 | 7.68 | | |
| | 2012-13 | Expenses Charged to / Reimbursement made from other companies | 1.47 | 52.15 | 4.79 | 17.44 | | |
| | | | | | | | | |
| 11 | 2016-17 | Expenses Charged by / Reimbursement made to other companies | **75.64** | **28.32** | **519.26** | **0.15** | **-** | **29.46** |
| | 2015-16 | Expenses Charged by / Reimbursement made to other companies | 80.40 | 11.63 | 0.83 | 4.28 | 0.21 | 13.76 |
| | 2014-15 | Expenses Charged by / Reimbursement made to other companies | 76.98 | 9.65 | 4.03 | 0.34 | 0.14 | - |
| | 2013-14 | Expenses Charged by / Reimbursement made to other companies | 46.84 | 2.40 | 3.58 | 0.04 | | |
| | 2012-13 | Expenses Charged by / Reimbursement made to other companies | 63.65 | 3.60 | 3.03 | 0.20 | | |
| | | | | | | | | |
| 12 | 2016-17 | Dividend Income | - | **-** | - | - | - | - |
| | 2015-16 | Dividend Income | - | 4.71 | - | - | 14.32 | - |
| | 2014-15 | Dividend Income | - | - | - | - | 6.25 | - |
| | 2013-14 | Dividend Income | | | | | 8.93 | |
| | 2012-13 | Dividend Income | | | | | 7.50 | |
| | | | | | | | | |
| 13 | 2016-17 | Dividend Paid | - | - | - | - | - | - |
| | 2015-16 | Dividend Paid | 261.10 | - | - | - | - | - |
| | 2014-15 | Dividend Paid | 449.29 | - | - | - | - | - |
| | 2013-14 | Dividend Paid | 159.98 | | | | | |
| | 2012-13 | Dividend Paid | | | | | | |
| | | | | | | | | |
| 14 | 2016-17 | Interest income on intercorporate deposits placed | - | **20.82** | **0.70** | - | - | **2.18** |
| | 2015-16 | Interest income on intercorporate deposits placed | - | 21.27 | 5.21 | - | - | 13.29 |
| | 2014-15 | Interest income on intercorporate deposits placed | - | 23.55 | 5.61 | - | - | 13.23 |
| | 2013-14 | Interest income on intercorporate deposits placed | | 0.09 | 6.28 | | | |
| | 2012-13 | Interest income on intercorporate deposits placed | | | 8.99 | | | - |
| | | | | | | | | |
| 15 | 2016-17 | Interest income on Loans Given | - | **-** | - | - | - | - |
| | 2015-16 | Interest income on Loans Given | - | - | - | - | - | - |
| | 2014-15 | Interest income on Loans Given | | | | | | |
| | 2013-14 | Interest income on Loans Given | | 9.19 | | | | |
| | 2012-13 | Interest income on Loans Given | | 8.75 | | | | |
| | | | | | | | | |
| 16 | 2016-17 | Sundry Income | - | **-** | **0.14** | **24.75** | - | - |
| | 2015-16 | Sundry Income | - | - | 3.90 | 28.45 | - | - |
| | 2014-15 | Sundry Income | - | - | 3.39 | 19.70 | - | - |
| | 2013-14 | Sundry Income | | - | 1.28 | 15.60 | | |
| | 2012-13 | Sundry Income | | 1.50 | | 6.80 | | 142.76 |
| | | | | | | | | |
| 17 | 2016-17 | Outstanding Intercorporate Deposit Receivable | - | **98.85** | **-** | - | - | - |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 2015-16 | Outstanding Intercorporate Deposit Receivable | - | 532.33 | 52.00 | - | - | 132.50 |
| | 2014-15 | Outstanding Intercorporate Deposit Receivable | - | 174.53 | 52.00 | - | - | 132.50 |
| | 2013-14 | Outstanding Intercorporate Deposit Receivable | | 64.50 | 52.00 | | | |
| | 2012-13 | Outstanding Intercorporate Deposit Receivable | | | 65.00 | | | - |
| | | | | | | | | |
| 18 | 2016-17 | Capital Advance Given | **-** | **-** | **36.48** | **-** | **-** | **-** |
| | 2015-16 | Capital Advance Given | 2.73 | - | 17.95 | - | - | - |
| | 2014-15 | Capital Advance Given | | | | | | |
| | 2013-14 | Capital Advance Given | | | | | | |
| | 2012-13 | Capital Advance Given | | | | | | |
| | | | | | | | | |
| 19 | 2016-17 | Outstanding receivables (Net of Payables) | **6.92** | **8.30** | **1.10** | **100.53** | **-** | **(42.06)** |
| | 2015-16 | Outstanding receivables (Net of Payables) | 11.31 | 79.95 | 12.13 | 97.64 | 0.04 | 48.25 |
| | 2014-15 | Outstanding receivables (Net of Payables) | (5.88) | 163.05 | 7.94 | 54.82 | 3.65 | 9.33 |
| | 2013-14 | Outstanding receivables (Net of Payables) | 19.55 | 56.90 | 7.39 | 98.83 | 5.98 | (9.09) |
| | 2012-13 | Outstanding receivables (Net of Payables) | (4.37) | 201.89 | 10.72 | 99.33 | 41.58 | (23.45) |
| | | | | | | | | |
| 20 | 2016-17 | Guarantees Outstanding | **-** | **-** | **12.07** | **-** | **-** | **-** |
| | 2015-16 | Guarantees Outstanding | - | - | 12.07 | - | - | - |
| | 2014-15 | Guarantees Outstanding | - | - | 214.88 | - | - | - |
| | 2013-14 | Guarantees Outstanding | | | 202.81 | 65.97 | | |
| | 2012-13 | Guarantees Outstanding | | | | 59.77 | | |
| | | | | | | | | |
| 21 | 2016-17 | Contribution to Post-employment Benefit Plans | **-** | **-** | **-** | **-** | **-** | **186.71** |
| | 2015-16 | Contribution to Post-employment Benefit Plans | - | - | - | - | - | 165.69 |
| | 2014-15 | Contribution to Post-employment Benefit Plans | | | | | | 127.45 |
| | 2013-14 | Contribution to Post-employment Benefit Plans | | | | | | 121.21 |
| | 2012-13 | Contribution to Post-employment Benefit Plans | | | | | | 99.54 |
| | | | | | | | | |
| | | | | | | | | |
| **(ii) Details relating to persons referred to in items 1 (iv) & (v) above** | | | **2016-17** | **2015-16** | **2014-15** | **2013-14** | **2012-13** | |
| | | | | | | | | |
| 1 | | **Remuneration to Key Management Personnel** | | | | | | |
| | | Short Term Employee Benefit | **40.54** | 48.44 | 73.70 | 60.22 | 50.46 | |
| | | Post Employee Gratuity & Medical Benefits | **0.79** | 0.73 | 0.61 | 0.58 | 0.54 | |
| | | Shared Based Payment | **995.21** | - | - | - | - | |
| 2 | | Dividend Paid | - | 12.06 | 20.75 | 5.63 | - | |
| 3 | | Director's Sitting Fees | **0.60** | 0.60 | 0.40 | 0.08 | 0.24 | |

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated standalone financial information**

**Note No. 57: 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 and Companies ( Indian Accounting Standards) Amendment Rules, 2016 the required disclosures are given below:

**3. Significant Related Party Transactions :**

Rs. In million

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| 1 | **Purchase of Fixed Assets** | | | | | |
| | Godrej & Boyce Mfg Co Limited | **7.67** | 21.19 | 66.44 | 1.05 | 3.23 |
| | Godrej Industries Limited | **-** | 3.29 | - | - | - |
| | Godrej Tyson Foods Limited | **-** | - | 0.49 | - | - |
| | Godrej Properties Limited | **-** | - | 23.77 | - | - |
| 2 | **Sale / Transfer of Fixed Assets** | | | | | |
| | Godrej Seeds & Genetics Limited | **-** | - | (0.10) | - | - |
| | Godrej Tyson Foods Limited | **-** | 1.42 | - | - | - |
| 3 | **Investment in Share Capital** | | | | | |
| | Goldmohur Agrochem & Feeds Limited | - | - | - | - | 13.01 |
| | Godrej Seeds & Genetics Limited | - | - | - | 50.04 | - |
| | Godvet Agrochem Limited | - | 39.00 | 95.00 | 0.50 | - |
| | Golden Feed Products Limited | **-** | - | - | 15.00 | - |
| | Godrej One Premises Management Pvt. Ltd. | **-** | 0.01 | - | - | - |
| 4 | **Investment in Preference Share Redeemed** | | | | | |
| | Godvet Agrochem Limited | **-** | 35.00 | - | - | - |
| 5 | **Advances given during the year** | | | | | |
| | Godvet Agrochem Limited | - | - | 2.44 | - | - |
| 6 | **Sundry Deposits placed** | | | | | |
| | Godrej Industries Limited | **0.66** | 1.42 | 0.96 | 1.02 | 0.31 |
| | Godrej One Premises Management Pvt. Ltd. | **0.90** | - | - | - | - |
| 7 | **Intercorporate Deposits placed during the year** | | | | | |
| | Godrej Hersheys Limited | **-** | - | - | - | 100.00 |
| | Godvet Agrochem Limited | **111.91** | 359.50 | 110.03 | 64.50 | - |
| | Natures Basket Limited | - | - | 30.00 | 52.00 | - |
| | Astec LifeSciences Ltd. | **500.00** | 100.00 | - | - | - |
| 8 | **Intercorporate Deposits Returned** | | | | | |
| | Godvet Agrochem Limited | **545.38** | 1.70 | - | - | - |
| | Astec LifeSciences Ltd. | **500.00** | 100.00 | - | - | - |
| 9 | **Sale of materials / finished goods** | | | | | |
| | ACI Godrej Agrovet Private Limited | **91.64** | 48.69 | 14.80 | 64.47 | 61.89 |
| | Creamline Dairy Products Limited (Associates) | - | 7.83 | 17.94 | 23.56 | 36.05 |
| | Godrej Consumer Products Limited | - | 14.41 | 21.31 | 11.28 | 0.84 |
| | Godrej Seeds & Genetics Limited | **0.04** | 0.19 | - | - | 17.00 |
| | Godrej Tyson Foods Limited | **2,318.22** | 2,479.85 | 2,151.66 | 2,105.89 | 1,991.02 |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | - | - | - | 6.96 |
| | Creamline Dairy Products Limited (Subsidiary) | **36.12** | 5.81 | - | - | - |

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| 10 | **Purchase of Materials / Finished Goods** | | | | | |
| | Goldmohur Agrochem & Feeds Ltd | - | - | - | 257.45 | 14.48 |
| | Golden Feed Products Limited | - | - | - | 1.63 | 7.45 |
| | Bahar Agrochem & Feeds Ltd | - | - | - | - | 313.53 |
| | Godrej & Boyce Mfg Co Limited | **2.44** | - | | 0.58 | - |
| | Godrej Industries Limited | **16.37** | 0.54 | - | - | - |
| | Godrej Consumer Products Limited | **3.02** | 4.10 | 1.49 | 3.78 | - |
| | Godrej Tyson Foods Limited | **29.26** | 38.48 | 35.24 | 20.82 | 10.34 |
| | Godrej Seeds & Genetics Limited | **41.48** | - | - | - | - |
| | Astec LifeSciences Ltd. | **89.18** | 3.71 | - | - | - |
| | Polchem Hygiene Laboratories (P) Ltd | **57.47** | 31.97 | 43.81 | 41.70 | 37.62 |
| | | | | | | |
| 11 | **Expenses Charged to / Reimbursement made from other companies** | | | | | |
| | ACI Godrej Agrovet Private Limited | - | - | - | 0.45 | 0.06 |
| | Crop Science Advisors LLP | - | 0.01 | 0.01 | - | - |
| | Godrej & Boyce Mfg Co Limited | - | - | - | 0.12 | - |
| | Godrej Consumer Products Limited | - | 0.17 | 6.06 | 5.71 | 4.79 |
| | Godrej Industries Limited | **1.18** | 0.01 | - | 0.66 | 1.47 |
| | Godrej Seeds & Genetics Limited | **5.36** | 2.68 | 55.64 | 39.72 | 52.14 |
| | Godrej Tyson Foods Limited | **28.82** | 25.82 | 3.94 | 7.23 | 17.38 |
| | Godvet Agrochem Limited | **7.99** | 7.82 | - | - | - |
| | Creamline Dairy Products Limited (Subsidiary) | **1.65** | 0.47 | - | - | - |
| | Astec LifeSciences Ltd. | **6.42** | 2.09 | - | - | - |
| | Natures Basket Limited | **2.14** | - | - | - | - |
| | Golden Feed Products Limited | - | - | - | 0.02 | - |
| | | | | | | |
| 12 | **Expenses Charged by / Reimbursement made to other companies** | | | | | |
| | Gobrej Infotech Limited | **0.36** | 0.39 | 0.22 | 0.18 | 0.15 |
| | Godrej & Boyce Mfg Co Limited | **1.32** | 3.04 | 3.02 | 3.00 | 2.45 |
| | Godrej Consumer Products Limited | **1.37** | 0.44 | 3.81 | 1.72 | 2.87 |
| | Godrej Industries Limited | **74.33** | 77.36 | 73.96 | 43.84 | 61.20 |
| | Godrej Tyson Foods Limited | **0.15** | 4.28 | 0.34 | 0.04 | 0.20 |
| | Godvet Agrochem Limited | **28.21** | 11.62 | 9.65 | - | - |
| | Creamline Dairy Products Limited (Subsidiary) | **0.11** | 0.01 | - | - | - |
| | Natures Basket Limited | **0.03** | - | - | 1.68 | - |
| | Polchem Hygiene Laboratories (P) Ltd | - | 0.17 | 0.14 | - | - |
| | Godrej One Premises Management Pvt. Ltd. | **29.46** | 13.76 | - | - | - |
| | Creamline Dairy Products Limited (Associates) | - | 0.05 | - | - | - |
| | Astec LifeSciences Ltd. | **0.00** | - | - | - | - |
| | Godrej Properties Limited | **517.50** | - | - | - | - |
| | Golden Feed Products Limited | - | - | - | 2.40 | 3.60 |
| | | | | | | |
| 13 | **Dividend Income** | | | | | |
| | Godvet Agrochem Limited | - | 4.71 | - | - | - |
| | Creamline Dairy Products Limited (Associates) | - | 13.36 | 5.34 | 8.02 | 6.68 |
| | Polchem Hygiene Laboratories (P) Ltd | - | 0.96 | 0.91 | 0.91 | 0.82 |
| | | | | | | |
| 14 | **Dividend Paid** | | | | | |
| | Godrej & Boyce Mfg Co Limited | - | 11.75 | 20.22 | - | - |
| | Godrej Industries Limited | - | 249.35 | 429.06 | 159.98 | - |
| | Mr. N. B. Godrej | - | 9.18 | 15.80 | 5.63 | - |
| | Mr. A. B. Godrej | - | 0.01 | 0.02 | - | - |
| | Mr. B. S. Yadav | - | 2.87 | 4.93 | - | - |
| | | | | | | |
| 15 | **Interest income on intercorporate deposits placed** | | | | | |
| | Godrej Hersheys Limited | - | - | - | - | 1.19 |
| | Godvet Agrochem Limited | **9.39** | 17.62 | 10.60 | 0.09 | |
| | Natures Basket Limited | **0.70** | 5.21 | 5.61 | 6.28 | 7.80 |
| | Anamudi Real Estates LLP | **2.18** | 13.29 | 13.23 | - | - |
| | Astec LifeSciences Ltd. | **5.75** | 0.74 | - | - | - |

| Sr. No. | Nature of Transaction | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|---|
| | | | | | | |
| 16 | **Interest income on Loans Given** | | | | | |
| | Godrej Seeds & Genetics Limited | **5.69** | 2.90 | 12.95 | 9.19 | 8.75 |
| | | | | | | |
| 17 | **Sundry Income** | | | | | |
| | ACI Godrej Agrovet Private Limited | **24.75** | 28.45 | 19.70 | 15.60 | 6.80 |
| | Godrej Consumer Products Limited | **0.14** | 3.90 | 3.39 | 1.28 | - |
| | Goldmohur Agrochem & Feeds Ltd | **-** | - | - | - | 1.50 |
| | Bahar Agrochem & Feeds Ltd | **-** | - | - | - | 142.76 |
| | | | | | | |
| 18 | **Outstanding Intercorporate Deposit Receivable** | | | | | |
| | Godvet Agrochem Limited | **98.85** | 532.33 | 174.53 | 64.50 | - |
| | Natures Basket Limited | **-** | 52.00 | 52.00 | 52.00 | 65.00 |
| | Anamudi Real Estates LLP | **-** | 132.50 | 132.50 | - | - |
| | | | | | | |
| 19 | **Capital Advance Given** | | | | | |
| | Godrej & Boyce Mfg Co Limited | **-** | 2.73 | - | - | - |
| | Godrej Vikhroli Properties India Limited | **36.48** | 17.95 | - | - | - |
| | | | | | | |
| 20 | **Outstanding Receivables (Net of Payables)** | | | | | |
| | Godrej & Boyce Mfg Co Limited | - | 4.75 | (3.68) | 19.66 | 0.04 |
| | Godrej Industries Limited | **6.92** | 6.56 | (2.20) | (0.12) | (4.41) |
| | Golden Feed Products Limited | **-** | - | - | - | 2.85 |
| | Godrej Seeds & Genetics Limited | **-** | 48.84 | 152.80 | 46.05 | 22.19 |
| | Godvet Agrochem Limited | **0.00** | 25.48 | 10.21 | 10.85 | - |
| | Godrej Properties Limited | **1.40** | - | - | - | 0.02 |
| | Godrej Consumer Products Limited | **(0.25)** | 0.56 | 1.75 | 2.22 | 1.41 |
| | Gobrej Infotech Limited | **(0.04)** | - | - | - | (0.08) |
| | Natures Basket Limited | **0.00** | 11.57 | 6.19 | 5.16 | 9.37 |
| | Godrej Tyson Foods Limited | **7.21** | 23.69 | 9.24 | 40.55 | 77.39 |
| | ACI Godrej Agrovet Private Limited | **93.33** | 73.95 | 45.58 | 58.28 | 21.94 |
| | Creamline Dairy Products Limited (Subsidiary) | **2.68** | 3.54 | - | - | - |
| | Polchem Hygiene Laboratories (P) Ltd | **-** | 0.04 | - | - | (0.08) |
| | AL Rahaba Trading International LLC | **-** | - | - | 2.00 | 35.47 |
| | Goldmohur Agrochem & Feeds Ltd | **-** | - | - | - | 176.85 |
| | Crop Science Advisors LLP | **-** | - | 0.04 | 0.08 | - |
| | Astec LifeSciences Ltd. | **5.62** | 2.09 | | - | - |
| | Anamudi Real Estates LLP | **-** | 83.75 | 38.22 | - | - |
| | Godrej One Premises Management Pvt. Ltd. | **-** | (0.11) | - | - | - |
| | Godrej Agrovet Limited Employees Group Gratuity Trust. | **(42.06)** | (35.38) | (28.89) | (9.09) | (23.45) |
| | Creamline Dairy Products Limited (Associates) | **-** | - | 3.65 | 3.99 | 6.19 |
| | | | | | | |
| 21 | **Guarantees outstanding** | | | | | |
| | ACI Godrej Agrovet Private Limited | **-** | - | 70.32 | 65.97 | 59.77 |
| | Godrej Consumer Products Limited | **12.07** | 12.07 | 214.88 | 202.81 | - |
| | | | | | | |
| 22 | **Remuneration to Key Management Personnel** | | | | | |
| | Short Term Employee Benefit | **40.54** | 48.44 | 73.70 | 60.22 | 50.46 |
| | Post Employee Gratuity & Medical Benefits | **0.79** | 0.73 | 0.61 | 0.58 | 0.54 |
| | Shared Based Payment | **995.21** | - | - | - | - |
| | | | | | | |
| 23 | **Director's Sitting Fees** | | | | | |
| | Mr. A.B. Godrej | **0.60** | 0.60 | 0.40 | - | - |
| | | | | | | |
| 24 | **Contribution to Post-employment Benefit Plans** | | | | | |
| | Godrej Agrovet Limited Employees Provident Fund Trust. | **145.62** | 131.30 | 113.10 | 92.45 | 75.41 |
| | Godrej Agrovet Limited Employees Superannuation Scheme. | **5.71** | 5.50 | 5.25 | 5.32 | 5.00 |
| | Godrej Agrovet Limited Employees Group Gratuity Trust. | **35.38** | 28.89 | 9.09 | 23.45 | 19.13 |
| | | | | | | |

10 **Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note. No. 58: First Time Adoption**

**A. Reconciliation between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the equity reconciliation from previous GAAP to Ind AS:

**Reconciliation of equity as at March 31, 2016** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 6,558.53 | 94.98 | 6,653.51 | - | 6,653.51 |
| Capital work-in-progress | | 369.52 | - | 369.52 | - | 369.52 |
| Other Intangible assets | | 164.58 | - | 164.58 | - | 164.58 |
| Intangible assets under development | | 1.49 | - | 1.49 | - | 1.49 |
| Biological assets other than bearer plants | 2 | 84.63 | 4.05 | 88.68 | - | 88.68 |
| Financial Assets | | | | | | |
| Investments | | 4,800.48 | 0.95 | 4,801.43 | - | 4,801.43 |
| Loans | 3 | 103.44 | (4.10) | 99.34 | 0.45 | 99.79 |
| Others | 3, 4 | 16.07 | - | 16.07 | 1.28 | 17.35 |
| Deferred tax assets (net) | 4 | - | 82.31 | 82.31 | - | 82.31 |
| Other tax assets | 4 | 162.58 | (68.95) | 93.63 | - | 93.63 |
| Other non-current assets | 3 | 136.55 | 3.05 | 139.60 | - | 139.60 |
| **Total non current assets** | | **12,397.87** | **112.29** | **12,510.16** | **1.73** | **12,511.89** |
| **Current Assets** | | | | | | |
| Inventories | 9 | 5,275.82 | (47.42) | 5,228.40 | - | 5,228.40 |
| Financial Assets | | | | | - | - |
| Investments | | 16.28 | - | 16.28 | - | 16.28 |
| Trade receivables | | 3,661.70 | - | 3,661.70 | - | 3,661.70 |
| Cash and cash equivalents | 7 | 194.18 | 0.47 | 194.65 | - | 194.65 |
| Bank balance other than Cash and cash equivalents | 7 | 7.14 | 60.19 | 67.33 | - | 67.33 |
| Loans | | 1,363.10 | - | 1,363.10 | 8.35 | 1,371.45 |
| Others | | 548.90 | - | 548.89 | 0.00 | 548.90 |
| Other current assets | 3, 11 | 212.65 | 102.87 | 315.52 | - | 315.52 |
| **Total current assets** | | **11,279.77** | **116.11** | **11,395.88** | **8.35** | **11,404.23** |
| **TOTAL ASSETS** | | **23,677.64** | **228.40** | **23,906.04** | **10.08** | **23,916.12** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| Equity share capital | | 925.65 | - | 925.65 | - | 925.65 |
| Other equity | 1 to 12 | 6,010.31 | 29.61 | 6,039.92 | 12.55 | 6,052.47 |
| **Total Equity** | | **6,935.96** | **29.61** | **6,965.57** | **12.55** | **6,978.12** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Borrowings | | 90.10 | (21.19) | 68.91 | - | 68.91 |
| Other financial liabilities | 7 | - | 65.37 | 65.37 | - | 65.37 |
| Provisions | | 18.35 | - | 18.35 | - | 18.35 |
| Deferred tax liabilities(net) | 4 | 635.45 | (32.35) | 603.10 | 6.56 | 609.66 |
| Other non-current liabilities | 1 | - | 123.97 | 123.97 | - | 123.97 |
| **Total non current liabilities** | | **743.90** | **135.79** | **879.70** | **6.56** | **886.26** |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Borrowings | 9 | 11,455.01 | (48.42) | 11,406.59 | - | 11,406.59 |
| Trade payables | 9 | 2,346.84 | - | 2,346.84 | (5.09) | 2,341.75 |
| Other financial liabilities | 10 | 1,810.56 | (12.55) | 1,798.01 | (0.95) | 1,797.06 |
| Other current liabilities | 1, 7 | 375.75 | 9.85 | 385.60 | (2.99) | 382.61 |
| Short term provisions | 11 | 2.49 | 121.24 | 123.73 | - | 123.73 |
| Liabilities for current tax | | 7.13 | (7.13) | - | - | - |
| **Total current liabilities** | | **15,997.78** | **63.00** | **16,060.77** | **(9.03)** | **16,051.74** |
| **Total liabilities** | | **16,741.68** | **198.79** | **16,940.47** | **(2.47)** | **16,938.00** |
| **Total Equity and Liabilities** | | **23,677.64** | **228.40** | **23,906.04** | **10.08** | **23,916.12** |

*Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2015** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 5,006.65 | 87.13 | 5,093.78 | - | 5,093.78 |
| Capital work-in-progress | | 1,380.49 | - | 1,380.49 | - | 1,380.49 |
| Other Intangible assets | | 217.99 | - | 217.99 | - | 217.99 |
| Biological assets other than bearer plants | 2 | 119.96 | 3.40 | 123.36 | - | 123.36 |
| Financial Assets | | - | - | - | - | - |
| Investments | | 1,072.92 | (50.00) | 1,022.92 | 103.80 | 1,126.72 |
| Trade receivables | | - | - | - | - | - |
| Loans | 3 | 104.35 | (4.02) | 100.33 | 0.51 | 100.84 |
| Others | 3, 4 | 17.03 | - | 17.03 | 0.69 | 17.72 |
| Deferred tax assets (net) | 4 | - | 65.44 | 65.44 | 41.53 | 106.97 |
| Other tax assets | 4 | 131.07 | (12.63) | 118.44 | - | 118.44 |
| Other non-current assets | 3 | 166.79 | 6.74 | 173.53 | - | 173.53 |
| **Total non current assets** | | **8,217.25** | **96.06** | **8,313.31** | **146.53** | **8,459.84** |
| **Current Assets** | | | | | | |
| Inventories | 9 | 3,600.53 | 269.44 | 3,869.97 | - | 3,869.97 |
| Financial Assets | | | | | - | - |
| Investments | | 469.91 | - | 469.91 | (103.80) | 366.11 |
| Trade receivables | | 2,599.59 | 68.22 | 2,667.81 | - | 2,667.81 |
| Cash and cash equivalents | 7 | 116.19 | 2.13 | 118.32 | - | 118.32 |
| Bank balance other than Cash and cash equivalents | 7 | 6.57 | 37.96 | 44.53 | - | 44.53 |
| Loans | | 1,145.52 | (125.82) | 1,019.70 | 8.35 | 1,028.05 |
| Others | | 136.98 | (0.17) | 136.81 | - | 136.81 |
| Other current assets | 3, 11 | 244.25 | 108.87 | 353.12 | - | 353.12 |
| **Total current assets** | | **8,319.54** | **360.63** | **8,680.17** | **(95.45)** | **8,584.72** |
| **TOTAL ASSETS** | | **16,536.79** | **456.69** | **16,993.48** | **51.08** | **17,044.56** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| Equity share capital | | 925.65 | - | 925.65 | - | 925.65 |
| Other equity | 1 to 12 | 5,124.60 | (127.75) | 4,996.85 | (6.01) | 4,990.84 |
| **Total Equity** | | **6,050.25** | **(127.75)** | **5,922.50** | **(6.01)** | **5,916.49** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Borrowings | | 719.34 | - | 719.34 | - | 719.34 |
| Other financial liabilities | 7 | - | 44.60 | 44.60 | - | 44.60 |
| Provisions | | 13.84 | 2.03 | 15.87 | - | 15.87 |
| Deferred tax liabilities(net) | 4 | 524.92 | (14.66) | 510.26 | 78.89 | 589.15 |
| Other non-current liabilities | 1 | - | 72.04 | 72.04 | - | 72.04 |
| **Total non current liabilities** | | **1,258.10** | **104.01** | **1,362.11** | **78.89** | **1,441.00** |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Borrowings | 9 | 1,862.43 | 4,261.18 | 6,123.61 | - | 6,123.61 |
| Trade payables | 9 | 6,087.59 | (3,953.46) | 2,134.13 | (10.90) | 2,123.23 |
| Other financial liabilities | 10 | 1,033.12 | 15.38 | 1,048.50 | (0.95) | 1,047.55 |
| Other current liabilities | 1, 7 | 240.84 | 41.83 | 282.67 | (9.95) | 272.72 |
| Short term provisions | 11 | 4.46 | 115.50 | 119.96 | - | 119.96 |
| **Total current liabilities** | | **9,228.44** | **480.43** | **9,708.87** | **(21.80)** | **9,687.07** |
| **Total liabilities** | | **10,486.54** | **584.44** | **11,070.98** | **57.09** | **11,128.07** |
| **Total Equity and Liabilities** | | **16,536.79** | **456.69** | **16,993.48** | **51.08** | **17,044.56** |

*Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2014** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 4,221.31 | 59.39 | 4,280.70 | (9.94) | 4,270.76 |
| Capital work-in-progress | | 1,471.57 | 20.00 | 1,491.57 | - | 1,491.57 |
| Other Intangible assets | | 259.47 | - | 259.47 | - | 259.47 |
| Intangible assets under development | | 0.73 | - | 0.73 | - | 0.73 |
| Biological assets other than bearer plants | 2 | 172.25 | 12.04 | 184.29 | - | 184.29 |
| Financial Assets | | | | | | |
| Non-current investments | | 1,044.26 | (50.00) | 994.26 | - | 994.26 |
| Long-term loans and advances | 3 | 92.01 | (4.32) | 87.69 | 1.29 | 88.98 |
| Others | 3, 4 | 17.36 | - | 17.36 | 0.16 | 17.52 |
| Deferred tax assets (net) | 4 | - | 23.97 | 23.97 | - | 23.97 |
| Other tax assets | 4 | 104.18 | - | 104.18 | - | 104.18 |
| Other non-current assets | 3 | 168.33 | 7.44 | 175.77 | - | 175.77 |
| **Total non current assets** | | 7,551.47 | 68.52 | 7,619.99 | (8.49) | **7,611.50** |
| **Current Assets** | | | | | | |
| Inventories | 9 | 3,062.28 | 124.83 | 3,187.11 | - | 3,187.11 |
| Financial Assets | | - | - | - | - | - |
| Trade and other receivables | | 2,191.71 | 52.47 | 2,244.18 | - | 2,244.18 |
| Cash and cash equivalents | 7 | 1,128.37 | 2.90 | 1,131.27 | - | 1,131.27 |
| Bank balance other than Cash and cash equivalents | 7 | 6.42 | - | 6.42 | - | 6.42 |
| Short-term loans and advances | | 964.32 | (22.20) | 942.12 | 8.36 | 950.48 |
| Others | | 107.39 | - | 107.39 | - | 107.39 |
| Other current assets | 3, 11 | 142.45 | 86.95 | 229.40 | - | 229.40 |
| **Total current assets** | | 7,602.94 | 244.95 | 7,847.89 | 8.36 | **7,856.25** |
| | | - | - | - | - | |
| **TOTAL ASSETS** | | **15,154.41** | **313.47** | **15,467.88** | **(0.13)** | **15,467.75** |

| | | | | | | |
|---|---|---|---|---|---|---|
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| Equity share capital | | 126.37 | 5.87 | 132.24 | - | 132.24 |
| Other equity | 1 to 12 | 4,334.83 | 375.52 | 4,710.35 | 20.80 | 4,731.15 |
| **Total Equity** | | 4,461.20 | 381.39 | 4,842.59 | 20.80 | **4,863.39** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Long term borrowings | | 1,642.44 | - | 1,642.44 | - | 1,642.44 |
| Other non-current financial liabilities | 7 | 11.15 | - | 11.15 | - | 11.15 |
| Long term provisions | | 15.98 | 1.18 | 17.16 | - | 17.16 |
| Deferred tax liabilities(net) | 4 | 459.85 | (3.99) | 455.86 | 10.82 | 466.68 |
| Other non-current liabilities | 1 | - | 70.86 | 70.86 | - | 70.86 |
| **Total non current liabilities** | | 2,129.42 | 68.05 | 2,197.47 | 10.82 | **2,208.29** |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Short term borrowings | 9 | 39.13 | 4,513.78 | 4,552.91 | - | 4,552.91 |
| Trade and other payables | 9 | 6,712.96 | (4,401.70) | 2,311.26 | (16.63) | 2,294.63 |
| Other financial liabilities | 10 | 1,085.23 | 38.33 | 1,123.56 | (3.27) | 1,120.29 |
| Other current liabilities | 1, 7 | 295.62 | 42.07 | 337.69 | (11.85) | 325.84 |
| Short term provisions | 11 | 430.85 | (328.45) | 102.40 | - | 102.40 |
| Liabilities for current tax | | | | | | |
| **Total current liabilities** | | 8,563.79 | (135.97) | 8,427.82 | (31.75) | **8,396.07** |
| | | - | - | - | - | |
| **Total liabilities** | | **10,693.21** | **(67.92)** | **10,625.29** | **(20.93)** | **10,604.36** |
| | | - | - | - | - | |
| **Total Equity and Liabilities** | | **15,154.41** | **313.47** | **15,467.88** | **(0.13)** | **15,467.75** |

*Previous GAAP numbers have been reclassified to conform to Ind AS presentation requirements for the purpose of this note

**Reconciliation of equity as at March 31, 2013** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | |
| **Non-current assets** | | | | | | |
| Property, Plant and Equipment | 1 | 2,811.05 | 12.89 | 2,823.94 | (0.72) | 2,823.22 |
| Capital work-in-progress | | 1,245.83 | - | 1,245.83 | - | 1,245.83 |
| Other Intangible assets | | 317.57 | - | 317.57 | - | 317.57 |
| Biological assets other than bearer plants | 2 | 149.35 | 29.44 | 178.79 | - | 178.79 |
| Financial Assets | | - | - | - | - | - |
| Non-current investments | | 1,323.90 | - | 1,323.90 | - | 1,323.90 |
| Long-term loans and advances | 3 | 199.51 | (2.27) | 197.24 | 21.11 | 218.35 |
| Others | 3, 4 | 16.30 | - | 16.30 | 0.15 | 16.45 |
| Deferred tax assets (net) | 4 | - | 14.46 | 14.46 | 6.97 | 21.43 |
| Other tax assets | 4 | 111.53 | - | 111.53 | - | 111.53 |
| Other non-current assets | 3 | 206.95 | 6.15 | 213.10 | - | 213.10 |
| **Total non current assets** | | 6,381.99 | 60.67 | 6,442.66 | 27.51 | **6,470.17** |
| **Current Assets** | | | | | | |
| Inventories | 9 | 2,600.66 | 34.18 | 2,634.84 | - | 2,634.84 |
| Financial Assets | | - | - | - | - | - |
| Current investments | | - | - | - | - | - |
| Trade and other receivables | | 1,741.85 | 37.83 | 1,779.68 | - | 1,779.68 |
| Cash and cash equivalents | 7 | 207.30 | 2.42 | 209.72 | - | 209.72 |
| Bank balance other than Cash and cash equivalents | 7 | 6.41 | - | 6.41 | - | 6.41 |
| Short-term loans and advances | | 768.11 | (9.63) | 758.48 | 8.29 | 766.77 |
| Others | | 39.80 | 5.31 | 45.11 | - | 45.11 |
| Other current assets | 3, 11 | 285.98 | 63.18 | 349.16 | (0.25) | 348.91 |
| **Total current assets** | | 5,650.11 | 133.29 | 5,783.40 | 8.04 | **5,791.44** |
| | | | | - | - | |
| **TOTAL ASSETS** | | **12,032.10** | **193.96** | **12,226.06** | **35.55** | **12,261.61** |
| **EQUITY AND LIABILITIES** | | | | | | |
| **Equity** | | | | | | |
| Equity share capital | | 126.37 | 5.87 | 132.24 | - | 132.24 |
| Other equity | 1 to 12 | 3,736.96 | 273.33 | 4,010.30 | 45.18 | 4,055.47 |
| **Total Equity** | | 3,863.33 | 279.20 | 4,142.53 | 45.18 | **4,187.71** |
| **Liabilities** | | | | | | |
| **Non current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Long term borrowings | | 1,046.40 | - | 1,046.40 | - | 1,046.40 |
| Long term provisions | | 15.71 | 0.90 | 16.61 | - | 16.61 |
| Deferred tax liabilities(net) | 4 | 355.69 | 6.62 | 362.31 | 30.34 | 392.65 |
| Other non-current liabilities | 1 | - | 7.82 | 7.82 | - | 7.82 |
| **Total non current liabilities** | | 1,417.80 | 15.34 | 1,433.14 | 30.34 | **1,463.48** |
| **Current liabilities** | | | | | | |
| Financial liabilities | | | | | | |
| Short term borrowings | 9 | 350.00 | 3,354.63 | 3,704.63 | - | 3,704.63 |
| Trade and other payables | 9 | 5,093.42 | (3,256.24) | 1,837.19 | (18.95) | 1,818.24 |
| Other financial liabilities | 10 | 779.84 | 12.00 | 791.83 | (2.91) | 788.92 |
| Other current liabilities | 1, 7 | 230.92 | 15.59 | 246.51 | (18.10) | 228.41 |
| Short term provisions | 11 | 296.79 | (226.56) | 70.23 | (0.02) | 70.22 |
| **Total current liabilities** | | 6,750.97 | (100.58) | 6,650.39 | (39.96) | **6,610.42** |
| | | | | - | - | |
| **Total liabilities** | | **8,168.77** | **(85.24)** | **8,083.53** | **(9.62)** | **8,073.90** |
| | | | | - | - | |
| **Total Equity and Liabilities** | | **12,032.10** | **193.96** | **12,226.06** | **35.55** | **12,261.61** |

**A. Reconciliation between previous GAAP and Ind AS**

Ind AS 101 requires an entity to reconcile equity and total comprehensive income for prior periods. The following table represents the total comprehensive income reconciliation from previous GAAP to Ind AS:

**Reconciliation of toal comprehensive income for the year 2015-16** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| I. Revenue from Operations | 11 | 35,384.98 | (1,725.09) | 33,659.89 | (0.00) | 33,659.89 |
| II. Other income | 1b, 12 | 522.76 | 30.13 | 552.89 | (12.31) | 540.58 |
| **III. Total Revenue** | | **35,907.74** | **(1,694.96)** | **34,212.77** | **(12.31)** | **34,200.47** |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 25,431.14 | (389.45) | 25,041.69 | (0.05) | 25,041.64 |
| Purchases of Stock-in-Trade | 11 | 1,692.92 | 52.30 | 1,745.22 | - | 1,745.22 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 9 | (247.82) | (0.43) | (248.25) | - | (248.25) |
| Employee Benefits Expenses | 13 | 1,374.71 | (23.54) | 1,351.17 | - | 1,351.17 |
| Finance costs | 9 | 526.02 | 384.79 | 910.81 | - | 910.81 |
| Depreciation and Amortisation Expenses | 1b | 435.86 | 5.76 | 441.62 | - | 441.62 |
| Other Expenses | 9 | 4,600.85 | (1,749.32) | 2,851.53 | (0.01) | 2,851.52 |
| **Total Expenses** | | **33,813.68** | **(1,719.89)** | **32,093.79** | **(0.06)** | **32,093.73** |
| V. Profit Before Exceptional and Extraordinary Items and Tax | | 2,094.06 | 24.93 | 2,118.99 | (12.25) | 2,106.74 |
| VI. Exceptional Items | | - | - | - | - | - |
| **VII. Profit Before Tax** | | 2,094.06 | 24.93 | **2,118.99** | (12.25) | **2,106.74** |
| **VIII. Tax expense:** | | 500.90 | 35.42 | **536.32** | (30.82) | **505.50** |
| Current Tax | 4 | 438.35 | 11.83 | 450.18 | (0.01) | 450.17 |
| Deferred Tax | 4 | 110.53 | (24.39) | 86.14 | (30.81) | 55.33 |
| Less: MAT credit entitlement | | (47.98) | 47.98 | - | - | - |
| **IX. Profit/(Loss) for the year Period after Tax** | | **1,593.16** | **(10.49)** | **1,582.67** | **18.57** | **1,601.24** |
| **X. Other comprehensive income** | | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (23.54) | (23.54) | - | (23.54) |
| Income tax related to items that will not be reclassifed to profit or loss | | - | 8.15 | 8.15 | - | 8.15 |
| **Other comprehensive income (net of tax)** | | **-** | **(15.39)** | **(15.39)** | **-** | (15.39) |
| **XI. Total comprehensive income for the year** | | **1,593.16** | **(25.88)** | **1,567.28** | **18.57** | 1,585.85 |

**Reconciliation of toal comprehensive income for the year 2014-15** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| I. Revenue from Operations | 11 | 34,650.63 | (1,583.48) | 33,067.15 | - | 33,067.15 |
| II. Other income | 1b, 12 | 165.33 | (24.63) | 140.70 | 9.05 | 149.75 |
| **III. Total Revenue** | | **34,815.96** | **(1,608.11)** | **33,207.85** | **9.05** | **33,216.90** |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 25,199.44 | (140.81) | 25,058.63 | (0.60) | 25,058.03 |
| Purchases of Stock-in-Trade | 11 | 1,420.97 | - | 1,420.97 | - | 1,420.97 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 9 | (223.62) | (133.90) | (357.52) | - | (357.51) |
| Employee Benefits Expenses | 13 | 1,281.49 | 46.52 | 1,328.01 | - | 1,328.01 |
| Finance costs | 9 | 287.09 | 367.07 | 654.15 | - | 654.15 |
| Depreciation and Amortisation Expenses | 1b | 364.90 | 6.44 | 371.34 | (1.59) | 369.75 |
| Other Expenses | 9 | 4,203.97 | (1,660.06) | 2,543.92 | 19.90 | 2,563.82 |
| **Total Expenses** | | **32,534.24** | **(1,514.74)** | **31,019.50** | **17.72** | **31,037.22** |
| V. Profit Before Exceptional and Extraordinary Items and Tax | | 2,281.72 | (93.37) | 2,188.35 | (8.67) | 2,179.68 |
| VI. Exceptional Items | | 346.47 | - | 346.47 | - | 346.47 |
| **VII. Profit Before Tax** | | **2,628.19** | **(93.37)** | **2,534.82** | **(8.67)** | **2,526.15** |
| **VIII. Tax expense:** | | **596.92** | **(21.82)** | **575.10** | **23.71** | **598.81** |
| Current Tax | 4 | 541.71 | 7.76 | 549.47 | - | 549.47 |
| Deferred Tax | 4 | 67.92 | (42.29) | 25.63 | 23.71 | 49.34 |
| Less: MAT credit entitlement | | (12.71) | 12.71 | - | - | - |
| **IX. Profit/(Loss) for the year Period after Tax** | | **2,031.27** | **(71.55)** | **1,959.72** | **(32.38)** | **1,927.34** |
| **X. Other comprehensive income** | | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (22.82) | (22.82) | - | (22.82) |
| Income tax related to items that will not be reclassifed to profit or loss | | - | 7.76 | 7.76 | - | 7.76 |
| **Other comprehensive income (net of tax)** | | - | (15.06) | (15.06) | - | (15.06) |
| **XI. Total comprehensive income for the year** | | 2,031.27 | (86.61) | 1,944.66 | (32.38) | 1,912.28 |

**Reconciliation of toal comprehensive income for the year 2013-14** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| I. Revenue from Operations | 11 | 32,400.01 | (1,407.60) | 30,992.41 | - | 30,992.41 |
| II. Other income | 1b, 12 | 166.56 | (5.95) | 160.61 | (11.74) | 148.87 |
| **III. Total Revenue** | | **32,566.57** | **(1,413.55)** | **31,153.02** | **(11.74)** | **31,141.28** |
| # - | | | | | | |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 23,478.81 | (190.67) | 23,288.14 | (3.66) | 23,284.48 |
| Purchases of Stock-in-Trade | 11 | 2,069.39 | - | 2,069.39 | - | 2,069.39 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 9 | (246.40) | (69.07) | (315.47) | - | (315.47) |
| Employee Benefits Expenses | 13 | 1,231.33 | 56.69 | 1,288.02 | (0.07) | 1,287.95 |
| Finance costs | 9 | 78.58 | 319.04 | 397.62 | - | 397.62 |
| Depreciation and Amortisation Expenses | 1b | 260.64 | 1.63 | 262.27 | 11.39 | 273.66 |
| Other Expenses | 9 | 3,722.19 | (1,484.22) | 2,237.97 | 19.70 | 2,257.67 |
| **Total Expenses** | | **30,594.54** | **(1,366.60)** | **29,227.94** | **27.36** | **29,255.30** |
| V. Profit Before Exceptional and Extraordinary Items and Tax | | 1,972.03 | (46.95) | 1,925.08 | (39.10) | 1,885.98 |
| VI. Exceptional Items | | - | - | - | - | - |
| **VII. Profit Before Tax** | | **1,972.03** | **(46.95)** | **1,925.08** | **(39.10)** | **1,885.98** |
| **VIII. Tax expense:** | | **533.37** | **(11.59)** | **521.78** | **(13.28)** | **508.50** |
| Current Tax | 4 | 429.87 | 0.49 | 430.36 | - | 430.36 |
| Deferred Tax | 4 | 103.50 | (12.08) | 91.42 | (13.28) | 78.14 |
| Less: MAT credit entitlement | | - | - | - | - | - |
| **IX. Profit/(Loss) for the year Period after Tax** | | **1,438.66** | **(35.36)** | **1,403.30** | **(25.82)** | **1,377.48** |
| **X. Other comprehensive income** | | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (1.43) | (1.43) | - | (1.43) |
| Income tax related to items that will not be reclassifed to profit or loss | | - | 0.49 | 0.49 | - | 0.49 |
| | | | | | - | |
| | | | | | - | |
| **Other comprehensive income (net of tax)** | | | **(0.94)** | **(0.94)** | - | (0.94) |
| | | | | | - | |
| **XI.Total comprehensive income for the year** | | **1,438.66** | **(36.30)** | **1,402.36** | **(25.82)** | 1,376.54 |

**Reconciliation of toal comprehensive income for the year 2012-13** (Rs. In million)

| Particulars | Notes to First time adoption | Previous GAAP* | Ind AS adjustments | Ind AS | Restatement adjustments | Restated Ind AS |
|---|---|---|---|---|---|---|
| **Revenue** | | | | | | |
| I. Revenue from Operations | 11 | 28,525.97 | (916.97) | 27,609.00 | - | 27,609.00 |
| II. Other income | 1b, 12 | 128.93 | (6.61) | 122.32 | (12.74) | 109.58 |
| **III. Total Revenue** | | **28,654.90** | **(923.58)** | **27,731.32** | **(12.74)** | **27,718.58** |
| **IV. Expenses** | | | | | | |
| Cost of materials consumed | 9,11 | 21,658.90 | (103.91) | 21,554.99 | (3.11) | 21,551.88 |
| Purchases of Stock-in-Trade | 11 | 1,189.66 | - | 1,189.66 | - | 1,189.66 |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 9 | (162.07) | (93.03) | (255.10) | - | (255.10) |
| Employee Benefits Expenses | 13 | 1,019.90 | 17.14 | 1,037.04 | - | 1,037.04 |
| Finance costs | 9 | 231.17 | 251.29 | 482.46 | - | 482.46 |
| Depreciation and Amortisation Expenses | 1b | 187.14 | 0.84 | 187.98 | 4.20 | 192.18 |
| Other Expenses | 9 | 3,120.91 | (1,007.51) | 2,113.40 | 19.88 | 2,133.28 |
| **Total Expenses** | | **27,245.61** | **(935.18)** | **26,310.43** | **20.97** | **26,331.40** |
| V. Profit Before Exceptional and Extraordinary Items and Tax | | **1,409.29** | **11.60** | **1,420.89** | **(33.71)** | 1,387.18 |
| VI. Exceptional Items | | - | - | - | - | - |
| **VII. Profit Before Tax** | | **1,409.29** | **11.60** | **1,420.89** | **(33.71)** | **1,387.18** |
| **VIII. Tax expense:** | | **407.70** | **8.95** | **416.65** | **(1.21)** | **415.44** |
| Current Tax | 4 | 267.96 | 5.87 | 273.83 | - | 273.83 |
| Deferred Tax | 4 | 149.37 | 3.08 | 152.45 | (10.84) | 141.61 |
| Less: MAT credit entitlement | | - | - | - | - | - |
| Adjustment for Tax of Previous Years (net) | | (9.63) | - | (9.63) | 9.63 | - |
| **IX. Profit/(Loss) for the year Period after Tax** | | **1,001.59** | **2.65** | **1,004.24** | **(32.50)** | **971.74** |
| **X. Other comprehensive income** | | | | | | |
| **Items that will not be reclassifed to profit or loss** | | | | | | |
| Remeasurements of defined benefit liability | 13 | - | (17.28) | (17.28) | - | (17.28) |
| Income tax related to items that will not be reclassifed to profit or loss | | - | 5.87 | 5.87 | - | 5.87 |
| **Other comprehensive income (net of tax)** | | - | (11.41) | (11.41) | - | (11.41) |
| | | | | - | - | |
| **XI. Total comprehensive income for the year** | | **1,001.59** | **(8.76)** | **992.83** | **(32.50)** | 960.33 |

**B. Reconciliation of statement of Equity as previously reported under IGAAP and Ind AS** (Rs. In million)

| Particulars | March 31,2016 | March 31,2015 | March 31,2014 | March 31,2013 | April 1,2012 |
|---|---|---|---|---|---|
| **Total Equity as per Indian GAAP** | **6,936.03** | **6,050.25** | **4,461.20** | **3,863.33** | **2,139.39** |
| Consolidation of GSGL | - | (169.39) | (83.59) | 39.10 | (11.91) |
| Fair Valuation of Assets and Provision for returns | (10.20) | (13.43) | (6.09) | (9.75) | (14.47) |
| Tax adjustments | 48.60 | 61.19 | 25.02 | (14.86) | 7.97 |
| Other IND AS adjustments | (8.86) | (6.20) | 446.05 | 264.71 | 18.41 |
| **Total Equity as per IND AS** | **6,965.57** | **5,922.42** | **4,842.59** | **4,142.53** | **2,139.39** |

**C. Reconciliation of Statement of Profit and Loss as previously reported under IGAAP and IND AS** (Rs. In million)

| Particulars | March 31,2016 | March 31,2015 | March 31,2014 | March 31,2013 |
|---|---|---|---|---|
| **Net Profit after tax as per IGAAP** | **1,593.16** | **2,031.27** | **1,438.66** | **1,001.59** |
| Reclass of actuarial loss | 23.54 | 22.82 | 1.43 | 17.28 |
| Impact on account of Acceptances reclassified as borrowing | (3.33) | (9.76) | 13.97 | (14.92) |
| Tax on Ind AS adjustments | (32.88) | 21.82 | 11.59 | (8.86) |
| Other Ind AS adjustments | 2.19 | (106.42) | (62.35) | 9.13 |
| **Net Profit after tax as per Ind AS** | **1,582.68** | **1,959.73** | **1,403.30** | **1,004.22** |

**D. Impact of Ind AS adoption on Cash Flows** **(Rs. In million)**

**For the year ended March 31, 2016**

| Particulars | Previous GAAP | Adjustments | Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 201.91 | 231.72 | 433.63 |
| Net Cash flow from Investing Activities | (4,212.71) | - | (4,212.71) |
| Net Cash flow from Financing Activities | 4,087.61 | (232.20) | 3,855.41 |
| Net Increase in Cash and Cash Equivalent | 76.81 | (0.48) | 76.33 |
| Cash and Cash Equivalent as at April 1, 2015 | 116.19 | 2.13 | **118.32** |
| Seeds Business of Godrej Seeds and Genetics Limited | 1.19 | (1.19) | - |
| Cash and Cash Equivalent as at March 31, 2016 | 194.19 | 0.46 | **194.65** |

**For the year ended March 31, 2015**

| Particulars | Previous GAAP | Adjustments | Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 517.05 | 174.93 | 691.98 |
| Net Cash flow from Investing Activities | (1,306.56) | (17.44) | (1,324.00) |
| Net Cash flow from Financing Activities | (217.26) | (163.67) | (380.93) |
| Net Increase in Cash and Cash Equivalent | (1,006.77) | (6.18) | (1,012.95) |
| Cash and Cash Equivalent as at April 1, 2014 | 1,128.37 | 2.90 | **1,131.27** |
| Less: Opening Cash & Cash equivalents removed | (5.41) | 5.41 | - |
| Cash and Cash Equivalent as at March 31, 2015 | 116.19 | 2.13 | **118.32** |

**For the year ended March 31, 2014**

| Particulars | Previous GAAP | Adjustments | Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 2,840.17 | (937.49) | 1,902.68 |
| Net Cash flow from Investing Activities | (1,837.56) | 49.37 | (1,788.19) |
| Net Cash flow from Financing Activities | (87.38) | 888.61 | 801.23 |
| Net Increase in Cash and Cash Equivalent | 915.23 | 0.49 | 915.72 |
| Cash and Cash Equivalent as at April 1, 2013 | 207.30 | 2.42 | **209.72** |
| Cash and Cash equivalents (Opening balance taken over) | | | |
| Goldmuhor Agrochem & Feeds Limited | 4.51 | - | **4.51** |
| Golden Feed Products Limited | 1.32 | - | **1.32** |
| Cash and Cash Equivalent as at March 31, 2014 | 1,128.37 | 2.90 | **1,131.27** |

**For the year ended March 31, 2013**

| Particulars | Previous GAAP | Adjustments | Ind AS |
|---|---|---|---|
| Net Cash flow from Operating Activities | 951.95 | (277.43) | 674.52 |
| Net Cash flow from Investing Activities | (1,707.57) | (4.62) | (1,712.19) |
| Net Cash flow from Financing Activities | 781.36 | 282.66 | 1,064.02 |
| Net Increase in Cash and Cash Equivalent | 25.74 | 0.61 | 26.35 |
| Cash and Cash Equivalent as at April 1, 2012 | 181.57 | 1.80 | **183.37** |
| Cash and Cash Equivalent as at March 31, 2013 | 207.30 | 2.42 | **209.72** |

1. **Property Plant and Equipment (PPE)**

   a) On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015 measured as per the IGAAP and use that carrying value as the deemed cost of the property, plant and equipment.

   b) Under Ind AS, government grants relating to property, plant and equipment are required to be presented on a gross basis as an addition to the related asset & as deferred government grant, and the same is recognised in the statement of profit & loss on a systematic basis over the useful life of the asset.
   Under IGAAP, for certain grants the Company presented the amount received as part of the reserves and surplus, while for the remaining grants, the carrying value of the related property plant and equipment are reduced by the amount of the grant.

2. **Biological Assets other than bearer plants:**

   Under IGAAP, biological assets are measured at cost. Ind AS requires all biological assets to be measured on each reporting date at their respective fair values with the fair value changes being recognised in the Statement of Profit and Loss. The impact as of the date of transition has been adjusted through retained earnings.

3. **Financial Assets/ liabilities**:
   Under Ind AS, financial instruments are required to be measured at fair value on initial recognition with the respective instrument being subsequently measured at amortised cost with reference to the discount rate used for determining fair value on initial recognition. The difference between the transaction price and fair value has been appropriately adjusted for the respective arrangement.

4. **Deferred Tax Asset/Liability:**

   Indian GAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind-AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of the balance sheet approach has resulted in recognition of deferred tax on new temporary differences which was not required under Indian GAAP.

   Further, corresponding impact of all Ind AS adjustments (as applicable) has been considered. Minimum Alternate Tax related credit has been reclassified to deferred tax.

5. Under Ind AS, redeemable preference shares are classified as financial liabilities with the dividend payout (if any) being reflected as finance cost.

6. **Interest bearing loans and borrowings**
   Under Indian GAAP, transaction costs incurred in connection with interest bearing loans and borrowings are recognised upfront and charged to profit or loss for the period. Under Ind-AS, transaction costs are included in the initial recognition of financial liability and charged to profit or loss using the effective interest method.

**7. Company's ESOP Trust**

The Company has set up an ESOP Trust (the Trust) to administer the ESOP scheme for its employees. On consolidation of the Trust, in addition to elimination of transactions between the Company and the Trust, shares of the Company held by the Trust have been presented as a reduction from Shareholders' Funds as Treasury Shares. Other assets and liabilities of the Trust have been presented in the respective sections.

**8. Offsetting:**

Financial assets and financial liabilities which were offset under Indian GAAP but do not meet the offsetting criteria have been shown gross under Ind AS.

**9. Acceptances:**

Acceptances earlier classified as trade payables have been reclassified to short term borrowings.

Application of derecognition requirements prescribed under Ind AS 109 have resulted in derecognition of trade payables and recognition of borrowings towards supplier financing facilities of the Company. Corresponding impact of such derecognition and finance cost have been considered in inventories, borrowings, trade and other payables , cost of materials consumed and finance cost .

**10. Derivative contracts:**

Under Indian GAAP, the premium and discount on forward contracts were amortised over the contract period. However, under Ind AS such premium or discount is recognised upfront in the profit and loss account and the mark-to-market on such derivative contracts are to be recognised as derivative asset/liability.

**11. Revenue from Operations:**

Under Ind AS, revenue is required to be measured at the fair value of the consideration receivable net of expected sales returns, rebates, discounts etc.

**12. Other Income:**

Under Ind AS, corporate guarantee issued on behalf of joint venture without any commission has been measured at fair value with corresponding impact adjusted with investment in the respective joint venture. Consequently, guarantee commission for the respective period has been recognised through income statement.

**13. Employee benefit:**

Both under Indian GAAP and Ind AS the Company recognised costs related to post-employment defined benefit plan on an actuarial basis. Under Indian GAAP, actuarial gains and losses are charged to profit or loss, however in Ind AS the actuarial gains and losses are recognised through other comprehensive income.

**Godrej Agrovet Limited**

**Annexure VI - Notes to Restated Standalone Financial Information**

**Note. 59: Restated Statement of Dividend**

| | 2016-17 | 2015-16 | 2014-15 | 2013-14 | 2012-13 |
|---|---|---|---|---|---|
| Number of Equity Shares | 1851,30,876 | 925,65,438 | 925,65,438 | 132,23,634 | 121,18,752 |
| Face value (Rs.) | 10 | 10 | 10 | 10 | 10 |
| Dividend per Equity Share (in Rs.) | 4.50 | 4.43 | 25.86 | 27.50 | - |
| Rate of dividend | 45% | 44.30% | 258.60% | 275% | - |
| Dividend tax rate | 20.36% | 20.36% | 17.00% | 17.00% | - |
| Total dividend (in Rs. million)(1) | 833.09 | 410.06 | 705.61 | 251.25 | - |
| Dividend Tax (in ` million) | 169.60 | 83.48 | 119.92 | 42.70 | - |

Notes:

The Board, in its meeting on May 12, 2017 has recommended a final dividend of Rs. 4.50 per equity share for the financial year ended March 31, 2017 the proposal is subject to the approval of shareholders at the annual general meeting to be held on August 4, 2017 and, if approved, would result in a cash outflow of approximately Rs. 1,002.69 Mn including corporate dividend tax of Rs. 169.60 Mn.

**Godrej Agrovet Limited**
**Annexure VII: Statement on Adjustments to Audited Standalone Financial Statements**

Summarized below are the restatement adjustments made to the audited financial statements for the fiscal year ended March 31, 2017, 2016, 2015, 2014 and 2013 and their impact on the profit / (loss) of the Company:

Rs. In million

| Particulars | Notes | For the year ended | | | | |
|---|---|---|---|---|---|---|
| | | March 31, 2017 | March 31, 2016 | March 31, 2015 | March 31, 2014 | March 31, 2013 |
| **A. Net profit after tax as per audited financial statements prepared under previous GAAP** | | | **1,593.16** | **2,031.27** | **1,438.66** | **1,001.59** |
| **B. Ind AS Adjustments** | | | | | | |
| Fair valuation of biological assets | | | 0.65 | (8.64) | (17.41) | 36.59 |
| Fair valuation of other financial instruments | | | (0.10) | (0.13) | (0.07) | (0.06) |
| Consolidation of GSGL | | | - | (85.80) | (44.49) | (27.25) |
| Provision for sales return | | | 4.04 | (2.50) | (6.52) | (7.29) |
| Impact on account of acceptances reclassified as borrowings | | | (3.33) | (9.76) | 13.97 | (14.92) |
| Derivative mark to market | | | (2.38) | (10.67) | 4.83 | 5.99 |
| Deferred grant | | | (2.04) | 0.24 | 0.25 | 0.31 |
| Guarantee comission recognised | | | 0.95 | 1.07 | 1.05 | 0.85 |
| Borrowing cost amortisation | | | 1.07 | - | - | - |
| Actuarial gain /(loss) reclassification | | | 23.54 | 22.82 | 1.43 | 17.28 |
| Tax effect of adjustments | | | (32.88) | 21.82 | 11.59 | (8.86) |
| Current tax impact on Ind AS adjustments | | | (11.83) | (7.76) | (0.49) | (5.87) |
| Deferred Tax adjustments | | | (21.05) | 29.58 | 12.08 | (2.99) |
| **C. Net Profit after tax as per Ind AS** | | **2,079.70** | **1,582.68** | **1,959.73** | **1,403.30** | **1,004.22** |
| **D. Adjustments:** | | | | | | |
| **Material Restatement Adjustments** | | | | | | |
| **(i) Audit Qualifications** | **1** | **-** | **-** | **-** | **-** | **-** |
| **Total:** | | **-** | **-** | **-** | **-** | **-** |
| **(ii) Other adjustments** | | | | | | |
| Insurance claim receivable | **2 (a)** | (1.28) | 0.60 | 0.63 | (0.05) | 0.11 |
| Change in useful life of asset | **2 (b)** | - | - | - | 1.20 | 0.71 |
| Liabilities provision written back | **2 (c)** | (17.82) | (12.89) | (10.88) | (27.66) | (29.60) |
| Prior period tax | **2 (d)** | - | - | - | - | (9.63) |
| | | - | - | - | - | - |
| Property, plant and equipment deemed cost adjustment | **2 (e)** | - | - | 1.59 | (12.57) | (4.91) |
| **Total:** | **-** | **(19.11)** | **(12.29)** | **(8.66)** | **(39.08)** | **(43.33)** |
| Reversal of deferred tax on undistributed reserves of CDPL | **2 (f)** | - | 26.66 | (26.66) | - | - |
| Deferred Tax impact on other adjustments | **2 (g)** | 6.56 | 4.19 | 2.92 | 13.26 | 10.85 |
| **Total:** | **-** | **6.56** | **30.85** | **(23.73)** | **13.26** | **10.85** |
| **D. Total impact of adjustments** | **-** | **(12.55)** | **18.56** | **(32.40)** | **(25.82)** | **(32.48)** |
| **E. Net Profit as restated (C+D)** | **-** | **2,067.15** | **1,601.24** | **1,927.34** | **1,377.48** | **971.74** |

**Notes to Adjustments**

**1. Adjustments for Audit Qualification:**
**Refer Note No. 55**

**2. Other Adjustments:**

(a) In the financial statements for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 receipt of Insurance claim has been recognised. For the purpose of this statement, the said receipts have been appropriately adjusted in the respective financial year to which the event relates.

(b) The carrying amount of fixed assets whose useful life as on April 1, 2014 had been completed as per Schedule II to the Companies Act 2013 was adjusted in the opening balance of Retained earnings as on April 1, 2014. Depreciation as per the transitional provision, has been adjusted to the respective years to effect the difference in the useful life.

(c) In the financial statements for the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 certain liabilities and provisions, which were recorded in earlier years, were written back. For the purpose of this statement, the said liabilities/provisions have been appropriately adjusted in the respective financial year to which they relate.

(d) In financial statements for the year ended March 31, 2013 tax accounted for pertaining to earlier years based on assessment by Income-tax authorities. For the purpose of these statements, such taxes have been appropriately adjusted to the opening reserves as at April 1, 2012.

(e) On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2015 measured as per the Previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment. The company has followed the same accounting policy choice as initially adopted on transition date i.e. April 1, 2015 while preparing Proforma Restated Financial Information for the years ended March 31, 2015, 2014, 2013 and 2012. Accordingly, suitable restatement adjustments to depreciation are made to the financial statements as for the years ended March 31, 2015, March 31, 2014, March 31, 2013 and April 1, 2012.

(f) During the year ended March 31, 2015, the management intended to divest its stake in Creamline Dairy Products Ltd. (CDPL), consequently, deferred tax was created on the undistributed reserves and indexation of investment in CDPL. However, during the year ended March 31, 2016, the company increased its stake in CDPL from 26% to 51.91% and hence, the deferred tax earlier created was reversed during the year. For the purpose of this statement, the reversal of deferred tax as been appropriately adjusted as on March 31, 2015.

(g) The tax rate applicable for the respective years has been used to calculate the deferred tax impact on other material adjustments.

**3. Reconciliation of retained earnings as at April 1, 2012**

| Particulars | Notes | April 1, 2012 |
|---|---|---|
| **A. Retained earnings as per previous GAAP** | | 1,756.27 |
| | | |
| **Ind AS Adjustments** | | |
| Fair valuation of biological assets | | (7.14) |
| Fair valuation of other financial instruments | | (0.09) |
| Consolidation of GSGL | | (11.91) |
| Provision for sales return | | (7.23) |
| Impact on account of acceptances reclassified as borrowings | | 13.04 |
| Deferred grant | | 8.62 |
| | | |
| Tax effect of adjustments | | 71.84 |
| | | |
| **B. Total Ind AS adjustments** | | **67.13** |
| **Other material adjustments:** | | |
| Insurance claim receivable | | 0.57 |
| Liabilities provision written back | | 98.82 |
| Change in useful life of asset | | (10.25) |
| Prior period tax | | 9.63 |
| Property, plant and equipment deemed cost adjustment | | 7.66 |
| Tax effect of adjustments | | (15.49) |
| | | |
| **C. Total impact of adjustments** | | **90.94** |
| | | |
| **E. Retained earnings as restated (A+B+C)** | | **1,914.35** |

**Godrej Agrovet Limited**

**Annexure VIII: Restated statement of Other Income**

**(Rs. In million)**

| **Particulars** | **Nature (Recurring/ Non-recurring)** | **As at March 31, 2017** | **As at March 31, 2016** | **As at March 31, 2015** | **As at March 31, 2014** | **As at March 31, 2013** |
|---|---|---|---|---|---|---|
| Interest received on Deposits | Recurring | | 78.25 | 51.62 | 36.18 | 34.09 |
| Interest received from Income Tax | Non- recurring | | - | 0.02 | - | - |
| Dividend received | Non- recurring | | 19.03 | 6.26 | 8.93 | 7.50 |
| Profit on sale of Fixed Assets (net) | Non- recurring | | 48.88 | 5.27 | 19.57 | - |
| Profit on sale of Investments (net) | Non- recurring | | 237.29 | - | - | 0.08 |
| Claims received | Non- recurring | | 4.14 | 2.79 | 7.90 | 0.99 |
| Liabilities no longer required written back | Non- recurring | | 12.94 | 11.96 | 15.32 | 16.68 |
| Recovery of Bad Debts written off | Recurring | | 4.16 | 10.18 | 7.60 | 2.67 |
| Royalty & Technical Knowhow | Recurring | | 28.45 | 19.70 | 12.90 | 3.70 |
| Other Miscellaneous Income | Recurring | | 89.61 | 57.53 | 58.16 | 63.22 |
| **Total Other Income as per previous GAAP** | | **-** | **522.75** | **165.33** | **166.56** | **128.93** |
| | | | | | | |
| *Add/Less: Ind AS adjustments* | | | | | | |
| Fair valuation of investment | | | 19.90 | - | - | - |
| Investment in associate | | | - | - | - | - |
| Fair valuation of other financial instruments | | | 3.19 | 0.50 | 0.30 | 0.19 |
| Derivative mark to market | | | - | - | - | - |
| Deferred grant | | | 6.09 | 4.73 | 0.95 | 0.45 |
| Guarantee comission recognised | | | 0.95 | 1.07 | 1.05 | 0.85 |
| Consolidation of GSGL | | | - | (11.03) | (8.25) | (8.10) |
| **Total Ind AS adjustments** | | **-** | **30.13** | **(4.73)** | **(5.95)** | **(6.61)** |
| **Total Other Income as per Ind AS** | | **541.86** | **552.88** | **160.60** | **160.61** | **122.32** |
| | | | | | | |
| *Add/Less: Other adjustments* | | | | | | |
| Insurance claim receivable | | (1.28) | 0.60 | 0.63 | (0.05) | (0.46) |
| Liabilities/provision written back | | (9.48) | (12.90) | (11.48) | (11.69) | (12.28) |
| **Total other adjustments** | | **(10.76)** | **(12.30)** | **(10.85)** | **(11.74)** | **(12.74)** |
| **Total Restated Other Income** | | **531.10** | **540.58** | **149.75** | **148.87** | **109.58** |

**Godrej Agrovet Limited**

**Annexure IX-Restated Statement of Accounting Ratios**

| Sr. No. | Particulars | For the year ended | | | | |
|---|---|---|---|---|---|---|
| | | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| 1 | Restated Profit / (Loss) after Tax (₹ in millions) | 2,067.15 | 1,601.24 | 1,927.34 | 1,377.48 | 971.74 |
| 2 | Net Profit / (Loss) available to Equity Shareholders excluding Exceptional Items (₹ in millions) | 1,867.15 | 1,601.24 | 1,580.87 | 1,377.48 | 971.74 |
| 3 | Weighted average number of basic Equity Shares outstanding during the year | 1771,41,240 | 1769,16,180 | 1769,16,180 | 1769,16,180 | 1714,75,941 |
| 4 | Weighted average number of diluted Equity Shares outstanding during the year | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1728,85,101 |
| 5 | Number of equity shares outstanding at the end of the year | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 | 1851,30,876 |
| 6 | Net Worth for Equity Shareholders (₹ in millions) | 9,026.17 | 6,978.12 | 5,916.49 | 4,863.39 | 4,187.71 |
| 7 | Accounting Ratios: | | | | | |
| | Basic Earning per share | 9.04 | 8.24 | 8.11 | 4.96 | 1.23 |
| | Diluted Earning per share | 8.65 | 7.87 | 7.75 | 4.74 | 1.22 |
| | Return on Net Worth for Equity Shareholders(2)/(6) | 20.69% | 22.95% | 26.72% | 28.32% | 23.20% |
| | Net Asset Value Per Share (₹) (6)/(5) | 48.76 | 37.69 | 31.96 | 26.27 | 22.62 |

**Note:**

1.Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2. Net worth for ratios is = Equity share capital + other equity (including Securities Premium, Debenture redemption reserve, General Reserve, Employee Stock Options Outstanding, Reserve for employee compensation expenses, Cash Flow hedging reserve, Treasury stock and Retained earnings).

3.The above ratios have been computed on the basis of the Restated Summary Statements- Annexure I & Annexure II.

**Godrej Agrovet Limited**

**Annexure X: Restated Statement of Capitalisation**

**(Rs. In million)**

| Particulars | Pre-issue as at March 31, 2017 |
|---|---|
| **Debt:** | |
| Long term borrowings | 67.07 |
| Short term borrowings | 4,749.75 |
| Current portion of Secured long term borrowings, included in Other Current Liabilities | 13.81 |
| **Total debt (A)** | **4,830.62** |
| | |
| **Shareholders Funds:** | |
| Equity Share Capital | 1,851.31 |
| Reserves and Surplus | 7,174.86 |
| **Total Shareholders Funds (B)** | **9,026.17** |
| **Total Debt/Shareholder fund (A/B)** | 0.54 |

**Notes:**

i) The above has been computed on the basis of the Restated Financial Statement - Annexure I & Annexure II.

ii) The corresponding Post IPO capitalisation data in the above table is not determinable at this stage pending the completion of the Book Building Process and hence the same has not been provided in the above statement.

**Godrej Agrovet Limited**
**Annexure XI: Restated statement of Tax Shelter**

Rs. In million

| Particulars | For the year ended | | | | |
|---|---|---|---|---|---|
| | **March 31, 2017** | **March 31, 2016** | **March 31, 2015** | **March 31, 2014** | **March 31, 2013** |
| **A. Profit before tax as restated** | **2,787.58** | **2,106.74** | **2,526.15** | **1,885.98** | **1,387.18** |
| B. Company's domestic tax rate | 35% | 35% | 34% | 34% | 34% |
| C. Tax using the Company’s domestic tax rate | **964.72** | **729.10** | **858.64** | **641.04** | **471.50** |
| | | | | | |
| **ADJUSTMENTS** | | | | | |
| *Tax impact of permanent differences due to:* | | | | | |
| Expense not allowed for tax purposes | 29.59 | 6.84 | (2.27) | (30.43) | (29.98) |
| Additional allowance for tax purpose | (161.71) | (85.39) | (113.32) | (99.73) | (38.47) |
| Income not considered for tax purpose/ Exempt income | (69.22) | (112.51) | (114.92) | (9.69) | - |
| Brought forward losses on which deferred tax asset not recognised | - | (38.23) | (39.02) | 15.12 | 9.32 |
| Impact due to change in Income tax rate | - | 32.64 | - | - | (9.00) |
| *Difference in tax rate* | | | | | |
| Incremental tax on account of applicability of MAT | - | - | - | - | 6.86 |
| Long term capital gains | (38.29) | - | - | 0.35 | - |
| Deferred Tax liablity on write off of FA to reserves | - | - | 2.85 | - | - |
| DTA created on Short term capital loss c/f of earliers years reversed | - | - | - | 6.97 | - |
| Difference between carry forward DTL on account of amalgamation | - | - | - | (0.66) | - |
| MAT credit utilisation | - | - | - | (3.74) | - |
| Tax benefit on accelarated depreciation/sales of Fixed assets/Indexation of Fixed Assets and Investments | (6.30) | - | - | - | - |
| Reversal of deferred tax on undistributed reserves of CDPL | - | (26.67) | - | - | - |
| Others | 1.64 | (0.28) | 6.85 | (10.73) | 5.21 |
| | | | | | |
| **D. Total Tax impact of permanent differences** | **(244.29)** | **(223.60)** | **(259.83)** | **(132.54)** | **(56.06)** |
| | | | | | |
| *Tax impact of timing differences due to:* | | | | | |
| Property, plant and equipment & Intangible assets | (75.06) | (84.94) | (135.10) | (84.24) | (139.66) |
| Compensated absence | (2.09) | 7.21 | - | - | - |
| Investments | (3.43) | 6.77 | 2.17 | 2.00 | 2.13 |
| Biological Assets | 0.30 | (0.25) | 2.94 | 5.92 | (12.33) |
| Doubtful Debtors | 9.85 | 7.89 | (1.68) | (9.91) | (5.74) |
| Brought forward Losses | (30.87) | (37.31) | 68.18 | (6.97) | 0.32 |
| Employee benefits | - | (6.18) | (1.09) | 0.95 | (0.87) |
| MAT Credit Entitlment | (60.69) | 47.98 | 12.71 | - | - |
| Other items | 10.00 | 3.50 | 2.53 | 14.11 | 14.54 |
| | - | - | - | - | - |
| **E. Total Tax impact of timing differences** | **(151.99)** | **(55.33)** | **(49.34)** | **(78.14)** | **(141.61)** |
| | | | | | |
| F. Net adjustments (D+E) | **(396.28)** | **(278.93)** | **(309.17)** | **(210.68)** | **(197.67)** |
| | | | | | |
| **G. Tax Liability (C-F)** | **568.44** | **450.17** | **549.47** | **430.36** | **273.83** |

# MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements as of and for the financial years ended March 31, 2017, 2016 and 2015, including the related notes, schedules and annexures. These restated consolidated financial statements has been prepared under Indian Accounting Standards ("**Ind AS**") notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. Our restated consolidated financial statements have been compiled from the audited consolidated financial statements of our Company for the respective years under the previous generally accepted accounting principles followed in India ("**Indian GAAP**") and restated in accordance with the SEBI ICDR Regulations. For further information, see the consolidated Restated Financial Information which begin on page 209 of this Draft Red Herring Prospectus.*

*Our financial year ends on March 31 of each year, and all references to a particular financial year are to the twelve-month period ended March 31 of that year.*

*This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" beginning on pages 14 and 15, respectively.*

## Overview

We are a diversified, research and development focused agri-business company with operations across five business verticals: animal feed, crop protection, oil palm, dairy, and poultry and processed foods. We were the leading compound animal feed company in India, on the basis of installed capacity for the financial year 2016. *(Source: CRISIL Animal Feed Report)* In Bangladesh, our joint venture, ACI Godrej was the fourth largest feed producer, in terms of sales volume, during the financial year 2016. *(Source: Bangladesh Report)* In our oil palm business, we were the largest crude palm oil producer in India, in terms of quantity, as of March 31, 2017. *(Source: Oil Palm Report)*

***Our Businesses:***

- In our animal feed business, our portfolio of products comprises cattle feed, poultry feed (broiler and layer), aqua feed (fish and shrimp) and specialty feed. Our animal feed products are manufactured at 35 facilities, of which 10 facilities are owned by us, and seven are operated by us, located near major consumption centers across India, with an aggregate production capacity of 2.36 million MT per annum, as of March 31, 2017. Our pan-India distribution network for animal feed products includes approximately 4,000 distributors, as of March 31, 2017. Our 50:50 joint venture, ACI Godrej, was incorporated in 2004 and produces cattle, poultry and fish feed in Bangladesh. It operates two manufacturing facilities with an aggregate production capacity of 0.57 million MT per annum, as of March 31, 2017.

- In our crop protection business, we manufacture a wide range of products that cater to the entire crop lifecycle including plant growth regulators, organic manures, generic agrochemicals and specialized herbicides. In October 2015, we acquired a majority equity interest in Astec LifeSciences and we currently own 55.7% of the outstanding equity shares of Astec LifeSciences. Astec LifeSciences produces agrochemical active ingredients (technical), bulk and formulations as well as intermediate products and sells its products in India as well as exports them to approximately 24 countries, including the United States and countries across Europe, West Asia, South East Asia and Latin America. Astec LifeSciences also undertakes contract development and manufacturing services for other agro chemical companies. Astec LifeSciences sells all its products to institutional customers, while our Company sells its products primarily to retail consumers. The distribution network of our Company's crop protection business in India includes approximately 6,000 distributors, as of March 31, 2017.

- In our oil palm business, we produce a range of products including crude palm oil, crude palm kernel oil and palm kernel cake. We purchase fresh fruit bunches ("**FFBs**") from palm oil farmers and work closely with them by providing planting material, agricultural inputs and technical guidance. We have entered into memoranda of understanding with nine state governments, which provides us with access to approximately 61,700 hectares under oil palm plantation, which is equivalent to approximately one-fifth of India's oil palm plantations, as of March 31, 2017. *(Source: Oil Palm Report)*. This public-private partnership model, which, has been promoted by the Government of India, allows us to maintain an asset-light business model. We work closely with farmers in our designated area to plant oil palm on their farmland and provide technical guidance and assistance. We have set up five palm oil mills in India with an aggregate FFB processing capacity of 125 MT per hour and a palm kernel processing capacity of seven MT per hour, as of March 31, 2017.

- In our dairy business, which we operate through our Subsidiary, Creamline Dairy, we sell a majority of our milk and milk based products under the 'Jersey' brand across the states of Telangana, Andhra Pradesh, Tamil Nadu, Karnataka and Maharashtra. As of March 31, 2017, we owned and operated nine milk processing units. For our dairy business, our supply chain network includes procurement from six states through a network of 121 chilling centers, as of March 31, 2017. As of March 31, 2017, our dairy distribution network included approximately 4,000 milk distributors, approximately 2,500 milk product distributors and 50 retail parlors, as well as direct sales to institutional customers.

- We manufacture and market processed poultry and vegetarian products through our brands 'Real Good Chicken' and 'Yummiez'. In 1994, our Company ventured into the poultry business by launching the 'Real Good Chicken' brand and in 2008, with an objective to grow our poultry and processed foods business, we entered into a joint venture with Tyson India Holding Limited, a subsidiary of Tyson Foods Inc., U.S.A. We believe that our joint venture with Tyson India Holding Limited provides us with the technical and operational expertise to compete successfully in India with other producers, processors and sellers of value-added, fresh and frozen poultry products and frozen snacks. Tyson Foods Inc., U.S.A. has approximately 75 years of experience producing, distributing and marketing poultry and other animal protein related products. We have set up two processing plants with integrated breeding and hatchery operations and we have a diverse customer base comprising of retail consumers as well as institutional clients such as quick service restaurants, fine dining restaurants, food service companies and hotels.

We are an R&D backed agri-business company that is focused on improving productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. We have made significant investments to enhance our R&D capabilities over the years and believe that our emphasis on R&D has been critical to our success. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development, an R&D centre in Nashik. We have two dedicated R&D centres for our crop protection business at Mumbai and Thane, which has enabled our Company to launch launch new products. Our oil palm business has a dedicated R&D center at Andhra Pradesh, which is focused on improving the yield performance of oil palm crop and exploring new avenues of value creation from oil palm biomass.

Our total income were ₹ 49,832.98 million, ₹ 38,176.69 million and ₹ 33,254.88 million and our profit for the period was ₹ 2,735.30 million, ₹ 2,609.75 million and ₹ 2,100.45 million for the financial years 2017, 2016 and 2015, respectively. The revenue contribution from four business verticals of our Company is set forth below:

***(₹ in million)***

| Business vertical | For the financial year | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Animal feed | 26,208.22 | 25,442.02 | 25,429.88 |
| Crop protection | 7,647.25 | 4959.38 | 3,352.48 |
| Oil palm | 5,066.42 | 4,041.92 | 3,937.98 |
| Dairy | 10,099.17 | 2,728.90 | N.A.* |

* *The results of our dairy business have been consolidated only from the financial year 2016, during which we acquired a majority equity interest in Creamline Dairy.*

Further, our share of revenues of our joint venture entities, which are not consolidated with our total revenues (our share of profit for the period of such entities is consolidated with our profit for the period) in accordance with relevant accounting standards, is shown for comparative purposes only and is set forth below:

***(₹ in million)***

| Business vertical | For the Financial Year | | |
|---|---|---|---|
| | 2017 | 2016 | 2015 |
| Animal feed* | 3,020.24 | 2,676.34 | 1,985.53 |
| Poultry and processed foods# | 2,184.76 | 2,206.68 | 1,918.88 |

**Represents 50% of revenues of ACI Godrej*
*#Represents 49% of revenues of Godrej Tyson*

Our Promoters include Mr. Adi Godrej and Mr. Nadir B. Godrej, each of whom have over 40 years of experience in successfully creating shareholder value across businesses in a diverse range of industries. Further, Mr. Balram S. Yadav, our Managing Director, has been with the Godrej group since 1991 and has experience of approximately 27 years in agri-businesses. Our shareholders include marquee investors such as V-Sciences Investments Pte Ltd (an indirect wholly owned subsidiary of Temasek Holdings (Private) Limited). We have received several awards over the years and were awarded the 'Highest Crude Palm Oil Producer in the Country' at the GLOBOIL conference in Mumbai in 2015. Our Company was recognized by Aon Hewitt in the 'Best Employers' category for 2015 and 2017 and we were also recognized among one of the best 100 companies to work for by Great Place to Work Institute India for the years 2013 and 2014.

**Significant Factors Affecting our Results of Operations**

Our results of operations and financial condition are affected by a number of important factors including:

***Volume and Mix of Products Manufactured and Sold***

The key driver in the growth of our revenue from operations has been the volume of products manufactured and sold by us. Increased sales volume favourably affects our results of operations as it enables us to benefit from economies of scale in procurement and manufacturing and improves our operating margins through our ability to leverage our fixed cost base. Our results of operations are also affected by the product mix within our business verticals. In general, a higher percentage of value added product sales will have a positive impact on our revenues as such products tend to have higher prices and profit margins than other products. High value added products generally also benefit from lower volatility in sale prices, and therefore result in more predictable revenues. For example, aqua feed in our animal feed business, our crop protection product Hitweed; our value added products in our dairy business and branded products in our poultry and processed foods business have higher profit margins than our other products.

In addition, in order to maximize our profits, we must maintain optimum levels of capacity utilization at our manufacturing facilities and an appropriate standard of quality in our manufacturing facilities' equipment and processes. Attaining and maintaining this level of utilization and quality requires considerable expense and planning. For example, in our animal feeds business due to high transportation costs in such businesses, we are required to have well distributed manufacturing facilities leading to diverse capacity utilization levels. If we are unable to achieve and maintain optimum levels of capacity utilization at our manufacturing facilities in the future, our financial condition and results of operations may be adversely affected.

***Cost and Availability of Raw Materials***

Our cost of materials consumed constitutes the largest component of our cost structure. For the financial years 2017, 2016 and 2015, our cost of materials consumed was ₹ 36,171.24 million, ₹ 28,571.49 million and ₹ 25,062.48 million, or 72.6%, 74.8% and 75.4% of our total income, respectively. As we continue to grow our operations, we would need to procure additional volumes of raw materials. We usually do not enter into long-term supply contracts with any of our raw material suppliers and typically source raw materials from third-party suppliers or the open market. We are thus exposed to fluctuations in availability and prices of our raw materials and we may not be able to effectively pass on all increases in cost of raw materials to our customers, which may affect our margins, sales, results of operations and cash flows.

For example, in our animal feed business, we have witnessed volatility in the cost of our key raw materials, such as maize and soybean. Supply of such agricultural produce has a direct impact on its price. For our oil palm business, we purchase fresh fruit bunches pursuant to memoranda of understanding that we enter into with state governments for each of our allotted districts. The prices of fresh fruit bunches are derived based on a pre-determined formula broadly linked to the moving average crude palm oil price for a defined month and any alteration in such formula by the relevant state governments or the average crude palm oil price, could affect our raw material cost. For our dairy business, if we are unable to procure sufficient quantities of raw milk and on commercially acceptable terms due to a variety of factors including competition in our procurement base, our raw materials cost would be adversely affected. For our poultry and processed foods business, we require the Vencobb breed of birds, which we source from one of our competitors. Consequently, any inability on our part to procure sufficient quantities of raw materials and on commercially acceptable terms, could lead to a change in our cost of materials consumed and production and sales volumes. For further details, see "*Risk Factors – Internal Risk Factors - We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability of such raw materials could have an adverse effect on our business and results of operations*" on page 16.

***Seasonal Variations and Weather Conditions***

Each of our business verticals and consequently our results of operations are affected by seasonal variations and weather conditions. For example, in our animal feed business, seasonal variations and adverse weather conditions affect the availability and price of the raw materials that we require for our manufacturing operations. Also, in the past, we have experienced a reduction in the sales of our aqua feed products during the summer months. In our crop protection business, while a delayed monsoon could adversely affect the sales of our product Hitweed, it could lead to an increase in the sales of our plant growth regulators. In our oil palm business, a significant share of fresh fruit bunches are harvested in India between May and October. As a result, a substantial share of the income we derive from the sale of our oil palm products is received during such period.

For our dairy business, we typically witness an increase in the sale of our value added products during the summer months. However, since cattle generally produce more milk in temperate weather, our raw milk procurement and the production of milk and milk products is higher in the second half of the financial year. For our poultry and processed foods business, we witness a low bird mortality rate during the winter months and a high mortality rate during the summer months, while the consumption of our poultry and processed foods products is higher during the winter months. Consequently, seasonal variations and adverse weather conditions may adversely affect our production and sales volumes and could therefore have a disproportionate impact on our results of operations during the relevant year. For further details see, "*Risk Factors – Internal Risk Factors - Unfavourable local and global weather patterns may have an adverse affect on our business, results of operations and financial condition"* and *"Risk Factors – Internal Risk Factors - Certain of our businesses are subject to seasonal variations that could result in fluctuations in our results of operations".*

***Distribution Network***

We have set up an extensive sales and distribution network for each of our businesses and we also make sales to certain institutional customers directly. We constantly seek to grow our product reach to under-penetrated geographies, increase the penetration of our products in markets in which we are currently present and widen the portfolio of our products available in those markets by growing our distribution network. We may, however, not be successful in appointing new distributors to expand our network or effectively manage our existing distribution network. Further, we may also face disruptions in the delivery of our products for reasons beyond our control, including poor handling of our products by third parties, transportation bottlenecks, natural disasters and labour issues, which could lead to delayed or lost deliveries. If our distributors fail to distribute our products in a timely manner, or fail to adhere to the terms of the distribution agreements, or if our distribution agreements are terminated, our business and results of operations may be adversely affected. For further details see, "*Risk Factors – Internal Risk Factors - Our inability to expand or effectively manage our distribution network may have an adverse effect on our business, results of operations and financial condition".*

***Research and Development***

We are focused on undertaking dedicated R&D in areas where we believe there is significant growth potential. We believe that our emphasis on R&D has been critical to our success and a differentiating factor from our competitors. Our acquisition of Astec LifeSciences has also provided us access to strong R&D in the agrochemical active ingredients, which we have leveraged to introduce new products. We spent ₹ 18.25 million, ₹ 16.88 million and ₹ 29.35 million towards our R&D activities (not including salaries and benefits of our R&D employees and capital expenditure) for the financial years 2017, 2016 and 2015, respectively.

We are focused on improving productivity of farmers by innovating products and services that sustainably increase crop and livestock yields. Our R&D initiatives have enabled us to launch several new and innovative products as part of our animal feed business and we offer a variety of cattle feed for the entire lifecycle of the cattle. We have made significant investments to enhance our R&D capabilities over the years. In May 2014, we consolidated our Animal feed R&D initiatives by setting up the Nadir Godrej Centre for Animal Research and Development, an R&D centre in Nashik. We have also set-up two dedicated R&D centres for our crop protection business at Mumbai and Thane, which has enabled our Company to launch new products. Our oil palm business has a dedicated R&D center at Andhra Pradesh, which is focused on improving the yield performance of oil palm crop and exploring new avenues of value creation from oil palm biomass.

In order to introduce new and innovative products, we must continue to commit substantial time, funds and other resources in R&D. In addition, we must adapt to rapid changes in our industry due to technological advances and scientific discoveries. We strive to keep our technology, facilities and machinery current with the latest international standards. The cost of implementing new technologies, upgrading our manufacturing facilities and retaining our research staff is significant and affects our results of operations and cash flows. For further details see, "*Risk Factors – Internal Risk Factors - If we are unable to introduce new products and respond to changing consumer preferences in a timely and effective manner, the demand for our products may decline, which may have an adverse effect on our business, results of operations and financial condition".*

***Government Regulations and Policies***

Government regulations and policies, of both India and Bangladesh and in countries to which we export, can affect the demand for, expenses related to and availability of our products and their raw materials. These regulations and policies are extensive and cover a broad range of industries, some of which are politically sensitive. These regulations and policies and the tax regimes to which we are subject could change at any time, with little or no warning or time for us to prepare. For further details see, "*Risk Factors – Internal Risk Factors - We are subject to extensive government regulation and if we fail to obtain, maintain or renew our statutory and regulatory licenses, permits and approvals required to operate our business, our business and results of operations may be adversely affected"* and "*Risk Factors – Internal Risk Factors - Changing laws, rules and regulations and legal uncertainties, including adverse application of tax laws, may adversely affect our business, prospects and results of operations".*

**Statement of Significant Accounting Policies**

***Basis of preparation***

The Restated Financial Information has been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 to the extent applicable. The Restated Financial Information has been compiled from our Audited Consolidated Financial Statements prepared under Indian GAAP.

***Revenue***

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

- Dividend income. Dividend income is recognized only when the right to receive the same is established, it is probable that the economic benefits associated with the dividend will flow to us, and the amount of dividend can be measured reliably.

- Interest income. For all financial instruments measured at amortized 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 and loss.

***Income Tax***

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

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, we:

a) have a legally enforceable right to set off the recognized amounts; and

b) intend either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred tax

Deferred tax is recognized 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 recognized 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 we are 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 recognized 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 realized; such reductions are reversed when the probability of future taxable profits improves. Unrecognized deferred tax assets are reassessed at each reporting date and recognized 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 we expect, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

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

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

***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 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.

***Financial assets***

*Classification*

We classify our 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 our 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 and measurement*

- At initial recognition, we measure a financial asset at fair value plus, in the case of a financial asset not recorded at fair value through the statement of profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

*Equity investments (other than investments in associates and joint venture)*

- All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, we decide to classify the same either as at FVOCI or FVTPL. We make such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

- If we decide to classify an equity instrument as FVOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, we may transfer the cumulative gain or loss within equity.

- Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

*Derecognition*

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized (i.e. removed from our balance sheet) when:

- The rights to receive cash flows from the asset have expired, or

- We have transferred our 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) we have transferred substantially all the risks and rewards of the asset, or (b) we have neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When we have transferred our 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, we continue to recognize the transferred asset to the extent of our continuing involvement. In that case, we also recognize an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that we have 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 we could be required to repay.

*Impairment of financial assets*

In accordance with Ind-AS 109, we apply 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 amortized cost e.g., loans, debt securities, deposits, and bank balance.

b) Trade receivables - The application of simplified approach does not require us to track changes in credit risk. Rather, it recognizes 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.

***Financial liabilities***

*Classification*

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

We classify all financial liabilities as subsequently measured at amortized 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 recognized when we become 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 recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable and incremental transaction cost.

Amortized 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 amortization is included as finance costs in the statement of profit and loss.

Our financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

*Financial guarantee contracts*

Financial guarantee contracts issued by us are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization.

*Derecognition*

A financial liability is derecognized 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 recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

*Derivative financial instruments*

We use derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of item being hedged and the type of hedge relationship designated.

Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

***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 recognized 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, we recognize 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 recognized 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.

***Cash flow hedges that qualify for hedge accounting***

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of hedged item on a present value basis from the inception of hedge. The gain or loss relating to the effective portion is recognized immediately in profit or loss.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

**Segment Reporting**

The following tables set forth our segment information for the last three financial years:

| Financial Year 2017 | Animal Feed | Vegetable Oil | Crop Protection | Dairy | Other | Unallocated | Elimination | Total |
|---|---|---|---|---|---|---|---|---|
| Total Sales | 26,208.22 | 5,066.42 | 7,647.25 | 10,099.17 | 409.78 | - | (166.82) | 49,264.02 |
| Segment Result | 1,656.55 | 1,026.01 | 1,691.59 | 375.39 | (108.22) | - | (3.90) | 4,637.42 |
| Unallocated expenditure and unallocated income | - | - | - | - | - | (859.05) | - | (859.05) |
| Interest expenses | - | - | (122.35) | (49.30) | (35.64) | (680.36) | 24.23 | (863.42) |
| Interest Income | - | - | 9.92 | 39.24 | 19.98 | 103.10 | (24.23) | 148.01 |
| Dividend Income and Profit on sale of Investments | - | - | - | 26.63 | - | 293.76 | (44.05) | 276.34 |
| Profit before exceptional, Tax & Share of Equity Accounted Investees | 1,656.55 | 1,026.01 | 1,579.16 | 391.96 | (123.88) | (1,142.55) | (47.95) | 3,339.30 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | - | 187.46 | - | 187.46 |
| Exceptional Items | - | - | - | - | - | 200.00 | - | 200.00 |
| Profit Before Taxation | 1,656.55 | 1,026.01 | 1,579.16 | 391.96 | (123.88) | (755.09) | (47.95) | 3,726.76 |
| Provision for Taxation | | | 140.32 | 136.86 | (0.41) | 720.44 | (5.75) | 991.46 |
| Profit after Taxation | 1,656.55 | 1,026.01 | 1,438.84 | 255.10 | (123.47) | (1,475.53) | (42.20) | 2,735.30 |
| *Other Information* | - | - | - | - | - | - | - | - |
| Segment assets | 9,476.61 | 1,910.20 | 8,673.70 | 6,935.67 | 859.07 | 8,461.03 | (4,171.95) | 32,144.33 |
| Segment liabilities | 7,198.94 | 173.07 | 3,687.08 | 2,264.21 | 321.87 | 5,977.78 | (107.16) | 19,515.79 |
| Capital expenditure | 462.76 | 174.63 | 272.77 | 1,100.40 | 54.21 | 35.32 | - | 2,100.09 |
| Depreciation | 268.47 | 131.04 | 121.63 | 161.89 | 16.01 | 47.61 | - | 746.65 |

| Financial Year 2016 | Animal Feed | Vegetable Oil | Crop Protection | Dairy | Other | Unallocated | Elimination | Total |
|---|---|---|---|---|---|---|---|---|
| Total Sales | 25,442.02 | 4,041.92 | 4,959.38 | 2,728.90 | 387.04 | - | (9.71) | 37,549.55 |
| Segment Result | 1,836.90 | 616.30 | 949.05 | (3.02) | (127.03) | - | - | 3,272.20 |
| Unallocated expenditure and unallocated income | - | - | - | - | - | (552.88) | - | (552.88) |
| Interest expenses | - | - | (60.61) | (10.94) | (20.53) | (910.82) | 26.20 | (976.70) |
| Interest Income | - | - | 17.19 | 8.20 | 13.58 | 78.84 | (26.20) | 91.61 |
| Dividend Income and Profit on sale of Investments | - | - | (1.03) | (0.03) | - | 277.45 | (19.03) | 257.36 |
| Profit before exceptional, Tax & Share of Equity Accounted Investees | 1,836.90 | 616.30 | 904.60 | (5.79) | (133.98) | (1,107.41) | (19.03) | 2,091.59 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | - | 326.58 | - | 326.58 |
| Exceptional Items | - | - | (29.88) | - | - | 975.81 | - | 945.93 |
| Profit Before Taxation | 1,836.90 | 616.30 | 874.72 | (5.79) | (133.99) | 194.98 | (19.03) | 3,364.09 |
| Provision for Taxation | | | 22.08 | 6.92 | 4.42 | 720.93 | - | 754.35 |
| Profit after Taxation | 1,836.90 | 616.30 | 852.64 | (12.71) | (138.41) | (525.95) | (19.03) | 2,609.74 |
| *Other Information* | - | - | - | - | - | - | - | - |
| Segment assets | 9,588.62 | 2,060.30 | 7,662.75 | 6,478.43 | 1,447.97 | 9,429.18 | (5,438.00) | 31,229.25 |
| Segment liabilities | 5,823.13 | 310.18 | 4,508.30 | 1,995.00 | 1,164.70 | 8,193.64 | (916.55) | 21,078.40 |
| Capital expenditure | 518.99 | 306.35 | 1,662.28 | 1,119.08 | 42.19 | 88.18 | - | 3,737.07 |
| Depreciation | 239.96 | 118.06 | 60.75 | 41.72 | 13.90 | 49.36 | - | 523.75 |

| Financial Year 2015 | Animal Feed | Vegetable Oil | Crop Protection | Other | Unallocated | Elimination | Total |
|---|---|---|---|---|---|---|---|

| Financial Year 2015 | Animal Feed | Vegetable Oil | Crop Protection | Other | Unallocated | Elimination | Total |
|---|---|---|---|---|---|---|---|
| Total Sales | 25,429.88 | 3,937.98 | 3,352.48 | 397.90 | - | - | 33,118.24 |
| Segment Result | 2,108.04 | 639.03 | 842.41 | (55.36) | - | - | 3,534.12 |
| Unallocated expenditure and unallocated income | - | - | - | - | (742.16) | - | (742.16) |
| Interest expenses | - | - | - | (39.11) | (639.08) | 23.55 | (654.64) |
| Interest Income | - | - | - | 5.67 | 52.14 | (23.55) | 34.26 |
| Dividend Income and Profit on sale of Investments | - | - | - | - | 6.25 | (6.25) | 0.00 |
| Profit before exceptional, Tax & Share of Equity Accounted Investees | 2,108.04 | 639.03 | 842.41 | (88.80) | (1,322.85) | (6.25) | 2,171.58 |
| Share of Equity Accounted Investees Net of Tax | - | - | - | - | 169.66 | - | 169.66 |
| Exceptional Items | - | - | - | - | 364.48 | - | 364.48 |
| Profit Before Taxation | 2,108.04 | 639.03 | 842.41 | (88.80) | (788.71) | (6.25) | 2,705.72 |
| Provision for Taxation | - | - | - | 1.15 | 604.12 | - | 605.27 |
| Profit after Taxation | 2,108.04 | 639.03 | 842.41 | (89.95) | (1,392.83) | (6.25) | 2,100.45 |
| *Other Information* | - | - | - | - | - | - | - |
| Segment assets | 8,194.74 | 1,868.02 | 2,360.88 | 1,016.22 | 4,283.17 | (196.86) | 17,526.17 |
| Segment liabilities | 6,141.26 | 122.65 | 844.61 | 800.69 | 3,553.31 | (337.53) | 11,124.99 |
| Capital expenditure | 736.96 | 116.52 | 153.04 | 10.96 | 94.73 | - | 1,112.21 |
| Depreciation | 205.12 | 107.76 | 16.33 | 13.91 | 26.64 | - | 369.76 |

**Revenue and Expenses**

Our revenue and expenditure is reported in the following manner:

***Revenue***

*Revenue.* Total revenue consists of revenue from operations and other income.

*Revenue from operations*. Revenue from operations comprises revenue from the sale of products and other operating revenue. Sale of products comprises income from the sale of products by our Company and its Subsidiaries. Other operating revenue comprises revenue from the sale of scrap and empties, export incentives, processing income, conversion, handling and storage charges, service tax rebate, duty drawback and change in fair value of biological assets.

*Other income*. Other income primarily comprises profit on sale of investments (net), other miscellaneous income and income from R&D center, interest received on loans and advances, interest – others, interest received on deposits and royalty and technical knowhow.

***Expenses***

Expenses consist of cost of raw materials consumed, purchase of stock-in-trade, changes in inventories of finished goods work-in-progress and stock-in-trade, excise duty, employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

*Cost of raw materials consumed*. Cost of raw materials consumed comprises costs incurred towards the purchase of all the raw materials that we require for our manufacturing operations.

*Purchase of stock-in-trade, changes in inventories of finished goods work-in-progress and stock-in-trade*. Purchase of stock-in-trade, changes in inventories of finished goods work-in-progress and stock-in-trade primarily comprises the cost of agricultural produce and animal feeds.

*Excise duty*. Excise duty comprises duty paid on the sale of our crop protection products.

*Employee benefits expense*. Employee benefits expense comprises salaries, wages, bonus and allowances, contribution to provident, gratuity and other funds, expense on employee stock based payments and staff welfare expense.

*Finance costs*. Finance costs primarily comprises interest expense – paid to banks on loans and cash credit, interest expense – others and other borrowing costs.

*Depreciation and amortization expenses*. Depreciation and amortization expenses comprises depreciation on tangible assets and amortization on intangible assets.

*Other expenses*. Other expenses primarily comprises miscellaneous expenses, advertising, selling and distribution expenses, stores and spares consumed, power and fuel expenses, processing charges, rates and taxes, repairs and maintenance – machinery and freight expenses.

**Our Results of Operations**

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the financial years 2017, 2016 and 2015, the components of which are also expressed as a percentage of total revenue for such periods:

| | **For the Financial Year** | | | | | |
|---|---|---|---|---|---|---|
| | **2017** | | **2016** | | **2015** | |
| | ***(₹ in million)*** | ***(% of Total Revenue)*** | ***(₹ in million)*** | ***(% of Total Revenue)*** | ***(₹ in million)*** | ***(% of Total Revenue)*** |
| **Revenue:** | | | | | | |
| Revenue from Operations | 49,264.02 | 98.9% | 37,549.55 | 98.4% | 33,118.24 | 99.6% |
| Other Income | 568.96 | 1.1% | 627.14 | 1.6% | 136.64 | 0.4% |
| **Total Revenues** | **49,832.98** | **100.0%** | **38,176.69** | **100.0%** | **33,254.88** | **100.0%** |
| **Expenses:** | | | | | | |
| Cost of materials consumed | 36,171.24 | 72.6% | 28,571.49 | 74.8% | 25,062.48 | 75.4% |
| Purchases of Stock-in-Trade | 1,836.28 | 3.7% | 1,735.13 | 4.5% | 1,464.01 | 4.4% |
| Changes In Inventories of Finished Goods, Work-in-progress and Stock-in-trade | (46.05) | -0.1% | (855.40) | -2.2% | (369.61) | -1.1% |
| Excise Duty | 153.15 | 0.3% | 47.98 | 0.1% | - | 0.0% |
| Employee Benefits | 2,327.49 | 4.7% | 1,556.82 | 4.1% | 1,334.01 | 4.0% |

| | | | | | | |
|---|---|---|---|---|---|---|
| Expenses | | | | | | |
| Finance Costs | 863.42 | 1.7% | 976.70 | 2.6% | 654.64 | 2.0% |
| Depreciation and Amortization Expenses | 746.65 | 1.5% | 523.75 | 1.4% | 369.76 | 1.1% |
| Other Expenses | 4,441.50 | 8.9% | 3,528.63 | 9.2% | 2,568.01 | 7.7% |
| **Total Expenses** | **46,493.68** | 93.3% | **36,085.10** | 94.5% | **31,083.30** | 93.5% |
| Share of Equity-accounted Investees, Net of Tax | 187.46 | 0.4% | 326.58 | 0.9% | 169.66 | 0.5% |
| Exceptional Items | 200.00 | 0.4% | 945.93 | 2.5% | 364.48 | 1.1% |
| **Profit Before Tax** | 3,726.76 | 7.5% | 3,364.10 | 8.8% | 2,705.72 | 8.1% |
| **Tax Expense:** | | | | | | |
| Current Tax | 743.75 | 1.5% | 484.95 | 1.3% | 550.62 | 1.7% |
| Deferred Tax | 247.71 | 0.5% | 269.40 | 0.7% | 54.65 | 0.2% |
| **Profit for the period** | **2,735.30** | 5.5% | **2,609.75** | 6.8% | **2,100.45** | 6.3% |
| **Other Comprehensive Income:** | | | | | | |
| Other Comprehensive Income (net of tax) | **(6.11)** | | **(21.70)** | | **(24.43)** | |
| **Total Comprehensive Income for the Year** | **2,729.19** | | **2,588.05** | | **2,076.02** | |

***Financial Year 2017 compared to Financial Year 2016***

Our results of operations for the financial year 2017 were affected by the following key factors:

- Astec LifeSciences and Creamline Dairy became subsidiaries of our Company with effect from November 6, 2015 and December 21, 2015, respectively; consequently, a full year of operations of these subsidiaries were consolidated in our financial statements for the financial year 2017; and

- an increase in the volume of products sold in our crop protection and oil palm businesses.

***Total Revenue***. Our total revenue increased by 30.5% to ₹ 49,832.98 million for the financial year 2017 from ₹ 38,176.69 million for the financial year 2016, primarily due to an increase in revenue from operations.

*Revenue from Operations*. Our revenue from operations increased by 31.2% to ₹ 49,264.02 million for the financial year 2017 from ₹ 37,549.55. million for the financial year 2016, primarily due to an increase in our revenue from sale of products.

Our revenue from the sale of products increased by 31.2% to 48,921.08 million for the financial year 2017 from ₹ 37,289.10 million for the financial year 2016, primarily due to:

- an increase in revenue from our animal feed business to ₹ 26,208.22 million for the financial year 2017 from ₹ 25,442.02 million for the financial year 2016; during the financial year 2017, there was an increase in the volume and selling price of our cattle and layer feed products and an increase in the volume of aqua feed products sold, which was partially offset by a decrease in the volume of broiler feed products sold by us;

- an increase in revenue from the sale of oil palm products to ₹ 5,066.42 million for the financial year 2017 from ₹ 4,041.92 million for the financial year 2016; during the financial year 2017, there was an increase in the volume and selling price of crude palm oil;

- an increase in revenue from our crop protection business to ₹ 7,647.25 million for the financial year 2017 from ₹ 4,959.38 million for the financial year 2016; as during the financial year 2017, the financial results of Astec LifeSciences were consolidated in our financial statements for the full year and there was an increase in the volume and selling price of our crop protection products;

- an increase in revenue from our dairy business to ₹ 10,099.17 million for the financial year 2017 from ₹ 2,728.90 million for the financial year 2016; during the financial year 2017, the financial results of Creamline Dairy were consolidated in our financial statements for the full year; and

- an increase in revenue from our other businesses to ₹ 409.78 million for the financial year 2017 from ₹ 387.04 million for the financial year 2016; during the financial year 2017; we sold higher volumes of corn and *bajra*.

Our other operating revenue increased by 31.7% to ₹ 342.94 million for the financial year 2017 from ₹ 260.45 million for the financial year 2016, primarily due to an increase in processing income to ₹ 54.72 million for the financial year 2017 from nil for the financial year 2016 and an increase in sale of scrap and empties, primarily comprising gunny bags, to ₹ 245.74 million for the financial year 2017 from ₹ 222.24 million for the financial year 2016.

*Other income*. Other income decreased by 9.3% to ₹ 568.96 million for the financial year 2017 from ₹ 627.14 million for the financial year 2016. This decrease was primarily due to change in fair valuation of investment amounting to ₹ 85.54 million and profit on sale of investments of ₹ 257.19 million which was accounted for in the financial year 2016 reflecting sale of investment of the equity shares held by us in Future Consumer Enterprises Limited. This decrease was partially offset by profit earned on sale of investment (net) of the equity shares held by us in Polchem Hygiene Products Limited amounting to ₹ 279.90 million for the financial year 2017.

***Expenses***

*Cost of materials consumed.* Cost of materials consumed increased by 26.6% to ₹ 36,171.24 million for the financial year 2017 from ₹ 28,571.49 million for the financial year 2016. This increase was primarily due to a full year of operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements for the financial year 2017 and expenses incurred to purchase higher volumes of raw materials due to an overall increase in the manufacturing and sale of our crop protection, oil palm and animal feed products.

*Purchases of Stock-in-Trade.* Purchases of Stock-in-Trade increased by 5.8% to ₹ 1,836.28 million for the financial year 2017 from ₹ 1,735.13 million for the financial year 2016, primarily due to an increase in the volume of agricultural products traded by us.

*Changes in inventories of finished goods, work-in-progress and stock-in-trade.* Changes in inventories of finished goods, work-in-progress and stock-in-trade was ₹ 46.05 million for the financial year 2017 as compared to ₹ 855.40 million for the financial year 2016, primarily attributable to the timing of manufacturing and sale of products.

*Excise Duty.* Excise duty expenses increased to ₹ 153.15 million for the financial year 2017 from ₹ 47.98 million for the financial year 2016, primarily on account of products manufactured and sold by Astec LifeSciences.

*Employee Benefits Expenses.* Employee benefits expenses increased by 49.5% to ₹ 2,327.49 million for the financial year 2017 from ₹ 1,556.82 million for the financial year 2016, primarily due to a full year of operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements for the financial year 2017, an increase in our number of employees as a result of the growth in our business and operations and annual compensation increments given to our employees. Our number of employees increased to 3,740 employees as of March 31, 2017 from 3,198 employees as of March 31, 2016.

*Finance costs.* Finance costs reduced by 11.6% to ₹ 863.42 million for the financial year 2017 from ₹ 976.70 million for the financial year 2016, primarily due to a decrease in other borrowing costs (primarily comprising consortium charges, commercial paper issue charges and interest on acceptances reclassified as borrowings) to ₹ 31.63 million for the financial year 2017 from ₹ 399.53 million for the financial year 2016, which was partially offset by an increase in interest expense – others (primarily comprising interest on non-convertible debentures and commercial papers) to ₹ 636.43 million for the financial year 2017 from ₹ 457.99 million for the financial year 2016 and an increase in interest expense – paid to banks on loans and cash credit to ₹ 186.95 million for the financial year 2017 from ₹ 119.18 million for the financial year 2016.

*Depreciation and amortization expenses.* Depreciation and amortization expenses increased by 42.6% to ₹ 746.65 million for the financial year 2017 from ₹ 523.75 million for the financial year 2016, primarily due to a full year of operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements for the financial year 2017 and depreciation accounted for on new fixed assets added to our animal feed and oil palm businesses.

*Other expenses.* Other expenses increased by 25.9% to ₹ 4,441.50 million for the financial year 2017 from ₹ 3,528.63 million for the financial year 2016, primarily due to an increase in processing charges to ₹ 889.06 million for the financial year 2017 from ₹ 667.76 million for the financial year 2016, an increase in miscellaneous expenses to ₹ 907.48 million for the financial year 2017 from ₹ 699.08 million for the financial year 2016, an increase in advertisement, selling and distribution expenses to ₹ 758.46 million for the financial year 2017 from ₹ 621.84 million for the financial year 2016 on account of a full year of operations of Creamline Dairy being consolidated in our financial statements for the financial year 2017 and an increase in power and fuel expenses to ₹ 768.63 million for the financial year 2017 from ₹ 640.76 million for the financial year 2016 due to an overall growth in our businesses.

*Exceptional items.* During the financial year 2017, an amount of ₹ 200.00 million being advance given to the Godrej Industries Limited's ESOP Trust was written back on account of recovery of the advance.

*Total tax expense.* Our total tax expense increased by 31.4% to ₹ 991.46 million for the financial year 2017 from ₹ 754.35 million for the financial year 2016, as a result of an increase in profit before tax. For the financial year 2017, we had a current tax expense of ₹ 743.75 million and a deferred tax expense of ₹ 247.71 million. For the financial year 2016, we had a current tax expense of ₹ 484.95 million and a deferred tax expense of ₹ 269.40 million. Our effective tax rate was 26.60% and 22.4% for the financial year 2017 and 2016, respectively.

*Profit for the period.* Our profit for the period increased by 4.8% to ₹ 2,735.30 million for the financial year 2017 from ₹ 2,609.75 million for the financial year 2016.

***Financial Year 2016 compared to Financial Year 2015***

Our results of operations for the financial year 2016 were affected by the following key factors:

- Astec LifeSciences and Creamline Dairy became subsidiaries of our Company with effect from November 6, 2015 and December 21, 2015, respectively; consequently, the operations of these subsidiaries were consolidated for such interim periods in our financial statements during the financial year 2016; and

- an increase in the volume of products sold in our crop protection business.

***Total Revenue***. Our total revenue increased by 14.8% to ₹ 38,176.69 million for the financial year 2016 from ₹ 33,254.88 million for the financial year 2015, primarily due to an increase in revenue from operations.

*Revenue from Operations*. Our revenue from operations increased by 13.4% to ₹ 37,549.55 million for the financial year 2016 from ₹ 33,118.24 million for the financial year 2015, primarily due to an increase in revenue from the sale of products.

Our revenue from the sale of products increased by 13.4% to ₹ 37,289.10 million for the financial year 2016 from ₹ 32,892.11 million for the financial year 2015, primarily due to:

- Creamline Dairy becoming a subsidiary of our Company with effect from December 21, 2015 and its financial results were consolidated in our financial statements from such date; and

- an increase in revenue from our crop protection business to ₹ 4,959.38 million for the financial year 2016 from ₹ 3,352.48 million for the financial year 2015; during the financial year 2016, we sold higher volumes of crop protection products and also had an increase in the selling price of such products

Our other operating revenue increased by 15.2% to ₹ 260.45 million for the financial year 2016 from ₹ 226.13 million for the financial year 2015, primarily due to an increase in export incentives to ₹ 25.49 million for the financial year 2016 from nil for the financial year 2015 and an increase in conversion, handling and storage charges to ₹ 12.07 million for the financial year 2016 from nil for the financial year 2015.

*Other income*. Other income increased to ₹ 627.14 million for the financial year 2016 from ₹ 136.64 million for the financial year 2015, primarily due to a profit on sale of investments of ₹ 257.19 million and a change in fair valuation of investment amounting to ₹ 85.54 million accounted for in the financial year 2016, which was absent in the financial year 2015, an increase in profit on sale of fixed assets (net) to ₹ 49.27 million for the financial year 2016 from ₹ 5.27 million for the financial year 2015 and an increase in interest received on deposits to ₹ 73.82 million for the financial year 2016 from ₹ 34.24 million for the financial year 2015.

***Expenses***

*Cost of materials consumed.* Cost of materials consumed increased by 14.0% to ₹ 28,571.49 million for the financial year 2016 from ₹ 25,062.48 million for the financial year 2015. This increase was primarily due to the operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements for the financial year 2016 and expenses incurred to purchase higher volumes of raw material due to an overall increase in the manufacturing and sale of our crop protection products.

*Purchases of Stock-in-Trade.* Purchases of stock-in-trade increased by 18.5% to ₹ 1,735.13 million for the financial year 2016 from ₹ 1,464.01 million for the financial year 2015, primarily due to an increase in the volume of crop protection products traded by us, which was partially offset by the discontinuation of trading in animal feed products during the financial year 2016.

*Changes in inventories of finished goods, work-in-progress and stock-in-trade.* Changes in inventories of finished goods, work-in-progress and stock-in-trade was ₹ 855.40 million for the financial year 2016 as compared to ₹ 369.61 million for the financial year 2015, primarily attributable to the timing of manufacturing and sale of products.

*Excise Duty.* Excise duty expenses were ₹ 47.98 million for the financial year 2016, which were nil for the financial year 2016, primarily due to the operations of Astec LifeSciences being consolidated in our financial statements during the financial year 2016.

*Employee Benefits Expenses.* Employee benefits expenses increased by 16.7% to ₹ 1,556.82 million for the financial year 2016 from ₹ 1,334.01 million for the financial year 2015, primarily due to the operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements during the financial year 2016, an increase in our number of employees as a result of the acquisitions and the growth in our business and operations and annual compensation increments given to our employees. Our number of employees increased to 3,198 employees as of March 31, 2016 from 1,541 employees as of March 31, 2015.

*Finance costs.* Finance costs increased by 49.2% to ₹ 976.70 million for the financial year 2016 from ₹ 654.64 million for the financial year 2015, primarily due to an increase in other borrowing costs (primarily comprising consortium charges, commercial paper issue charges and interest on acceptances reclassified as borrowings) to ₹ 399.53 million for the financial year 2016 from ₹ 361.23 million for the financial year 2015 and an increase in interest expense – others (primarily comprising interest on non-convertible debentures and commercial papers) to ₹ 457.99 million for the financial year 2016 from ₹ 222.78 million for the financial year 2015 on account of the incurrence of indebtedness in connection with the acquisitions of Astec LifeSciences and Creamline Dairy, which was partially offset by a reduction in interest expense – acceptances to nil for the financial year 2016 from ₹ 351.99 million for the financial year 2015.

*Depreciation and amortization expenses.* Depreciation and amortization expenses increased by 41.6% to ₹ 523.75 million for the financial year 2016 from ₹ 369.76 million for the financial year 2015, primarily due to the operations of Astec LifeSciences and Creamline Dairy being consolidated in our financial statements for the financial year 2016, depreciation accounted for on new fixed assets added to our animal feed business and on the assets of corporate head office capitalized during the financial year 2016.

*Other expenses.* Other expenses increased by 37.4% to ₹ 3,528.63 million for the financial year 2016 from ₹ 2,568.01 million for the financial year 2015, primarily due to an increase in miscellaneous expenses to ₹ 699.08 million for the financial year 2016 from ₹ 477.02 million for the financial year 2015, an increase in advertisement, selling and distribution expenses to ₹ 621.84 million for the financial year 2016 from ₹ 386.79 million for the financial year 2015 on account of the operations of Creamline Dairy being consolidated in our financial statements during the financial year 2016, an increase in power and fuel expenses to ₹ 640.76 million for the financial year 2016 from ₹ 429.47 million for the financial year 2015 and an increase in freight expenses to ₹ 253.01 million for the financial year 2016 from ₹ 66.80 million for the financial year 2015.

*Exceptional items.* For the financial year 2016, exceptional income is primarily in relation to the restatement of pre-acquistion stake in Creamline Dairy at fair value. For the financial year 2015, exceptional income pertains to swap of investment in Aadhar Retailing Limited (which was written off through reserves), with that of Future Consumer Enterprises Limited during the year.

*Total tax expense.* Our total tax expense increased by 24.6% to ₹ 754.35 million for the financial year 2016 from ₹ 605.27 million for the financial year 2015, as a result of an increase in profit before tax. For the financial year 2016, we had a current tax expense of ₹ 484.95 million and a deferred tax expense of ₹ 269.40 million. For the financial year 2015, we had a current tax expense of ₹ 550.62 million and a deferred tax expense of ₹ 54.65 million. Our effective tax rate was 22.4% and 22.4% for the financial year 2016 and 2015, respectively.

*Profit for the period.* Our profit for the period increased by 24.2% to ₹ 2,609.75 million for the financial year 2016 from ₹ 2,100.45 million for the financial year 2015.

***Cash Flows***

The following table sets forth our cash flows for the periods indicated:

| | **Financial Year** | | |
|---|---|---|---|
| | **2017** ***(₹ in millions)*** | **2016** ***(₹ in millions)*** | **2015** ***(₹ in millions)*** |
| Net Cash generated from Operating Activities | 8,973.03 | 1,683.19 | 1,088.28 |
| Net Cash (used in) Investing Activities | (8,68.19) | (4,277.96) | (1,306.62) |
| Net Cash generated from/ (used in) Financing Activities | (7,880.67) | 2,783.86 | (789.86) |
| Net increase/(decrease) in cash and cash equivalents | 224.17 | 189.09 | (1,008.20) |

*Operating Activities*

Net cash generated from operating activities was ₹ 8,973.03 million for the financial year 2017. While our net profit before taxes was ₹ 3,726.76 million for the financial year 2017, we had an operating profit before working capital changes of ₹ 4,627.49 million, primarily as a result of finance cost of ₹ 863.42 million and depreciation of ₹ 746.65 million. Our working capital adjustments to our operating profit for the financial year 2017 primarily consisted of trade payables and other current liabilities of ₹ 5,099.40 million; long term loans and advances and other non-current assets of ₹ 2,299.38 million, trade receivables of ₹ 820.35 million, inventories of ₹ 752.50 million and short term provisions and other short term liabilities of ₹ 589.17 million.

Net cash generated from operating activities was ₹ 1,683.19 million for the financial year 2016. While our net profit before taxes was ₹ 3,364.10 million for the financial year 2016, we had an operating profit before working capital changes of ₹ 3,163.42 million, primarily as a result of finance cost of ₹ 976.70 million and depreciation of ₹ 523.75 million. Our working capital adjustments to our operating profit for the financial year 2016 primarily consisted of short term loans and advances and other current assets of ₹ 825.39 million; trade payables and other current liabilities of ₹ 525.58 million, inventories of ₹ 1,292.13 million and trade receivables of ₹ 1,217.14 million.

Net cash generated from operating activities was ₹ 1,088.28 million for the financial year 2015. While our net profit before taxes was ₹ 2,705.72 million for the financial year 2015, we had an operating profit before working capital changes of ₹ 3,197.28 million, primarily as a result of finance cost of ₹ 654.64 million and depreciation of ₹ 369.76 million. Our working capital adjustments to our operating profit for the financial year 2015 primarily consisted of short term provisions and other long-term liabilities of ₹ 276.64 million, trade payables and current liabilities of ₹ 131.00 million, inventories of ₹ 642.67 million and trade receivables of ₹ 465.22 million.

*Investing Activities*

Net cash used in investing activities was ₹ 868.19 million for the financial year 2017, primarily consisting of acquisition of fixed assets of ₹ 2,048.98 million and purchase of investments of ₹ 258.99 million and intercorporate deposits given of ₹ 300.00 million, which was partially offset by proceeds from sale of investments of ₹ 868.57 million.

Net cash used in investing activities was ₹ 4,277.96 million for the financial year 2016, primarily consisting of purchase of investments of ₹ 3,061.22 million, acquisition of fixed assets of ₹ 1,331.81 million and intercorporate deposits given of ₹ 715.30 million, which was partially offset by proceeds from sale of investments of ₹ 628.50 million.

Net cash used in investing activities was ₹ 1,306.62 million for the financial year 2015, primarily consisting of acquisition of fixed assets of ₹ 1,118.48 million, purchase of investments of ₹ 130.75 million, intercorporate deposits given of ₹ 110.03 million, which was partially offset by proceeds from sale of fixed assets of ₹ 19.81 million.

*Financing Activities*

Net cash used in financing activities was ₹ 7,880.67 million for the financial year 2017, primarily consisting repayment of short-term borrowings of ₹ 11,406.59 million and finance cost of ₹ 861.42 million, partially offset by proceeds from short-term borrowings of ₹ 4,806.10 million.

Net cash generated from financing activities was ₹ 2,783.86 million for the financial year 2016, primarily consisting of proceeds from short-term borrowings of ₹ 10,955.97 million and proceeds from long-term borrowings of ₹ 807.00 million, partially offset by repayment of short-term borrowings of ₹ 6,192.16 million and dividend & dividend tax paid of ₹ 541.30 million.

Net cash used in financing activities was ₹ 789.86 million for the financial year 2015, primarily consisting of repayment of short term borrowings of ₹ 4,478.93 million, repayment of long-term borrowings of ₹ 1,602.70 million and dividend and dividend tax paid of ₹ 825.53 million, partially offset by proceeds from short-term borrowings of ₹ 6,087.58 million and proceeds from long term borrowings of ₹ 1,602.70 million.

***Financial Indebtedness***

The following table sets forth our principal amount of financial indebtedness as of March 31, 2017:

| | **As of March 31, 2017** ***(₹ in millions)*** |
|---|---|
| **Secured Loans** | |
| Long Term Borrowings | |
| Term Loans | 12.03 |
| | |
| Short Term Borrowings | 369.57 |
| | |
| **Total Secured Loans** | **381.60** |
| | |
| **Unsecured Loans** | |
| Long Term Borrowings | 229.93 |
| | |
| Short Term Borrowings | 6,022.96 |
| **Total Unsecured Loans** | 6,252.89 |
| **Grand Total** | **6,634.49** |

See "*Financial Indebtedness*" for a description of broad terms of our indebtedness on page 465 of this Draft Red Herring Prospectus.

In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition. See "*Risk factors –Internal Risk Factors - Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations".*

**Credit Ratings**

In August 2016, ICRA Limited assigned us the following ratings:

| Instrument | Rating Action |
|---|---|
| Long-term, Fund-based facilities | [ICRA]AA (stable) reaffirmed |
| Long-term, Non Convertible Debenture Programme | [ICRA]AA (stable) reaffirmed |
| Commercial Paper Programme | [ICRA]A1 + reaffirmed |
| Short-tem, Non fund-based facilities | [ICRA]A1 + reaffirmed |
| Short-term, Short-term loans | [ICRA]A1 + reaffirmed |

**Capital and Other Commitments**

As of March 31, 2017, our estimated amount of contracts remaining to be executed on capital account and not provided for was ₹ 983.28 million.

The following table sets forth a summary of the maturity profile of our contractual obligations as of March 31, 2017:

*(₹ in millions)*

| Other contractual obligations | Payments due by period | | | | |
|---|---|---|---|---|---|
| | Total | Less than 1 year | 1 -3 years | 3 – 5 years | More than 5 years |
| Debt obligations (include short and long term) | 6,642.83 | 6428.90 | 69.41 | 144.46 | 0.06 |
| Purchase obligations* | 983.29 | 983.29 | | | |
| Other non-current liabilities | 0.01 | | | | 0.01 |
| Provision for gratuity and compensated absences# | 50.15 | | | | |
| Put option liability | 353.26 | | 353.26 | | |
| **Total** | **8,029.54** | **7,412.19** | **422.67** | **144.46** | **0.07** |

'# *The timing of settlement cannot be estimated.*

'* *Purchase obligations do not include obligations in the regular course of business in respect of raw materials and consumables and pertains only to capital commitments.*

| Other contractual obligations | Payments due by period | | | |
|---|---|---|---|---|
| | Total | Less than 1 year | 1 -5 years | More than 5 years |
| Operating lease obligations | 154.89 | 30.43 | 96.49 | 27.97 |
| **Total** | **154.89** | | | |

**Capital Expenditure**

For the financial year 2017, we capitalized ₹ 1,429.53 million, primarily in plant and equipment and buildings. For the financial year 2016, we capitalized ₹ 2,352.79 million, primarily in plant and equipment and buildings. For the financial year 2015, we capitalized ₹ 1,195.53 million, primarily in plant and equipment and buildings. During the financial year 2018, we expect to incur planned capital expenditures of approximately ₹ 2,456.00 million towards plant and equipment and buildings.

**Contingent Liabilities and Commitments**

The following table sets forth our contingent liabilities as of March 31, 2017:

| Particulars | As of March 31, 2017 *(₹ in millions)* |
|---|---|
| Claims against the group not acknowledged as debts: | |
| Excise duty demands relating to disputed classification, assessable values, availment of credit which we have contested and is in appeal at various levels. | 1,626.98 |
| Service Tax demand amounting to ₹ 0.1 million raised by Central Excise Department at Lote in respect of dispute arising out of works contract transaction. An equal amount is levied by the department towards interest and penalty. We have preferred an appeal against this order of the assessing officer. | 0.20 |
| We have preferred an appeal with the Customs Department in the matter of assessable value of imported capital goods and presently the case is pending with the Commissioner of Customs, Chennai. | 9.91 |
| *Income Tax*<br>• We have received a rectification order under section 154 of Income Tax Act, 1961 for assessment year 2014-15 dated January 23, 2017, as per the said order amount determined to be payable is ₹ 13.24 million, which includes interest amounting to ₹ 2.55 million. | 13.24 |

| | |
|---|---|
| • We have preferred an appeal before the Commissioner of Income Tax (Appeals) against the order of the assessing officer for the assessment year 2013-14 in which a demand of ₹ 14.31 million has been determined to be payable by the Company. | 14.31 |
| • We have preferred appeal against the order of assessing officer and CIT in which demand of ₹ 43.79 million has been determined for various assessment years as under. The said demand also included interest payable up to the date of passing order by the competent authority i.e. assessing officer/CIT | 43.79 |
| • We had preferred an appeal against the dis-allowance of deduction under section 80-I of the Income Tax Act, 1961, the details of which are given below. The Appellate Tribunal Hyderabad has passed an order to, partly allow deduction under section 80- I of the Income Tax Act, in respect of milk products manufactured. The assessing officer order for part refund of Income tax paid is still pending. | 5.13 |
| • We have preferred an appeal against the disallowance of deduction under section 32(1)(iia) of the Income Tax Act, 1961. Against the aforesaid demand, we have deposited/adjusted payment aggregating to ₹ 3.37 million. | 3.82 |
| • We have preferred an appeal against the dis-allowance of deduction under section 36(1)(iva) of the Income Tax Act, 1961 and other expenditure. Against the aforesaid demand, we have deposited the demand amount of tax. | 1.28 |
| • We have preferred an appeal against the dis-allowance under section 14A and under section 36 of the Income Tax Act, 1961. Against the aforesaid demand, the refund has adjusted (Tax Deposited). | 1.08 |
| *Sales Tax*<br>• Pending before JSCT(Appeal) | 14.85 |
| • Pending before Deputy Commissioner of Sales Tax, Thane. | 361.30 |
| • Contingent Liabilities against pending C & H Forms | 16.33 |
| • We have preferred an appeal against levy of sales tax on sale of cream and has deposited the entire demand of tax. | 2.62 |
| • We have received assessment orders for the financial year 2010-11 in respect of assessment of Value Added Tax from the Assistant Commissioner (CT) for ₹ 0.11 million. This pertains to disallowance of value added tax input credit claimed. We have gone on appeal and the same was remanded to assessing officer. The revision order from the assessing officer is awaited. | 0.11 |
| • We have filed writ petition in Telangana High Court against levy of Sales tax on sale of flavoured milk. The details of which are given below. The honurable High Court of Telangana had passed a favourable order allowing the writ petition filed by us. The order stating that the writ petition is allowed and impugned order is set aside only in so far as the taxing of flavoured milk at the rate of 14.5%, the miscellaneous petitions, if any pending in this writ petition shall stand closed. | 20.61 |
| *Civil Matter*<br>• Nath Bio-Genes (India) Limited has filed a suit against us alleging that some product supplied by us was responsible for the poor germination of its seeds. | 650.00 |
| Surety Bond issued on behalf of a subsidiary. | 12.07 |
| Letters of credit given by us (different letter of credits issued to various suppliers for supply of material to us) | 19.99 |
| Guarantees issued by banks and counter guaranteed by us, which have been secured by deposits with banks. | 121.80 |
| Claims against the Company not acknowledged as debt | 98.71 |
| **Total** | **2,632.74** |

**Off-Balance Sheet Commitments and Arrangements**

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

**Quantitative and Qualitative Analysis of Market Risks**

We are exposed to various types of market risks during the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to commodity risk, liquidity risk, credit risk and inflation risk and in the normal course of our business.

***Commodity Risk***

We are exposed to the price risk associated with purchasing our raw materials, which form the highest component of our expenses. We typically do not enter into formal arrangements with our vendors. Therefore, fluctuations in the price and availability of raw materials may affect our business and results of operations. We do not currently engage in any hedging activities against commodity price risk. For further information, see "*Risk Factors – Internal Risk Factors - We do not have long-term agreements with suppliers for our raw materials and an increase in the cost of, or a shortfall in the availability of such raw materials could have an adverse effect on our business and results of operations"* on page 16.

***Liquidity Risk***

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

***Credit Risk***

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms of 21 to 120 days with our customers. As of March 31, 2017, 2016 and 2015, our trade receivables were ₹ 5,219.50 million, ₹ 4,545.12 million and ₹ 2,692.49 million, respectively. See "*Risk Factors – Internal Risk Factors – Any inability on our part to collect amounts owed to us could result in the reduction of our profits"* on page 27.

***Inflation risk***

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs.

**Unusual or Infrequent Events or Transactions**

Except as described in this Draft Red Herring Prospectus, to our knowledge, there have been no unusual or infrequent events or transactions that have in the past or may in the future affect our business operations or future financial performance.

**Known Trends or Uncertainties**

Our business has been affected and we expect that it will continue to be affected by the trends identified above in "Significant Factors Affecting Our Results of Operations" and the uncertainties described in the section "Risk Factors" on pages 445 and 15, respectively, of this Draft Red Herring Prospectus. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

**Future Relationship between Cost and Revenue**

Other than as described in "Risk Factors" and this section, there are no known factors that might affect the future relationship between cost and revenue.

**Suppliers**

We typically source our raw materials from multiple vendors in India. For our poultry and processed foods business, we require the Vencobb breed of birds, which we source from one of our competitors.

**Competitive Conditions**

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections "Risk Factors" and "Our Business" on pages 15 and 122, respectively, of this Draft Red Herring Prospectus.

**Seasonality of Business**

Our business is affected by seasonal variations and adverse weather conditions. For further details see, "*Risk Factors – Internal Risk Factors - Unfavourable local and global weather patterns may have an adverse affect on our business, results of operations and financial condition"* and *"Risk Factors – Internal Risk Factors - Certain of our businesses are subject to seasonal variations that could result in fluctuations in our results of operations"*.

**New Products or Business Segments**

Except as disclosed in "Our Business" on page 122 of this Draft Red Herring Prospectus, we have not announced and do not expect to announce in the near future any new products or business segments.

**Significant Developments Occurring after March 31, 2017**

Except as set out in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

The Board, in its meeting on May 12, 2017 has recommended a final dividend of ₹ 4.50 per equity share for the financial year ended March 31, 2017. This proposal is subject to the approval of shareholders at the annual general meeting to be held on August 4, 2017.

**Recent Accounting Pronouncements**

As of the date of this Draft Red Herring Prospectus, there are no recent accounting pronouncements, which would have a material effect on our financial condition or results of operations.

## FINANCIAL INDEBTEDNESS

Our Company avails loans in the ordinary course of business for the purposes of capital expenditure, working capital including but not limited to procurement of raw materials, cash flow mismatch, to meet routine finance requirements and for general corporate purposes.

As on May 31, 2017, the aggregate outstanding borrowings of our Company and its Subsidiaries on a consolidated basis are as follows:

| **Category of borrowing*** | **Outstanding amount (in ₹ million)** |
|---|---|
| Fund Based | 6,459.59 |
| Non Fund Based** | 579.46 |
| **Total** | **7,039.05** |

**Certain of our borrowings are due for renewal*
***Includes commercial papers of ₹ 3,500 million.*

The fund based limits are fungible with the non-fund based facilities which have the sublimit for the letter of credit.

**Principal terms of the borrowings availed by our Company and its Subsidiaries:**

The details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangements entered into by us.

1. ***Interest:*** In terms of the fund based facilities availed by us, the interest rate is decided by the lenders and mutually agreed by our Company. The interest rate typically ranges from 6 % to 9 %.

2. ***Tenor:*** The tenor of the fund based and non-fund based facilities availed by us typically ranges from six months to one year. Further, certain of our facilities are payable on demand.

3. ***Security:*** In terms of our borrowings where security needs to be created, we are typically required to:

    a) create charge on certain movable assets of our Company, including current assets, book debts, stocks and receivables;

    b) issue demand promissory notes; and

    c) provide counter guarantees.

4. ***Repayment:*** While certain fund based facilities are repayable on demand, the repayment period for the other facilities typically ranges from 180 days to one year.

5. ***Key covenants:***

    In terms of our facility agreements and sanction letters, we are required to:

    a) provide quarterly financial statements, and yearly audited financial statements;

    b) observe compliance with environmental laws;

    c) monitor compliance with financial covenants;

    d) monitor end-use of the facility amounts for stated purpose for which the facility is availed;

    e) intimate the lenders about change in line of business or change in ownership;

    f) intimate the lenders about change in capital structure;

    g) observe restrictions on further indebtedness over and above the specified threshold; and

    h) provide details of the recovery suits pending by or against any bank or financial institution.

6. ***Events of default:***

    In terms of our facility agreements and sanction letters, the following, among others, constitute as events of default:

    a) failure to pay amounts on the due date;

b) upon shareholding of GIL in our Company falling below 51%;

c) proceedings of winding up not being disposed off or stayed in a stipulated time frame, or if any creditor or liquidator takes possession of our property, or any similar events of bankruptcy or suspension of payment to creditor;

d) use of the facility for investments in capital markets, or investment in real estate;

e) any material adverse affect which would have an effect on our ability to repay the facilities availed;

f) suspension or cessation of business;

g) any circumstance of expropriation or unlawfulness for continuance of facility.

Additionally, our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various loan documentation entered into by our Company for the purpose of availing of loans is not triggered.

7. ***Consequences of occurrence of events of default:***

In terms of our facility agreements and sanction letters, the following, among others, are the consequences of occurrence of events of default, our lenders may:

a) withdraw or cancel the sanctioned facilities;

b) enforce their security over the hypothecated assets;

c) seek immediate repayment of all or part of the outstanding amounts under the respective facilities; and

d) initiate legal proceedings for recovery of their dues.

## SECTION VI: LEGAL AND OTHER INFORMATION

## OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

*The details of outstanding litigation or proceedings relating to our Company, our Subsidiaries, our Joint Ventures, our Group Companies, our Directors and our Promoters are described in this section in the manner as detailed below.*

***Disclosure of litigation involving our Company, our Subsidiaries and/or Joint Ventures:***

*Except as disclosed below there are no (i) criminal proceedings involving our Company, our Subsidiaries and/or our Joint Ventures, (ii) actions taken by regulatory or statutory authorities involving our Company, our Subsidiaries and/or our Joint Ventures, (iii) other matters involving our Company, our Subsidiaries and/or our Joint Ventures which are identified as material in terms of the materiality policy (as disclosed herein below), (iv) matters involving our Company, our Subsidiaries and/or our Joint Ventures, whose outcome could have material adverse effect on the position of our Company, (v) matters initiated against our Company for economic offences, (vi) acts of material fraud committed against our Company in the last five years preceding the date of this Draft Red Herring Prospectus (including action taken by our Company, if so), (vii) default and non-payment of statutory dues by our Company, (viii) inquiry, inspections or investigations initiated or conducted under the Companies Act or any previous companies law in the last five years preceding the date of this Draft Red Herring Prospectus against our Company and/or our Subsidiaries, prosecutions filed (whether pending or not), fines imposed or compounding of offences done in the last five years preceding the date of this Draft Red Herring Prospectus against our Company and/or our Subsidiaries, (ix) matters involving our Company, our Subsidiaries and/or our Joint Ventures pertaining to violations of securities law, and (x) all matters filed against our Company, our Subsidiaries and/or our Joint Ventures which are in the nature of winding up petitions.*

*In relation to (iii) above, given the nature and extent of operations of our Company, our Subsidiaries and our Joint Ventures, the outstanding litigation involving our Company, our Subsidiaries and/or our Joint Ventures which exceed an amount being less than the lesser of 1% of the profit after tax or 1% of the net worth of our Company, as per the Restated Financial Statements of our Company (as at and for the Financial Year 2017), on a consolidated basis would be considered material for our Company. The profit after tax and net worth of our Company as per the Restated Financial Statements, on a consolidated basis, as of and for the Financial Year 2017, was ₹ 2,729.17 million and ₹ 10,087.80 million, respectively. Accordingly, we have disclosed all outstanding litigation involving our Company, our Subsidiaries and/or our Joint Ventures where (i) the aggregate amount involved exceeds ₹ 10 million (being an amount which is less than the lesser of 1% of the consolidated net profit after tax and 1% of the consolidated net worth of our Company as per the Restated Financial Statements of our Company (as of and for the Financial Year 2017), individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 10 million, and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations, financial position or reputation of our Company.*

*Our Board has also approved that dues owed by our Company on a standalone basis to the small scale undertakings and other creditors exceeding 1% of the total dues owed to the small scale undertakings and other creditors would be considered as material dues for our Company and accordingly, we have disclosed consolidated information of outstanding dues owed to small scale undertakings and other creditors, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 20 million (being less than approximately 1% of total dues owed by our Company to the small scale undertakings and other creditors as of March 31, 2017).*

*For details of the manner of disclosure of litigation relating to our Group Companies, Directors, Promoters, see "Outstanding Litigation and Material Developments – Litigation involving our Group Companies", "Outstanding Litigation and Material Developments – Litigation involving our Directors", "Outstanding Litigation and Material Developments – Litigation involving our Promoters" on pages 479, 488, 491 respectively. For details of outstanding litigation in relation to direct and indirect taxes involving our Company, Subsidiaries, Group Companies and Directors, see "Outstanding Litigation and Material Developments –Tax Proceedings" on page 492.*

### I. Litigation involving our Company

### A Litigation filed against our Company

***Criminal matters***

***Criminal matters against our Company***

1. Five complaints have been filed by various Insecticides Inspectors (collectively, the "**Complainant**") before various courts such as JMFC, Raigad, Solapur, against *inter alia* our Company and certain officers of our Company (the "**Accused**") for allegedly selling, storing, distributing and misbranding of the insecticides in violation of inter alia Sections 3, 13, 17 and 18 of the Insecticides Act. The Complainant had

drawn a sample (the "**Sample**") of the respective insecticides which allegedly failed to conform to the relevant specifications and failed in active ingredients and accordingly, the Insecticides Inspectors had issued show cause notices upon *inter alia* the Accused to show cause as to why legal action should not be taken under the provisions of the Insecticides Act. In certain matters, the Company has filed special criminal applications under Section 24 of the Insecticides Act, praying for an order for sending the Sample to the Central Insecticides Laboratory ("**CIL**") for reanalysis, and subsequently the report of the CIL has established absence of any breach by our Company. Additionally, in one matter, a criminal complaint has also been filed by the Insecticides Inspector against the Accused for offences of cheating under Sections 420 and 34 of the IPC pursuant to various FIRs lodged by the farmers before police stations in relation to alleged losses suffered by them due to the sub-standard product provided by the Accused. The consumer complaint filed by the famers against the Accused before the District Consumer Forum, Solapur in relation to the alleged losses suffered has been dismissed. The matters are currently pending.

2. Seven complaints have been filed by various Fertilizer Inspectors (collectively, the **"Complainant**") before various courts such as JMFC, Thane, Latur, Baramati against *inter alia* our Company and certain officers of our Company (the "**Accused**") for alleged manufacture and marketing of non-standard fertilizers in violation of *inter alia* clause 19 of the Fertilizer Control Order and Sections 3 and 7 of the Essential Commodities Act. The Complainant had drawn a sample of the respective fertilizers which allegedly failed to conform to the prescribed standards. The Fertilizer Inspectors had issued show cause notices upon *inter alia* the Accused to show cause as to why legal action should not be taken under the provisions of the Fertilizer Control Order and the Essential Commodities Act. The matters are currently pending.

3. Mahender Reddy, agriculturist and president of Annapura Max Group (the **"Complainant**") has filed a complaint dated August 12, 2016 before the JMFC, Bhainsa and FIR at Bhaina district against *inter alia* the Managing Director of our Company (the "**Accused**") under Section 420 of the IPC for the alleged loss suffered by the Complainant due to supply of allegedly low quality pesticide for eradication of grass. The matter is currently pending.

4. Dinkar Patil, Food Inspector (the "**Complainant**") has filed a complaint in 2007 before the Chief Judicial Magistrate, Pune against *inter alia* our Company (the "**Accused**") for alleged distribution and sale of adulterated food in violation of Sections 2 and 7 of the Prevention of Food Adulteration Act, 1954. The Complainant had drawn a sample of refined sunflower oil for test and analysis, which allegedly failed to conform to the prescribed standards of the sunflower oil prescribed under the Prevention of Food Adulteration Rules, 1955, due to the presence of linolenic acid. The matter is currently pending.

5. Our Company through our Managing Director, Balram Yadav (collectively, the "**Accused**") has filed a criminal revision application (the "**Revision Application**") before the District and Sessions Judge, Sangli against the order of issue of process (the "**Process Order**") by the Chief Judicial Magistrate, Sangli (the "**Magistrate**"). A.D. Khot, Industrial Safety and Health Inspector (the "**Complainant**") had filed a complaint dated January 3, 2007 (the "**Complaint**") before the Magistrate against the Accused in relation to the alleged offence under Rule 73F(a) of Maharashtra Factories Rules, 1963 and Section 92 of the Factories Act for failure to have adequate provision of safety measures for repairing of fragile roof. The Accused had called an outside worker, Salauddin Mulla (the "**Deceased**') for repair of rain water leakage through sheet roof in the feed mill plant section of Sangli factory of our Company. The Deceased while walking on the first floor of the plant through the sheet, fell from a height of approximately six metres and consequently died. The Complainant alleged in the Complaint that the Accused was negligent in providing the necessary safety equipments to the Deceased. Accordingly, the Magistrate passed the Process Order, against which the Accused has filed the aforesaid Revision Application and has also sought for the stay of proceedings pending before the Magistrate. The District and Sessions Judge, Sangli has passed an order calling for the lower court record for hearing of the Revision Application.

6. Sushant Khadtale (the "**Accused**"), the factory manager within the meaning of Factories Act of our Company's Factory at Sachin, Surat, Gujarat has filed a special criminal application before the Gujarat High Court against the State of Gujarat and Ajaykumar Patel, Agricultural Officer (the "**Complainant**") for quashing and setting aside of FIR dated December 29, 2012 registered with Sachin GIDC police station, Surat and criminal case pending before the Additional Judicial Magistrate, Surat (the "**Magistrate**") involving our Company. The Complainant had visited the factory of the Accused and allegedly found bags of urea lying in the factory premises. The Complainant alleged that the Accused had stored subsidized fertilizer urea meant for agricultural purposes with the intention of using it for industrial purpose, and without having obtained any authorisation for sale or storage of subsidized fertilizer, in violation of clauses 7 and 25(1) of the Fertilizer Control Order and Section 7(1)(a)(ii) of the Essential Commodities Act. The Gujarat High Court has passed an order staying the proceedings pending before the Magistrate. The matter is currently pending.

7. Sagar Mill through its proprietor Mulchand Pita (collectively, the "**Complainant**") has filed a criminal complaint dated October 8, 2002 before the Judicial Magistrate, Nasik against *inter alia* our Company and its broker (collectively, the "**Accused**") in respect of criminal breach of trust and cheating by the Accused under Sections 408, 409, 420 and 34 of IPC. Pursuant to the inspection of quality and standards of the goods by the Accused, the Complainant had supplied the goods to the Accused through its broker, which was subsequently rejected by the Accused due to poor quality of the goods. Accordingly, the Complainant had to bring back the goods at its own cost, thereby causing loss to the Complainant to the tune of ₹ 0.14 million. The matter is currently pending.

***Criminal matters against Goldmohur Foods and Feeds Limited***

With effect from November 11, 2008, i.e. the effective date of scheme of amalgamation between our Company and Goldmohur Foods and Feeds Limited ("**GFFL**"), all outstanding litigation involving GFFL set out below, shall be continued against our Company. For details in relation to the above scheme of amalgamation, see — "*History and Certain Corporate Matters – Schemes of arrangement – Scheme of amalgamation between our Company and Goldmohur Foods and Feeds Limited*" on page 147.

1. Narendra Kalua (the "**Complainant**") had filed a complaint dated August 31, 2005 before the Sub-Divisional Magistrate, Bhubaneswar (the "**Magistrate**") against GFFL and certain of its officials (collectively, the "**Accused**") under, *inter alia,* Sections 294, 355, 356, 420, 452, 467 and 506 of the IPC alleging that the Accused had forced the Complainant to acknowledge misappropriation of ₹ 2.26 million, and to deliver the sale deed of the property of the Complainant to the Accused, by use of criminal force and assault. The Magistrate has passed an order taking cognizance of the offences as alleged in the Complaint and issued summons to the Accused for their appearance (the "**Magistrate Order**"). Thereafter, the Accused has filed a criminal miscellaneous application before the Orissa High Court challenging the Magistrate Order, where the Orissa High Court has passed an order staying the proceedings pending before the Magistrate. The matter is currently pending.

2. Akhilesh Enterprises through its proprietor (collectively, the "**Complainant**") have filed a complaint dated January 15, 2007 before the Chief Judicial Magistrate, Ranchi (the "**Judicial Magistrate**") against GFFL and certain of its officials (collectively, the "**Accused**") under *inter alia* Sections 420, 406, 408 and 120B of IPC in relation to alleged cheating, criminal breach of trust and criminal conspiracy by the Accused. The Complainant was the clearing and forwarding (the "**C&F**") agent of GFFL for the state of Jharkhand and bank guarantees worth approximately ₹2 million (the "**Bank Guarantee**") were furnished by the Complainant to the Accused. The Complainant alleged that the Accused has failed to pay the C&F commission to the Complainant and has fraudulently invoked the Bank Guarantee. The Judicial Magistrate passed an order taking cognizance of the offences as alleged in the Complaint and issued summons to the Accused for their appearance (the "**Magistrate Order**"). The Accused has filed a criminal miscellaneous petition before the Jharkhand High Court challenging the Magistrate Order, where the Jharkhand High Court has passed an order staying the proceedings pending before the Magistrate. The matter is currently pending.

3. Raj Poultry (the "**Complainant**") has filed a criminal revision application dated September 22, 2015 (the "**Revision Application**") before the Calcutta High Court against GFFL (the "**Accused**") for quashing of proceedings ("**NI Act Complaint**") initiated by the Accused before the Additional Chief Metropolitan Magistrate, Bangalore (the "**Bangalore Magistrate**") earlier and currently pending before the Metropolitan Magistrate, Kolkata (the "**Kolkata Magistrate**") under section 138 of the Negotiable Instruments Act. Pursuant to the special leave petition filed by the Accused, Supreme Court passed an order dated April 29, 2014, transferring the Complaint from the Bangalore Magistrate to the Kolkata Magistrate. The Complainant was appointed as the distributor of the products of the Accused in Jharkhand, in respect of which the Complainant had allegedly furnished three blank and undated cheques (the "**Cheques**") to the Accused as security, which were to be renewed every six months. In November 2003, the Accused allegedly supplied poor quality 'broiler commercial feed', instead of 'layer feed' followed by delayed, irregular and short supply of products, thereby causing loss to the business of the Complainant. Thereafter, the Complainant demanded compensation for the loss suffered, to which the Accused replied that an amount of ₹13.90 million was due from the Complainant and subsequently presented two of the Cheques aggregating to ₹8.95 million, which got dishonoured and thereby the Accused filed cases under section 138 of Negotiable Instruments Act against the Complainant. Subsequently, the Accused filed the aforesaid NI Act Complaint, against which the Complainant had filed a criminal complaint before the Judicial Magistrate, Jharkhand (the "**Jharkhand complaint**") for alleged offence of cheating and criminal breach of trust under sections 420, 406 and 467 of IPC. Thereafter, the Accused had filed quashing application before the Jharkhant High Court which passed the order setting aside the Jharkhand complaint. Subsequently, the Accused filed the aforesaid NI Act Complaint, against which the Complainant had filed a Crimimnal Complaint for alleged offence of cheating and criminal breach of trust under sections 420, 406 and 467 of

IPC. The Accused has filed Quashing Application before Jharkhan High Court and the same was disposed by setting aside the entire criminal proceeding against Accused. The matter is currently pending. Further, the Complainant has also filed a money suit before the Senior Civil Judge, Ranchi against the Accused. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company - Other matters involving an amount exceeding ₹10 million – Other matters involving GFFL with an amount exceeding ₹10 million*" on page 472.

4. GFFL and others (collectively, the "**Accused**") have filed a criminal application (the "**Criminal Application**") before the Orissa High Court against Niraj Dutta, proprietor of Pelican Enterprises (the "**Complainant**") challenging the order of issue of summons (the "**Summons Order**") passed by the Judicial Magistrate, Bhubaneswar (the "**Magistrate**"). The Complainant had filed a complaint dated April 23, 2007 before the Magistrate in relation to inter alia cheating under sections 193, 195, 419 and 420 of the IPC. The Complainant was a distributor of poultry feeds for the Accused, for which he had furnished bank guarantee and three undated blank cheques (the "**Cheques**"), which were not to be encashed without prior intimation to the Complainant. The Complainant alleged that the Accused had misutilized the Cheques by putting a fictitious date and amount in criminal breach of trust. The Magistrate had passed the Summons Order against the Accused, against which the Accused have filed the Criminal Application. The High Court, Orissa has passed an order staying the proceedings pending before the Magistrate. The matter is currently pending.

***Criminal matters against Godrej Seeds and Genetics Limited***

With effect from January 8, 2016, i.e. the effective date of scheme of demerger between our Company and Godrej Seeds and Genetics Limited ("**GSGL**"), all outstanding litigation involving GSGL set out below, shall be continued against our Company. For details in relation to the above scheme of demerger, see — "*History and Certain Corporate Matters – Schemes of arrangement – Scheme of demerger between our Company and GSGL*" on page 146.

Jagir Khan, Quality Control Inspector cum Seeds Inspector, Ambala (the "**Complainant**") has filed a complaint dated December 6, 2016 before the Chief Judicial Magistrate, Ambala City against GSGL and others (collectively, the "**Accused**") for alleged marketing of sub-standard seeds of hybrid rice variety by the Accused in violation of sections 6 and 19 of the Seeds Act, 1966. The matter is currently pending.

***Criminal matters against Godrej Oil Palm Limited***

With effect from March 16, 2012, i.e. the effective date of scheme of amalgamation between our Company, Godrej Oil Palm Limited ("**GOPL**") and others, all outstanding litigation involving GOPL set out below, shall be continued against our Company. For details in relation to the above scheme of amalgamation, see — "*History and Certain Corporate Matters – Schemes of arrangement – Scheme of amalgamation between our Company, Godrej Gokarna Oil Palm Limited, Godrej Oil Palm Limited and Cauvery Oil Palm Limited*" on page 147.

The Assistant Inspector of Factories, Eluru (the "**Complainant**") has filed a complaint dated May 19, 2012 before the JMFC, Bhimadole (the "**Magistrate**") against the occupier and manager of the factory at Pothepalli of GOPL (collectively, the "**Accused**") in relation to *inter alia* alleged failure of the Accused to provide adequate safeguard and fencing of machinery under *inter alia* sections 7A, 21, 22, 41, 88 and 92 of the Factories Act. In February 2012, a contract worker, T. Kanakam ("**Deceased**") met with a fatal accident while unwinding the ruptured polypropylene rope. The Complainant alleged that the Accused was negligent in providing the necessary safety equipments to the Deceased. The Magistrate sentenced the manager of the factory to pay fine of ₹ 0.05 million and acquitted the occupier. On appeal, the conviction was upheld by the Additional District and Sessions Court, Eluru. However, the order of the Magistrate was modified to the extent that the fine was reduced to ₹ 0.03 million (the "**Sessions Order**") which was paid. Subsequently, the Accused has filed a revision petition ("**Revision Petition**") before the Andhra Pradesh High Court which passed a stay on the Sessions Order pending disposal of the Revision Petition. The matter is currently pending.

***Actions by regulatory / statutory authorities***

1. Telangana State Pollution Control Board ("**Board**") had issued a notice dated April 28, 2017 to our Company, in light of the decision of the Hon'ble Supreme Court in Paryavaran Suraksha Samiti v Union of India, intimating the Company about the impending inspection and warned that if the Company did not have a Primary Effluent Treatment Plant ("**ETP**") or a full-fledged ETP, in accordance with the standards of the Board, necessary action may be initiated against the Company. Vide letter dated May 24, 2017, our Company had replied stating that it had obtained Consent to Operate dated August 17, 2016 and submitted

that there is no water discharge in the manufacturing process of our poultry feed and therefore, setting up an ETP is not required.

2. Insecticide Inspector, Panchayat Samiti Lanja had issued a show cause notice dated January 16, 2017 to the Company & Swait Enterprises in relation to the misbranding of insecticides found at the premises of Swati Enterprises and manufactured by our Company, thereby, violating Section 3, 17 & 18 of the Insecticide Act ("**Notice**"). The Notice was issued to the Company asking the reasons for not initiating legal proceedings against our Company.

3. Divisional Joint Director of Agriculture had issued a show cause notice dated October 15, 2016 to the Company in relation to the misbranding of insecticides found at its premises at Akola, thereby, violating Section 3, 17 & 18 of the Insecticide Act ("**Notice**"). The Notice was issued to the Company asking the reasons for not initiating legal proceedings against our Company.

4. Fertiliser Inspector & District Quality Control Inspector, Wadhwa had issued a show cause notice dated October 10, 2016 to the Company in relation to the misbranding of insecticides found at the premises of our Company manufactured by Modern Paper Phase 1 Sidco, thereby, violating Section 3, 17 & 18 of the Insecticide Act ("**Notice**"). The Notice was issued to the Company asking the reasons for not initiating legal proceedings against our Company.

5. Telangana State Pollution Control Board ("**Board**") had issued a notice dated May 1, 2017 reminding our Company to renew our Consent for Operation for its premises at Medchal which had expired on September 30, 2016. Vide its letter dated May 30, 2017, our Company had submitted that it does not need any Consent for Operation as it operates its tissue culture business at its premises at Medchal and does not operate any factory/ industry at these premises. Further, it submitted that since no factory or industry is operational at its premises at Medchal, it does not need to set up any effluent treatment plant.

6. Labour Department, Government of Andhra Pradesh ("**LD**") had issued two notices dated September 15, 2015 and September 18, 2015 to our Company in relation to violation of Building and Other Construction Workers (Regulation of Employment and Conditions of Work) Act, 1996 and Building and Other Construction Workers' Cess Act, 1996 and Rules, 1998 by not paying cess for the construction activities undertaken at Godrej Oils Palm Ltd and GAVL's premises at Pothepalli and Bapulapadu. Vide letter dated November 23, 2015, the LD had called upon our Company to pay the cess outstanding for its premises at Pothepalli. Vide its letter dated November 25, 2015, our Company paid ₹ 1 million in protest for the cess outstanding at both the premises.

7. District Agriculture Protection Officer, Bahraich, UP and Chief Agriculture Officer cum Licensing Authority, UP had issued show cause notices dated January 4, 2016 April 12, 2016 to our Company in relation to marketing of a misbranded insecticide by our Company which was manufactured by Crystal Crop Protection Private Limited ("**CCPPL**") and M/s. Des Raj Darshan Kumar respectively.Vide its letters dated January 28, 2016 and April 25, 2016, our Company had replied that our Company had only marketed the product which was manufactured by CCPPL and our Company, with reasonable diligence, could not have ascertained that the product was in contravention of the Insecticides Act, 1968.

8. Office of District Agriculture Protection Officer, Lakhimpur Kheri had issued a show cause notice dated August 20, 2016 to our Company in relation to marketing of a misbranded insecticide by our Company which was manufactured by B. R. Agrotech Ltd. found at the premises of M/s Verma Fertilizers having its premises at Lakhimpur Kheri. Vide its letters dated September 1, 2016, our Company had replied that our Company had only marketed the product which was manufactured by M/s Verma Fertilizers and our Company, with reasonable diligence, could not have ascertained that the product was in contravention of the Insecticides Act, 1968.

9. Office of District Agriculture Protection Officer, Agra had issued a show cause notices dated September 16, 2016 to our Company in relation to marketing of a misbranded insecticide by our Company which was manufactured by our Company. .Vide its letters dated September 26, 2016, our Company had replied that our Company had only marketed the product which was manufactured by M/s Agro Pack and the Notice had wrongly stated that the product was manufactured by our Company. Our Company had submitted that it, with reasonable diligence, could not have ascertained that the product was in contravention of the Insecticides Act, 1968.

10. Punjab Pollution Control Board ("**Board**") had issued a show cause notice dated May 5, 2017 to our Company in relation to the alleged violation of the provisions of Plastic Waste (Management) Rules, 2016 ("PWMR") under Environment Protection Act, 1986 by neither obtaining the requisite registrations nor submitting any compliance with the aforementioned laws. Our Company, having its factories at Ikolaha and Khanna, had, vide application dated August 8, 2016, applied for registration for producers or brand owners

under Rule 9 and 13(2) of PWMR as manufacturer of poultry feed at these two factories. Vide its letter dated December 9, 2016, our Company had intimated the Board regarding modalities for collection of plastic waste from its factory at these two premises. Vide its reply dated June 7, 2017, our Company had submitted that it had already applied for registration and had submitted modalities as aforementioned.

***Other matters involving an amount exceeding ₹10 million***

***Against our Company***

Kangaroo Poultry Pvt. Ltd. (the "**Plaintiff**") has filed a suit (the "**Suit**") dated March 14, 2016 before the Senior Civil Judge division, Hazaribag against our Company and certain officials of our Company (collectively, the "**Defendants**"), in relation to supply of alleged low quality poultry feeds to the Plaintiff. The Plaintiff was appointed as the distributor of the Defendant for selling poultry feeds in Hazaribagh, in respect of which the Plaintiff had deposited an amount of ₹ 8.36 million to the Defendant as security. The Plaintiff alleged that the Defendant supplied low quality poultry feeds, thereby causing loss to the business of the Plaintiff. Thereafter, the Plaintiff demanded compensation for the loss suffered and accordingly, filed the aforesaid Suit praying for damages amounting to ₹ 34.06 million along with interest at the rate of 18% per annum within 30 days from the date of decree. The amount involved in the matter is ₹ 34.06 million along with applicable interest. The matter is currently pending.

***Against GFFL***

Raj Poultry (the "**Plaintiff**") has filed a suit (the "**Suit**") dated September 26, 2014 before Senior Civil Judge, Ranchi against GFFL (the "**Defendant**") praying for compensation amounting to ₹15.8 million and cost of the suit and interest at the rate of 12% per annum. The Plaintiff was appointed as the distributor of the products of the Defendant in Jharkhand, in respect of which the Plaintiff had allegedly furnished three blank and undated cheques (the "**Cheques**") to the Defendant as security, which were to be renewed every six months. In November 2003, the Defendant allegedly supplied poor quality 'broiler commercial feed', instead of 'layer feed' followed by delayed, irregular and short supply of products, thereby causing irreparable damage to the business of the Plaintiff. Thereafter, the Plaintiff demanded compensation for the loss suffered and presented two of the Cheques, which got dishonoured. Accordingly, the Plaintiff has filed the aforesaid Suit. The amount involved in the matter is ₹15.8 million along with applicable interest. The matter is currently pending. Further, the Plaintiff has also filed a criminal revision application before the Calcutta High court against the Defendant for quashing of proceedings initiated by the Defendant pending before the Additional Chief Metropolitan Magistrate, Bangalore earlier and currently pending before the Metropolitan Magistrate, Kolkata in relation to section 138 of the Negotiable Instruments Act. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company – Criminal matters – Criminal matters against GFFL*" on page 469.

***Other matters involving an amount below ₹10 million***

In addition to the above, various litigation have been filed against our Company which are pending before various forums and matters typically pertain to arbitration with customers, business partners and employees, consumer cases, suits for recovery of money, labour cases filed by workmen.

**Litigation filed by our Company**

***Criminal matters***

***Criminal matters by our Company***

Our Company (the "**Complainant**") has filed a complaint in September, 2008 before the JMFC, Indapur against Arun Rodge, proprietor of Vaibhav Traders and merchant of our Company (the "**Accused**") in relation to dishonest misappropriation of property, criminal breach of trust, cheating and mischief under *inter alia* Section 403, 405, 409, 420, 425 and 427 of the IPC. The Complainant purchased raw material to manufacture cattle and poultry feed from various merchants including the Accused. An amount of ₹ 0.60 million was due from the Complainant to another firm named Vaibhav Trading, Sillod, However, the Complainant while making the payment, inadvertently made the same to the Accused. Despite repeated requests by the Complainant, the Accused refused to return the money and had dishonestly misappropriated the same, thereby causing wrongful loss to the Company. The matter is currently pending.

***Criminal matters by GFFL***

1. GFFL had filed a complaint dated January 3, 2007 (the "**Complaint**") before the Sub-Divisional Judicial Magistrate, Bhadrak against its former assistant sales manager, and a dealer (the "**Dealer**") of the Higashimaru Feeds (India) Ltd. ("**Higashimaru**", and collectively, the "**Accused**") in relation to alleged criminal breach of trust, cheating, forgery and criminal conspiracy under sections 405, 420, 465, 468, 120B

and 34 of the IPC. Pursuant to acquisition of the business of Higashimaru by GFFL, the business of the Dealer and the bank guarantee of ₹ 0.5 million (the "**Guarantee**") extended by Higashimaru as security thereof was transferred to GFFL. GFFL invoked the Guarantee to adjust the business outstanding of the Dealer and found out that the Guarantee was forged, and accordingly GFFL has filed the aforesaid Complaint. The matter is currently pending.

2. GFFL had filed a complaint dated July 11, 2003 before the JMFC (A.C.), Pune against one of its former sales officer namely Brindaban Patra and its former clearing and forwarding (the "**C&F**") agent namely Narendra Kalua, (collectively, the "**Accused**") for inter alia offences under sections 403, 406, 418, 420 and 463 of the IPC. The C&F agent was authorised to raise invoices for selling animal feeds to the distributors and customers from the manufacturing facility of the Company at Rishra, West Bengal and to collect the cash and pay orders on behalf of the GFFL, and deposit it in the account of GFFL. The Accused misappropriated an amount of ₹ 0.37 million for their personal use towards the money realised by the sale of animal feeds on behalf of GFFL, thereby causing wrongful loss to GFFL. The matter is currently pending.

3. GFFL had lodged an FIR dated May 17, 2006 against its former sales officer Samarendra Behera (the "**Accused**") with Basta police station, Balasore district for offences of cheating and criminal breach of trust under sections 409, 420 and 34 of the IPC. Pursuant to the instructions of the Accused, the Clearing and Forwarding (the "**C&F**") agent of GFFL released 120 bags of poultry feed materials to Anil Feeds Centre, distributor of GFFL (the "**Distributor**"), confirming that the Accused had received the payment of ₹ 0.08 million by two demand drafts (the "**Demand Drafts**"). Subsequently, since the amount was not deposited in the bank account of GFFL by the Accused, the Distributor on inquiry informed GFFL that the Demand Drafts have been cancelled on the instructions of the Accused and instead cash payment was made to the Accused. Accordingly, GFFL has lodged the aforesaid FIR for dishonest misappropriation of amount by the Accused, thereby causing wrongful loss to GFFL. Thereafter, a charge sheet was filed before the SDJM, Balasore against which the Accused had challenged the framing of charges by filing a quashing application before the Orissa High Court. The Orissa High Court has passed an order staying the proceedings pending before the SDJM, Balasore. The matter is currently pending.

4. GFFL had lodged an FIR dated November 14, 2008 against its sales officer Somnath Chakraborty (the "**Accused**") with Bidhan Nagar police station, West Bengal for offences of cheating and criminal breach of trust under sections 406 and 420 of the IPC. The Accused was required to intimate the details of the purchase order and payment details to Kolkata office of GFFL. Some of the distributors of GFFL (the "**Distributors**") informed GFFL that the Accused had applied temporary price reduction and accordingly issued statement of accounts and letters (the "**Letters**") to the Distributors. On verification, GFFL found that the Letters were fabricated and cash amounting to ₹ 1.01 million collected by the Accused from the Distributors was not deposited to the bank account of GFFL. Accordingly, GFFL has lodged the FIR for dishonest misappropriation of amount by the Accused, thereby causing wrongful loss to the Company. Thereafter, GFFL had filed a petition before the ACJM, Bidhan Nagar which passed an order stating the accused to be in judicial custody. The matter is currently pending for examination of prosecution of witnesses.

5. GFFL had filed a complaint in March 2008 before the JMFC, Indore against its former sales manager (the "**Accused**") and its few customers (the "**Co-accused**") for criminal breach of trust under section 409 of the IPC. GFFL had entrusted the Accused with stock of animal feeds for selling it to its customers to the extent of the bank guarantee furnished by the Co-acussed to GFFL, and to receive payments for the same on behalf of GFFL. The Accused in conspiracy with the Co-accused had supplied goods to the Co-Accused without obtaining bank guarantees and verifying their credit limits, and also coerced the accounts department of GFFL at Dhulia, not to raise any invoices against the supplies amounting to ₹ 2.8 million made to the Co-accused, thereby causing wrongful loss to GFFL. The matter is currently pending.

***Other matters involving an amount exceeding ₹ 10 million***

1. Raji Feeds Private Limited and K. Chinnaswamy, sole proprietor of M/s. Raji Feeds (collectively, the "**Defendants**") have filed an appeal (the "**Appeal**") before the Madras High Court against our Company (the "**Plaintiff**") against the final decree passed by the Additional District Judge of Coimbatore (the "**District Judge**"). The Plaintiff had filed a suit (the "**Suit**") dated October 30, 1998 before the Subordinate Judge of Coimbatore against the Defendants for recovery of sum amounting to ₹ 11.57 million, secured by an equitable mortgage ("**Mortgaged Property**") along with interest at the rate of 20% per annum (the "**Amount**") due from the Defendants to the Plaintiff under the contract of supply of animal feeds to the Defendants. On failure of the Defendants to pay the Amount, the Plaintiffs had filed the Suit, where the District Judge passed a preliminary decree (the "**Preliminary Decree**") directing the Defendants to pay the Amount within six months. On failure of the Defendants to pay the Amount, the District Judge had passed a

final decree (the "**Final Decree**") ordering the Mortgaged Property to be sold. Subsequently, the Plaintiffs filed an execution application before the District Judge (the "**Execution Application**"). Thereafter, the Defendants had filed the Appeal challenging the Final Decree and also an application to contest the Appeal as an indigent person, which was allowed by the Madras High Court. The Madras High Court has passed an order staying the Execution Application subject to deposit of ₹ 2.5 million within eight weeks from the date of the order by the Defendants. The matter is currently pending.

2. Our Company and GIL, one of our Promoters (collectively, the "**Claimants**") have initiated arbitration proceedings dated October 19, 2011 before the arbitral tribunal against Suzlon Energy Limited and Suzlon Infrastructure Services Limited (collectively, "**Suzlon**") in relation to the disputes arising out of contract entered into between Suzlon and the Claimants. Suzlon claimed to have the requisite expertise, technology, personnel and infrastructure in wind power generation, and assured the Claimants that each Wind Turbine Generator ("**WTG**") could generate a minimum of 2.8 million units per annum (the "**Guaranteed Unit**"). Pursuant to such representations by Suzlon and its general manager, the Claimants placed orders for *inter alia* installation and maintenance of nine units of WTGs at Dhule, Maharashtra. Subsequent to installation, there was a shortfall in the power generation lower than the Guaranteed Unit, causing substantial losses to the Claimants. Accordingly, our Company and GIL have initiated the arbitration claiming an amount of ₹ 158.50 million and ₹ 106.24 million, respectively, along with interest of 18% per annum on the existing loss from its date of accrual. The matter is currently pending.

3. Our Company has filed 10 complaints under section 138 of the Negotiable Instruments Act in relation to dishonor of cheques. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹ 282.79 million.

***Other matters involving an amount below ₹ 10 million***

In addition to the above, various litigations have been filed against our Company which are pending before various forums and matters typically pertain to writ petition in relation to registration of insecticide, labour matters including reinstatement of workmen, back wages due to closure of Ambattur, compensation on death of a workman, payment of bonus and termination of employees filed by a union and insurance.

***I. Litigation involving our Subsidiaries and Joint Ventures***

**A Litigation involving Godrej Tyson**

(i) **Litigation filed against Godrej Tyson**

*Criminal matters*

1. Balram S. Yadav, managing director and an occupier of Godrej Tyson and another (collectively, the "**Applicants**") have filed a criminal application (the "**Application**") under Section 482 of the CrPC before the Karnataka High Court against the order ("**Order**") passed by the Civil Judge (Junior Division) and JMFC, Hosakote, Bengaluru ("**JMFC Hosakote**") for quashing the Complaint (as defined below). The State of Karnataka (the "**Complainant**") had filed a complaint dated June 24, 2011 (the "**Complaint**") before the JMFC, Hosakote for prosecuting the Applicants for alleged violation of safety measures under Sections 33(1), 7A(1) and 52(1)(b)(i) of the Factories Act. The Complainant alleged that the Applicants had failed to take safety precautions and violated the aforementioned provisions of the Factories Act, which resulted in the death of V. Srinivas, a contract worker in the factory premises of Godrej Tyson. JMFC, Hosakote had passed the Order taking cognisance of the offence and issued summons to the Petitioners, against which the Petitioners approached the Karnataka High Court by way of the Application. The Applicants have also filed an application seeking extension of interim stay order dated May 28, 2012 granted by the Karnataka High Court staying the proceedings before the JMFC, Hosakote. The Application has been disposed off and the High Court have remanded the matter back to JMFC for reconsideration from the stage of presentation of complaint. Subsequently the JMFC issued a non-bailable warrant against the Applicant. Against the said order, the Applicant has approached the Karnataka High Court again and the Karnataka High Court has passed a stay order. The matter is currently pending.

2. Balram S. Yadav, managing director and an occupier of Godrej Tyson and another (collectively, the "**Applicants**") have filed a criminal application under Section 482 of CrPC before the Karnataka High Court against the order ("**Order**") passed by the Civil Judge (Junior Division) and JMFC, Hoskote, Bengaluru ("**JMFC Hosakote**") for quashing the said Order and the Complaint (as defined below). The State of Karnataka (the "**Complainant**") had filed a complaint dated January 13, 2014 (the "**Complaint**") before the JMFC Hosakote against the Applicants for alleged violations of safety measures under Sections 7A(1) and 7(A)(2)(c) of the Factories Act, 1948 and Karnataka Factories Rules, 1969. Shivram Maharana, a contract labourer had injured himself. The Complainant alleged that the Applicants had not taken safety

precautions and have violated the provisions of the Factories Act, 1948 and Karnataka Factories Rules, 1969, which had caused this incident. JMFC Hosakote had taken cognizance of the offence alleged by the Complainant and passed an Order, against which the Applicants approached the Karnataka High Court for quashing the Complaint and the Order. The High Court has passed an order granting stay on the proceedings before the JMFC, Hosokote till the next date of hearing. The matter is currently pending.

*Actions by regulatory / statutory authorities*

1. Maharashtra Pollution Control Board ("**MPCB**") had issued a notice dated April 6, 2016 to Godrej Tyson in relation to the alleged non-compliance of it trade effluent samples thereby, violating Water (Prevention & Control Pollution) Act,1974 and Air Act ("**Acts**"). A show cause notice dated June 23, 2016 ("**Notice 1**") was issued by MPCB to show cause as to why legal action should not be initiated against it for the alleged violation of the Acts. Vide its letter dated August 2, 2016, MPCB had written to the ICICI Bank informing them that MPCB had invoked the bank guarantee of ₹ 0.5 million and thereby requested ICICI Bank to encash it and send a demand draft of the aforementioned amount. A show cause notice dated August 4, 2016 ("**Notice 2**") was issued by MPCB to Godrej Tyson to show cause as to why legal action should not be initiated against it for the alleged violation of the Acts. Vide its letter dated August 9, 2016, Godrej Tyson wrote to the Board stating that its letter to the Bank dated August 2, 2016 was unlawful on the grounds that no reason behind encashment of the bank guarantee was mentioned, which violated the principles of natural justice. A show cause notice ("**Notice 3**") dated March 21, 2017 was issued by MPCB to Godrej Tyson in relation to non-conformation of its Common Effluent Treatment Plant ("**CETP**") at its premises at MIDC, Taloja with the CETP outlet standards in light of the analysis of the samples collected on January 18, 2017. Vide its letter dated April 15, 2017, Godrej Tyson replied to Notice 3 and submitted that the samples were in compliance with the standards and the sample which were collected from storm water drainage line showed excess COD levels. It submitted that stagnation of water was due to external factors and it has taken steps to clean the drainage line. The matter is currently pending and Godrej Tyson has sought for a personal hearing.

2. Food Safety and Standards Authority of India had issued a notice dated May 13, 2016 to Godrej Tyson in relation to seeking information regarding Sapphire Foods India Private Limited ("**Sapphire**"). Pursuant to its letter dated July 19, 2016, Godrej Tyson had submitted that the business of Yum! Restaurant India Private Limited was transferred to Sapphire and the deadline for conversion of pre-existing licenses/ registrations/ permissions was extended until October 4, 2016. Another notice dated July 19, 2016 was issued by FSSAI to Godrej Tyson stating that Godrej Tyson's response was not relevant .Vide its letter dated August 22, 2016, Godrej Tyson had submitted that Sapphire was granted a license dated August 8, 2016 and that it has not violated any provisions of Food Safety and Standards Act, 2006. The matter is currently pending.

*Intellectual property related matters*

1. CPF (India) Private Limited (the "**Plaintiff**") filed a suit dated September 7, 2013 before the Court of City Civil Judge at Bangalore against Godrej Tyson Foods Limited ("**GTFL**"), our Company and Tyson India Holding Limited (the "**Defendants**") for allegedly using deceptively similar marks and passing off the Plaintiff's trademarks i.e., "FIVE STAR CHICKEN" and "HEAD OF THE HEN WITH FIVE STAR ON TOP", thus allegedly infringing Section 28 of the Trademarks Act, 1999. The Plaintiff has sought perpetual order restraining the Defendants from using its aforesaid trademarks. Defendants have filed their written statement *inter alia* denying and objecting the allegations and seeking dismissal of the suit. The matter is currently pending.

2. T.T. Krishnamachari and Co and TTK Healthcare Limited (the "**Plaintiffs**") have filed a suit before the High Court of Madras against our Company for using deceptively similar mark and passing off the Plaintiffs' trademark 'FRYUMS YUMMIES' and sought a permanent injunction restraining our Company from using a deceptively similar mark 'YUMMIEZ'. A similar suit was filed by the Plaintiffs in the District Court at Tiruvallur against our Company for seeking similar relief, which was dismissed by the District Court. Plaintiffs had also filed an application in the present suit in the High Court of Karnataka for seeking interim injunction against our Company, which the High Court has rejected. The matter is currently pending.

*Other matters involving an amount below ₹ 10 million*

Rudranamma and others (the "**Plaintiffs**") have filed a suit dated October 31, 2006 in the Court of the Civil Judge (Senior Division), Bangalore against Sadashiva and others (the "**Defendants 1 to 6**") and Godrej Tyson (which was originally filed against our Company) (the "**Defendant 7**") for effecting division and allotment of their legitimate share in the suit properties (being five properties situated at Hosakote Taluk, Bangalore) (the "**Suit Properties**") and seeking a relief that the Registered Sale Deed (as defined below) is not binding on the Plaintiffs. The said Suit Properties were alienated by the Defendants 1 to 6 in favour of the Defendant 7 by executing a registered sale deed ("**Registered Sale Deed**"), without consent and knowledge of the Plaintiffs. Plaintiffs and the Defendants 1 to 6 are a Hindu un-divided joint family ("**HUF**") and the Suit Properties belonged to late S. Rudrappa (Karta of the HUF). The matter is currently pending.

In addition to the above, various litigations have been filed against Godrej Tyson which are pending before various forums and matters typically pertain to, *inter alia*, consumer complaints due to food going stale, suit by its carriage and freight agent for recovery of the money debited by Godrej Tyson for losses incurred to GTFL due to non maintenance of the Agri temperature to store the products. The matters are currently pending.

(ii) **Litigation filed by Godrej Tyson**

*Criminal matters*

1. Uddhav Hiraji Patil (the "**Complainant**" and the authorized representative of Godrej Tyson) has filed Intervener application in the Court of Sessions Judge, Nashik in relation to a FIR dated October 21, 2016 filed with Bhadrakali police station under Sections 408, 420, 468 and 471 of the IPC against Ravindra Murlidhar Gaikwad (the "**Accused**"). The Accused had prepared false challans and have misappropriated amounts worth ₹ 4.55 million. The Accused was granted bail by the Additional Sessions Judge, Nashik. The matter is currently pending.

2. Godrej Tyson has filed seven complaints under section 138 of the Negotiable Instruments Act in relation to dishonor of cheques. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹7.01 million.

**B Litigation involving Astec LifeSciences**

(i) **Litigation filed against Astec LifeSciences**

*Criminal Matters*

1. Nilesh Varsolkar, Officer, Mahad MIDC Police Station (the "**Complainant**") has filed an FIR dated June 8, 2015 against Ashok Hiremath, managing director (the "**Director**"), Vivek Thorat, general manager of Astec LifeSciences and Shakil Khan, scrap dealer under Sections 304 and 34 of IPC. Four labourers of the scrap dealer of Astec LifeSciences lost their lives while unloading the drums owned by Astec LifeSciences due to alleged leakage of a toxic gas from the drum at Shakil Khan's godown. The Director filed a criminal application (the **"Criminal Application**") before the Bombay High Court seeking anticipatory bail and, vide its order March 15, 2016, the Criminal Application was allowed granting the same to the Director. The matter is currently pending.

2. The Government of Maharashtra through K.S. Jadhav, Insecticides Inspector (the "**Complainant**") had filed a Criminal Petition (the "**Complaint**") before JMFC Kalyan against Astec LifeSciences and one official of Astec LifeSciences (collectively, the "**Accused**"), in relation to the alleged manufacture, stock, sale and distribution of pesticides without obtaining a licence, thereby, contravening provisions of the Insecticide Act, 1968 and Insecticide Rules, 1971. The case was dismissed by JMFC Kalyan due to the absence of the Complainant on the day of hearing which was subsequently restored by the Bombay High Court, vide its order dated November 23, 2015, on the basis of a writ petition filed by the Complainant. The matter is currently pending.

3. The Government of Maharashtra through N.J. Jangle, Insecticides Inspector (the "**Complainant**") had filed a complaint before the JMFC Mahad against certain officials of Astec LifeSciences (the "**Accused**") in relation to allegedly selling, storing, distributing and misbranding certain insecticides in violation of Sections 3 (k)(i), 17(1)(a) and 18(1)(c) of the Insecticides Act. The matter is currently pending.

*Action taken by regulatory / statutory authorities*

SEBI had issued a settlement notice dated April 13, 2017 ("**Notice 1**") to Ashok Hiremath, Altimax Financial Services Private Limited ("**Altimax**"), Laxmikant Ramprasad Kabra and others ("**Noticees**"), in relation to alleged violation of the provisions of the Takeover Regulations in respect of delay in making disclosures of shareholders and encumbrances of Astec LifeSciences, as required under the Takeover Regulations. Few Noticees agreed to pay an amount of ₹ 920,000 for settlement of adjudication proceedings under the SEBI (Settlement of Administrative and Civil Proceedings) Regulations, 2014. Reply from SEBI is awaited. The matter is currently pending.

*Other matters involving an amount exceeding ₹ 10 million*

1. Nath Bio-genes (India) Limited (the "**Plaintiff**") had filed a suit (the "**Suit**") before the Civil Judge (Senior Division), Aurangabad against Astec LifeSciences and Ashok Hiremath, managing director of Astec LifeSciences (collectively, the "**Defendants**"), in relation to supply of alleged low quality insecticide Imidacloprid 48% FS to the Plaintiff, thereby causing loss to the business of the Plaintiff. The Plaintiff after almost six years from the date of filing of the suit has filed a petition seeking amendment of the Plaint on a ground that Astec LifeSciences had allegedly procured low quality insecticide from third parties. The Plaintiff has sought damages amounting to ₹ 658.21 million along with interest at the rate of 12% per annum from the date of supply of the material till realisation of entire amount. The amount involved in the matter is ₹ 658.21 million along with applicable interest. The matter is currently pending.

**Litigation filed by Astec LifeSciences**

*Criminal Matters*

1. Astec LifeSciences (the "**Complainant**") has filed a criminal application (the **"Criminal Application**") before the Court of Metropolitan Magistrate at Ballard Pier, Mumbai ("**CMM**") against, *inter alia*, Chemcel Bio-Tech Limited ("**Chemcel**"), and others (the "**Accused**"). The Criminal Application was filed in relation to dishonest and fraudulent cheating of the Complainant under Section 415, 417, 418, 420 and 120B of the IPC for failure of payment by the Accused amounting to wrongful loss of ₹4.59 million. A criminal application was filed by the Complainant before the Bombay High Court wherein the court has quashed the issuance of process and has remanded the matter back to the CMM. The matter is currently pending for further orders.

2. Astec LifeSciences (the "**Complainant**") has filed a criminal application (the **"Criminal Application**") before the Court of Additional Chief Metropolitan Magistrate at Ballard Pier, Mumbai against, *inter alia*, Core Tech Agri & Bio Solutions Private Limited ("**Core Tech**") and others (collectively, the "**Accused**") in relation to dishonest and fraudulent cheating of the Complainant in relation to payment of an amount of ₹1.24 million (inclusive of principal and interest) under Sections 415, 417, 418, 420 and 120B of the IPC. Warrants have been issued against the Accused. The Accused have filed a Revision Petition before the Sessions Court, Mumbai dated February 24, 2017 ("**Revision Petition**"). The matter is currently pending.

3. Vijay Remedies Limited ("**VRL**") and its directors (collectively, the "**Accused**") have filed criminal revision application (the "**Revision Application**") before the Sessions Court, Mumbai against Astec LifeSciences (the "**Complainant**") in respect of criminal conspiracy and cheating by the Accused. The Complainant had filed a complaint dated June 2, 2015 before the Additional Chief Metropolitan Magistrate, Mumbai (the "**Magistrate**") against the Accused in relation to offences of cheating under Sections 415, 417, 418 and 120B of the IPC for failure of making payments of amount of ₹ 1.69 million. The Magistrate issued process against the Accused for the alleged offences (the "**Magistrate Order**"). Thereafter, the Accused filed the Revision Application before the Sessions Court, Mumbai, praying to condone the delay to file the Revision Application and for recalling the Magistrate Order. The Sessions Court dismissed the Revision Application as filed by the Accused on May 2, 2017. The Complaint will proceed further based on the Order passed by the Sessions Court.

4. Astec LifeSciences has filed two complaints under section 138 of the Negotiable Instruments Act in relation to dishonour of cheques. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹1.075 million.

*Other matters which are non-quantifiable, however may have financial impact on Astec LifeSciences*

One matter involving Astec LifeSciences has been filed before the Company Law Board, Mumbai in relation to the transfer of shares of Behram Chemicals Private Limited to Astec LifeSciences being in alleged violation of the articles of association of Behram Chemicals Private Limited. The matter is currently pending. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving Behram Chemicals - Litigation filed against Behram Chemicals – Matters which are non-quantifiable, however may have financial impact on Behram Chemicals" on page 478.*

***Litigation involving Creamline Dairy***

**(i) Litigation filed against Creamline Dairy**

*Action by regulatory/ statutory authorities*

1. Office of the Deputy Chief Inspector of Factories, Chittoor has issued a show cause notice dated March 31, 2017 ("**Notice**") to Creamline Dairy in relation to alleged violation of certain provisions of the Factories Act and A.P. Factories Rules, 1950 for *inter alia* failure to install machines without the prior approval of the authorities and failure to provide safe working conditions which led to the death of a worker. Creamline Dairy replied to the Notice, stating *inter alia* that no prior approval of the authorities was required. An FIR dated March 23, 2017 was filed by the deceased's wife in relation to the death of a worker at the premises of Creamline Dairy. The matter is currently pending.

2. Creamline Dairy has filed an appeal before the District and Sessions Judge, Guntur against the order passed by the adjudicating officer, Guntur district dated November 17, 2016 *inter alia* imposing a penalty of ₹ 300,000 on Creamline Diary in relation to their products being found substandard by the food safety officer under the Food Safety and Standards Act, 2006 and the Food Safety and Standards (Food Products Standards and Food Additives) Regulations, 2011. A complaint was filed by the food safety officer against Creamline Diary after the samples of milk and curd of jersey brand were tested as substandard. The matter is currently pending.

3. Food Safety Officer has issued a notice dated November 7, 2016 to Creamline Dairy informing that the samples of toned milk have been collected. A report of the food analyst has confirmed that the samples collected are substandard. The matter is currently pending.

4. Food Safety Officer, Krishna District has filed a complaint against Creamline Dairy dated September 17, 2016 before the Joint Collector & Adjudicating Officer, Krishna District in relation to alleged sale of substandard and misbranded of milk in violation of the Food Safety & Standards Act, 2006. The Joint Collector & Adjudicating Officer held Creamline Dairy to have contravened Section 26(2)(ii) of the Food Safety and Standards Act, 2006 and has imposed a fine of ₹ 300,000 ("**Order**"). Creamline Diary has preferred an appeal against the Order before the Court of Metropolitan Sessions Judge cum II Additional District and Sessions Judge seeking to set aside the Order. Further, a complaint has also been filed before the Additional District Magistrate, Krishna District in the matter. The matter is currently pending.

**(ii) Litigation filed by Creamline Dairy**

*Criminal Matters*

1. Creamline Dairy has filed an FIR dated September 4, 2011 alleging violation of Section 409, 420 and 34 of the IPC against certain of its employees (the "**Employees**") working at its facility at Kothapallimitta Chilling Center before the S.R. Puram Police Station, Chittor District in relation to misappropriation of ₹ 2.5 million by the Employees. A charge sheet has been filed before the JMFC, Puttur. The matter is currently pending.

2. Creamline Dairy has filed 11 complaints under section 138 of the Negotiable Instruments Act in relation to dishonor of cheques. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is ₹ 2.36 million.

*Other matters involving an amount below ₹10 million*

In addition to the above, various litigations have been filed against Creamline Diary which are pending before various fora which pertains to matters including invocation of corporate guarantee, motor vehicles claims, consumer complaints and money recovery suits. The matters are pending at different stages of adjudication before various courts.

***Litigation involving Behram Chemicals***

(i) **Litigation filed against Behram Chemicals**

*Other matters which are non-quantifiable, however may have financial impact on Behram Chemicals*

M.C. Chemicals and another (collectively, the "**Plaintiffs**") have filed a suit (the "**Suit**") before the Company Law Board, Mumbai against Astec LifeSciences and others (collectively, the "**Defendants**"), in relation to the transfer of shares of Behram Chemicals, allegedly in contravention of its Articles of Association, by few of the Defendants to Astec LifeSciences (one of the Defendants) which was alleged to be void as Plaintiffs' consent was not sought for the transfer. It was alleged that the management of Behram Chemicals was indulging in gross and severe oppression and mismanagement under Sections 397, 398, 399 read with 402, 403 and 406 of the Companies Act, 1956. Relief sought, *inter alia*, includes holding Behram Chemicals guilty of oppression and mismanagement and holding the transfer of shares null and void. The matter is currently pending.

**Litigation involving ACI Godrej**

**(i) Litigation filed against ACI Godrej**

*Other matters involving an amount above ₹10 million*

Three writ petitions have been filed by ACI Godrej before the Supreme Court of Bangladesh challenging the legality of Section 16CCC of the Income Tax Ordinance, 1984 inserted thereto by Section 15 of the Finance Act, 2011 (amended by Finance Act, 2013) which imposed a minimum tax at the rate of 0.50% on the amount representing a company or firm's gross receipts from all sources irrespective of such companies profits or loss in an Assessment Year for the Assessment Years 2012-13, 2013-14 and 2014-15 for a total amount of BDT 489,553,601**.** The writ petitions for the Assessment Years 2012-13 and 2013-14 are currently pending. The writ petition for the Assessment Year 2014-15 has been stayed by the appellate division.

**(ii) Litigation filed by ACI Godrej**

*Criminal Matters*

ACI Godrej has filed 38 cases in relation to credit recovery. The matters are pending at different stages of adjudication before various courts. The aggregate amount involved in these matters is BDT 27.183 million.

*Other matters involving an amount below ₹10 million*

In addition to the above, various litigations have been filed against ACI Godrej which are pending before various fora which pertains to matters including recovery of advance, and partition. The matters are pending at different stages of adjudication before various courts.

**Litigation involving Group Companies**

***Disclosure of litigation involving our Group Companies:*** *Our Board has approved that the outstanding litigation involving our Group Companies which exceed an amount being lesser of 1% of the total net profit after tax or 1% of the net worth of our Company, as per the restated financial statements of our Company (as at and for the Financial Year 2017), on a consolidated basis would be considered material for our Group Companies. Accordingly, we have disclosed all material outstanding litigation involving our Group Companies where (i) the aggregate amount involved exceeds ₹ 10 million (being an amount which is less than 1% of the total net profit after tax and 1% of the net worth of our Company as per the Restated Financial Statements of our Company (as of and for the Financial Year 2017) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 10 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

*On basis of the above, the following litigation involving our Group Companies have been disclosed: (i) outstanding litigation above the materiality threshold or any other outstanding litigation involving such Group Company whose outcome could have a material and adverse effect on our Company's consolidated results of operations or financial position; (ii) outstanding criminal proceeding; and (iii) outstanding actions taken by statutory or regulatory authorities.*

**2. Litigation involving Argencos S.A. ("Argencos")**

***(i) Litigation filed against Argencos***

*Action by statutory / regulatory authority*

*1.* Municipalities have filed a case against Argencos claiming for publicity rights in relation to Argencos publicity and advertisement of its trademarks on the public road and/or inside the shops. The total amount involved is ARG 16,500. Argencos has filed an administrative resource against Municipality Codes. The matter is currently pending.

*2.* The RENPRE ("Secretariat of Programming for the Prevention of Drug Addiction and the Fight against Drug Trafficking", namely "*Secretaría de Programación para la Prevención de la Drogadicción y la Lucha contra el Narcotráfico*") has initiated an inspection on Argencos on August, 29, 2014 regarding quarterly files of Argencos and has directed Agrencos to rectify all information filed regarding 2013 fourth quarter and 2014 first quarter. The matter is currently pending.

*Matters involving an amount exceeding ₹ 10 million*

1. Ten cases have been filed by the employees of Argencos against Argencos before the Argentine Labour Court in relation to their dismissal by Argencos. The employees have claimed for compensation against Argencos under labour laws. The aggregate amount involved in the matter is ARG 2.30 Million. All the matters are currently pending.

**3. Litigation involving Cosmetica Nacional ("Cosmetica")**

***Litigation against Cosmetica***

*Action taken by regulatory / statutory authorities*

Direccion del Trabajo, labour statutory authority has issued a notice to Cosmetica for non-updation of the employment contracts of dismissed workers by Cosmetica. The amount involved in the matter is CLP 418,149. The matter is currently pending.

**1. Litigation involving Consell S.A.**

***Litigation filed by Consell S.A.***

Two bankruptcy cases have been filed by Consell S.A. against Comercios Rioplantenses and Formatos Eficientes (collectively, the "**Defendants**") before the Argentine Civil Court No. 22, Secretary 44 under Law 24,522 in relation to the demand of a debt sum from the Defendants. The total amount involved is ARG 167,942**.** The matters are currently pending.

**2. Litigation involving Ensemble Holdings and Finance Limited ("Ensemble")**

***Litigation filed against Ensemble***

*Matters involving an amount exceeding ₹ 10 million*

ISS Facilities Limited (ISS) has initiated an arbitration against Ensemble, GIL and its directors (the "**Respondents**") *inter alia* seeking indemnity claims against the Respondents in relation to recover taxes levied by the statutory bodies. For further details, see "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – Other matters - Serial No. 1*" on page 489.

**3. Litigation involving Godrej And Boyce Manufacturing Company Limited ("Godrej & Boyce")**

**Litigation against Godrej & Boyce**

*Actions by statutory / regulatory authorities*

Ambattur Municipality has issued a notice to Godrej & Boyce under the Town and Country Planning Act for stoppage of work in relation to its project.

**Litigation by Godrej & Boyce**

*Criminal mattes*

Godrej & Boyce has filed 402 complaints under section 138 of the Negotiable Instruments Act *inter alia* in relation to dishonor of cheques. The matters are pending at different stages of adjudication before various courts.

**4. Litigation involving Godrej Consumer Products Limited ("GCPL")**

**(i) Litigation filed against GCPL**

*Criminal matters*

Five criminal complaints have been filed against GCPL and few officials and directors of GCPL before various courts including, in relation to misbranding of its products for failure to conformations to the specifications laid down under the Drugs and Cosmetics Act, 1940, Legal Metrology Act, 2009, Insecticides Act as applicable. The matters are currently pending.

*Action taken by regulatory / statutory authorities*

1. Industrial Infrastructure Development Corporation (Gwalior) MP Ltd has issued a notice dated March 1, 2017 to GCPL demanding water use charges from the GCPL's Malanpur Manufacturing Unit. The matter is currently pending.

2. Government of Puducherry, Office of the Inspector of Factories, Karaikal has issued a notice cum order to GCPL for non-payment of minimum wages by GCPL to its factory workers at its Karaikal unit ("**Notice**"). GCPL has replied to the Notice stating that there is no violation. The matter is currently pending.

3. HP State Pollution Control Board has issued a notice dated January 30, 2017 against GCPL demanding details pertaining to registration of GCPL's Baddi unit under the Plastic Waste Management Rules ("**Notice**"). GCPL has provided the details sought in the Notice. The matter is currently pending.

4. MP Pollution Control Board has issued a notice dated May 22, 2017 against GCPL alleging that its Malanpur plant has neither registered itself under the Plastic Waste Management Rules, 2016 nor submitted any plan for plastic waste collection ("**Notice**"). GCPL has responded to the Notice stating that it has already applied for registration and has also submitted the plan for plastic waste collection within the prescribed time. The matter is currently pending.

*Other matters involving amount exceeding ₹ 10 million*

Kamgar Suraksha Sangh & Another (the "**Plaintiffs**") have filed a complaint against erstwhile GIL's Vikhroli soap factory (the "**Defendant**") before the Industrial Court at Mumbai in relation to contempt of an award passed against the Defendant to maintain a senior list and consider re-employment when manufacture of soaps recommences. The matter is currently pending.

Five money recovery suits have been filed against GCPL before the Bombay High Court in relation to the amount due for alleged supplies of gold coins purportedly ordered by GCPL. GCPL has challenged the same on the ground that the gold coins were ordered by Amit Gaine, an ex-employee, without any authorization from GCPL. The aggregate amount involved in these matters amounts to ₹ 271.5 million. The matters are currently pending.

**(ii) Litigation filed by GCPL**

*Criminal matters*

GCPL has filed a criminal complaint against Idealtik Private Limited before the Magistrate's Court at Vikhroli in relation to, *inter alia*, cheating and breach of trust. The police has filed its report before the court. The matter is currently pending.

*Other matters involving an amount above ₹10 million*

GCPL has initiated an arbitration against GAIL (India) Limited (the "**Defendant**") seeking a refund of ₹12.18 million paid by it under duress and in pursuance of an illegal demand raised by the Defendant towards minimum guarantee committed under the contract entered between the parties. The amount involved in the matter ₹12.18 million. The matter is currently pending.

## 5. Litigation involving Godrej Landmark Redevelopers Private Limited ("GLRPL")

***(i) Litigation filed against GLRPL***

*Matters involving an amount exceeding ₹10 million*

1. Ajay Malgaonkar ("**Plaintiff**") has filed a suit against GLRPL and others before the City Civil Court, Mumbai *inter alia* for partition of flat among legal heirs of Krishnaji Sitaram Malgaonkar and seeking a relief against GLRPL *inter alia* to hand over peaceful possession of a newly constructed flat to the Plaintiff and to deposit more amount as per the development agreement. The matter is currently pending.

2. Ramesh Nadar ("**Plaintiff**") has filed a suit against GLRPL before the City Civil Court, Mumbai *inter alia* seeking declaration that a gift deed in respect of the suit is illegal, null and void and not binding on the Plaintiff. Plaintiff has also sought a restrain order against GLRPL to deal with the suit flat. The matter is currently pending.

***(ii) Litigation filed by GLRPL***

*Matters involving an amount above ₹10 million*

1. GLRPL (the “**Petitioner**”) has filed a writ petition against the State of Maharashtra and others (the “**Respondents**”) before the Bombay High Court challenging the order passed by the Chief Controlling Revenue Authority, Pune levying additional stamp duty of ₹ 29.30 million on the development agreement. The Bombay High Court had passed an ad-interim stay order in favour of GLRPL. The total amount involved is ₹ 29.30 million**.** The matter is currently pending.

2. GLRPL has filed a writ petition against the State of Maharashtra and others before the Bombay High Court *inter alia* for seeking refund of the offsite infrastructure charges levied under the DCR and refund of development charges since the same falls under the exemption provided in section 124 F of the Maharashtra Regional and Town Planning Act, 1966. The total amount involved is ₹ 167.07 million, which has been paid under protest. The matter is currently pending.

**6. Litigation involving Godrej Nigeria Limited (“GNL”)**

***Litigation filed against GNL***

*Matters involving an amount exceeding ₹ 10 million*

Elder Monday Agwalogu, Uzodinma Osu and Christopher Agwalogu (“**Plaintiffs**”) have filed a case against erstwhile entity Tura International Limited, Nigeria, GNL and others (“**Defendants**”) before the Court of Appeal, Owerri in relation to an environmental pollution claim. The Plaintiffs are seeking punitive general damages of NGN 10,000 million against the Defendants for general inconveniences, acid rain, pollution of land and rivers, loss of water rights, etc. The amount involved in the matter is NGN 10,000 million. The matter is currently pending.

**7. Litigation involving Godrej Projects Development Pvt. Ltd. (“GPDPL”)**

***(i) Litigation filed against GPDPL***

*Criminal matters*

1. A.D. Rajgor has filed a complaint against Mukund Staff Co-operative Housing Society Limited, GPDPL and others before the Metropolitan Court at Vikhroli under Sections 177, 182, 192, 199, 34, 120B of the IPC *inter alia* for allegedly giving false evidence, deposition/fabrication of evidence and giving false statements. The matter is currently pending.

2. A.D. Rajgor has filed a writ petition against GPDPL and others before the Bombay High Court *inter alia* challenging the legality, proprietary and correctness of an order passed by the court of city civil Judge, Mumbai in a criminal revision application. The revision application was filed by A.D.Rajgor *inter alia* in relation to dismissal of his criminal complaint before the Metropolitan Magistrate Court at Vikhroli, Mumbai. The criminal complaint filed by A.D. Rajor is in relation to a Ssuit before city civil court contending that the resolution passed in the special general meeting are illegal, null and void and contrary to the provisions of law and guidelines and that procedure adopted for appointment of PMC is illegal, biased and not transparent and hence prayed for fresh tendering process for appointment of developer. The matter is currently pending.

*Other matters involving an amount above ₹ 10 million*

1. Gammon India Ltd has initiated arbitration proceedings against GPDPL before the arbitral tribunal in relation to the dispute regarding the construction work for the proposed “Godrej Platinum” project in Bengaluru. Gammon India Limited has claimed an amount of ₹ 1053 million against GPDPL. GPDPL has also filed a counter claim for an amount of ₹ 7,095.40 million. The matter is currently pending.

2. Hermit Singh Grover (the “**Petitioner**”) has filed a case against GPDPL (the “**Defendant**”) before the National Consumer Disputes Redressal Commission in relation to the alleged misrepresentation by the Defendant regarding connectivity of the Project with Dwarka Highway and other transport facilities. The Petitioner has claimed an amount of ₹ 0.50 million as damages together with 18% interest from September 11, 2012 on the principal amount. The matter is currently pending.

3. State of Haryana has filed a case against GPDPL before the District Collector Court, Gurgaon claiming stamp duty on the assignment agreement executed by GPL in favour of Godrej Premium Builders Private Limited (now merged with GPDPL). Godrej Premium Builders Private Limited had received a show cause notice from the stamp authority claiming stamp duty on the assignment agreement with respect to project ‘Godrej Summit’ at Sector 104, Gurgaon. The total amount involved in the matter is 3% -7% of the property value based on circle rate or 3% of ₹ 500 million, whichever is higher. The matter is currently pending.

4. Kirit G. Barchha has filed a class action suit against GPDPL before the National Consumer Disputes Redressal Commission in relation to the collective grievance of 200 flat buyers *inter alia* alleging delay in possession of apartments booked by them, imposition of arbitrary terms and conditions in the buyer's agreement, challenging parking charges in the project 'Godrej Summit'. The matter is currently pending.

5. Kumar Swa Sadan Cooperative Housing Society Limited and Ratnaraj Reality ("**Petitioners**") have filed two separate revision petitions against GPDPL and others before the Bombay High Court against the order of the City Civil Court rejecting their preliminary objection raised in a suit filed by A.D.Rajgor against Mukund Staff Cooperative Housing Society Limited, GCPL and others ("**Suit**") before the City Civil Court, Mumbai. Society's resolution for allotting the redevelopment work to GCPL was challenged in the Suit by A.D.Rajgor. The Petitioners had filed their objection in the Suit on the grounds of jurisdiction and limitation. GPDPL has given a no objection certificate in favour of the Petitioners for carrying out re-development through other developers. On the basis of its no objection certificate GPDPL has filed an application before the city civil court for deletion of its name from the Suit. The matters are currently pending.

6. Prabha Gurjar and others have filed a case against GPDPL before 3rd Assistant Sessions Judge, City Civil Court, Dindoshi in relation to an internal family dispute for right into the ownership of the suit flat. GPDPL is interested in getting vacant possession of the suit flat for its re-development activity. The matter is currently pending.

7. Vijay Kumar Sarvade and others have filed a case against GPDPL and others before the City Civil Court, Mumbai *inter alia* challenging the resolution passed by their society in appointing GPDPL as a developer. The matter is currently pending.

***(ii)* Litigation filed by GPDPL**

*Other matters involving an amount above ₹10 million*

1. GPDPL (the "**Petitioner**") has filed a writ petition against the Registrar of Assurances, Kolkata (the "**Respondent**") before the Calcutta High Court *inter alia* challenging the valuation of ₹ 486.72 million done by the Respondent on the development agreement with SIMOCO & Ocean Frieght as against the valuation mentioned in the development agreement of ₹77.39 million. The Petitioner has paid an additional stamp duty of ₹30.76 million under protest and is seeking a refund of excess stamp duty paid. The matter is currently pending.

2. GPDPL (the "**Petitioner**") has filed a petition against Somoco Telecommunications (South Asia) Ltd (the "**Respondent**") before the Calcutta High Court *inter alia* seeking interim relief against the unlawful revocation of power of attorney by the Respondent in relation to performing the acts related to development agreements .The total amount involved is ₹ 486.72 million**.** An appeal has been filed by the Respondent against the Petitioner before the Calcutta High Court challenging the order passed in the Section 9 petition. The matter is currently pending.

3. GPDPL has initiated an arbitration against Simoco Telecommunications (South Asia) Limited (the "**Defendant**") in relation to a statement of claim filed against the Defendant whereby specific performance, etc was sought. The total amount involved is ₹ 372.10 million. The matter is currently pending.

**8. Litigation involving Godrej Properties Limited ("GPL")**

***(i) Litigation filed against GPL***

*Criminal matters*

1. GPL and others (the "**Accused**") have filed a petition against Grentex Wools Private Limited (the "**Complainant**") before the Bombay High Court *inter alia* for quashing of order of issuance of summons and complaint and also challenging the order of dismissal of the Accused's revision petition. The complaint was filed by the Complainant against the Accused in the Court of Metropolitan Magistrate at Vikhroli *inter alia* alleging misappropriation of funds and falsification of accounts. The matter is currently pending.

2. Zinnia Co-operative Housing Society Limited has filed a complaint against GPL before the Magistrate Court, Kalyan alleging discontinuance of bus service and not providing them with the water distribution system and sewage disposal system. The matter is currently pending.

3. Chandrashekhar Shetty (for Federation of Edenwoods Co-operative Housing Society Limited) has filed a criminal complaint against GPL and others before 3rd Joint Civil Judge (Junior Division) cum J.M.F.C,

Thane for alleging breach of consent terms which were agreed upon between GPL and Federation of Edenwoods Co-operative Housing Society Limited. The matter is currently pending.

4. GPL (the "**Appellant**") has filed an appeal against Grentex Wools Private Limited and others (the "**Respondent**") before the Court of Principal Judge City Civil & Session Court, Mumbai (19th Court) against rejection of the Appellant's perjury application which was filed before the Metropolitan Magistrate Court at Vikhroli. The perjury application was filed by the Appellant in the criminal complaint filed by the Respondents against Appellant. The perjury application was filed for making false statement in the court. The matter is currently pending.

*Other matters involving an amount exceeding ₹10 million*

1. Inspector General of Registration and others have filed a writ petition against GPL in the Madras High Court *inter alia* seeking directions for quashing the incorrect entries in revenue records for the deficit stamp duty on various documents amounting to ₹ 457.38 million. The matter is currently pending.

2. Grentex Wools Private Limited (the "**Petitioner**") has filed a petition against GPL in the Bombay High Court *inter alia* challenging the award passed by an arbitrator whereby certain monetary claims of the Petitioner were rejected. The total amount involved is ₹ 288.2 million plus interest**.** The matter is currently pending.

3. Deore Avinash Vasantrao and Prerana Deore (the "**Plaintiffs**") have filed a consumer complaint against GPL and another (the "**Defendants**") before the Gujarat State Consumer Dispute Redressal Commission, Ahmedabad, seeking a refund of ₹ 7.39 million with interest @ 12% p.a. and additional compensation towards expenses borne by the Plaintiffs in view of delayed possession given by the Defendants. The matter is currently pending.

4. Col. Kulwant Singh and others ("**Complainants**") have filed a consumer complaint against GPL before the National Consumer Disputes Redressal Commission in relation to an alleged delay in possession given by GPL. The Complainants have demanded interest of 18% on ₹ 23.23 million from March 1, 2012 till the date of possession together with other compensation costs. The matter is currently pending.

5. Karan Gill and another ("**Complainants**") have filed a consumer complaint against GPL before the National Consumer Disputes Redressal Commission in relation to alleged delay in possession of a unit/office space in Godrej Eternia. The Complainants have demanded refund of ₹ 11.5 million together with interest of 18% and other compensation costs. The matter is currently pending.

6. Chief Controlling Revenue Authority, Maharashtra State, Pune had levied additional stamp duty with respect to the development agreement executed between Goldbricks Infrastructure Private Limited and GPL for developing a project named 'Godrej Anandam' at Nagpur. This order was challenged by GPL in a writ petition filed before the Bombay High Court (Nagpur Bench). The High Court has granted an interim stay order. The amount involved in the matter is ₹ 144.86 million. The matter is currently pending.

7. Ascent Construction & Others (the "**Appellant**") have filed a first appeal against GPL and others (the "**Respondents**") before the Bombay High Court under Section 96 of the CPC to quash and set aside the judgment passed by Civil Judge (Senior Division), Thane. The case was filed by the Appellant against the Respondents before the Civil Judge (Senior Division) claiming vacant and peaceful possession of certain land or in alternate ₹ 50 million with interest of 18% p.a. The matter is currently pending.

8. Brihanmumbai Mahanagarpalika & Others (the "**Petitioner**") has filed a case against Simplex Realty Limited (the "**Respondents**") before the Bombay High Court challenging the order passed by Small Cause Court granting refund of balance amount of property tax after restoring the rateable value to original rate of ₹ 2,239,610 net per annum. The Respondents and GPL have entered into a development agreement for developing the project 'Planet Godrej'. The matter is still pending.

9. GPL has filed an appeal against Sam Batliwala (the "**Complainant**") under the Consumer Protection Act in the National Consumers Disputes Redressal Commission challenging the order of the State Commission who had allowed an appeal filed by the Complainant. GPL was directed to deliver possession of the flat within 45 days of the order of the State Commission and pay a compensation of ₹150,000 and ₹ 25,000 as litigation cost. The Complainant had filed a complaint against GPL *inter alia* in relation to delay in possession and deficiency in services. The matter is currently pending.

10. Three notices have been received by GPL and its joint venture partner from the stamp office, Ahmedabad directing them to pay balance stamp duty and penalties aggregating to ₹ 55.29 million.

11. M. R. Raghuram has filed a suit against GPL and others (the "**Defendants**") before the Court of Principal Civil Judge, Devenahalli, *inter alia,* seeking injunction restraining the Defendants from interfering with the peaceful possession and enjoyment of the suit property. The matter is currently pending.

12. M. R. Raghuram has filed a suit against GPL and others before the Court of Senior Civil Judge, Devenahalli *inter alia* for partition and separate possession of 1/10$^{th}$ share of the suit property. The matter is currently pending.

13. Devaiah and others ("**Plaintiffs**") have filed a suit against GPL and others ("**Defendants**") before the City Civil Court, Bengaluru seeking permanent injunction to declare that Plaintiffs' have right of way over staircases, passage, lifts, common gate, road and entry to the project including the entry road for ingress and egress at all time. The matter is currently pending.

14. P.M. Devaiah and others have filed a miscellaneous petition against GPL and others ("**Defendants**") before the Additional City Civil & Sessions Court, Bengaluru ("**Court**") *inter alia* for seeking action against Defendants for alleged disregard, disobedience and contempt of order passed by the Court. The matter is currently pending.

15. Nanak Chand has filed a declaration suit before the 26, Civil Judge (Senior Division), Gurgaon for declaration of succession rights in the unit booked by late Govandi Devi in the property developed by GPL. The matter is currently pending.

16. Tarulataben Parmar and another have filed a suit against GPL before the Court of Principal Judge, Senior Division Ahmedabad inter *alia* for alleged cancellation of sale deed and seeking a specific performance of the Banakhat under Sections 10, 31 and 34 of Specific Relief Act, 1963. The matter is currently pending.

17. Tajalben Thakore and others have filed a suit against GPL before the Court of Principal Civil Judge, Ahmedabad *inter alia* for alleged cancellation of sale deed and for specific performance of the Banakhat under Section 10, 31 and 34 of Specific Relief Act, 1963. The matter is currently pending.

18. Dashrathji Thakore and others (the "**Plaintiffs**") have filed a suit against GPL before the Court of Additional Civil Judge (Senior Division), Ahmedabad seeking permanent injunction restraining GPL not to enter, interfere and carry on construction of Godrej Garden City and claiming 1/4$^{th}$ share in the ancestral land. The matter is currently pending.

19. Grentex Wools Private Limited (the "**Petitioner**") has filed a writ petition against GPL and others (the "**Respondents**") before the Bombay High Court *inter alia* against the registration of a society challenging the State Ministry's order upholding the registration of the Grenville Park Co-operative Housing Society Limited. The matter is currently pending.

20. Marigold Co-operative Housing Society Limited has filed a suit against GPL before the 5$^{th}$ Joint Civil Judge (Junior Division), Kalyan claiming conveyance of the land and seeking to set aside an agreement of car parking in favour of two flat owners. The matter is currently pending.

21. Kaustubh Gokhale has filed a public interest litigation against GPL before the Bombay High Court alleging illegal and unauthorized construction of Topaz building. The matter is currently pending.

22. Plaza Co-operative Housing Society Limited has filed a consumer complaint against GPL and others before the District Consumer Forum, Mumbai *inter alia* seeking conveyance of the property with sub-division of A wing with proper demarcation. The matter is currently pending.

23. Milestone Space has filed a declaration suit against GPL before the Civil Court (Senior Division), Kalyan for declaration of ownership and possession of the suit land. The matter is currently pending.

24. GPL and others have filed an execution proceedings against Federation of Edenwoods Co-operative Housing Society Limited ("**Defendant**") before the 6-Joint Civil Judge (Junior Division) J.M.F.C. Thane *inter alia* seeking attachment of Defendant's property on the grounds of breach of consent terms *inter alia* as regards non admittance of Pine society as its members, not allowing them usage of common amenities and not accepting the conveyance of the entire project. Defendant has also filed an execution proceedings against GPL and others before the 6-Joint Civil Judge (Junior Division) cum J.M.F.C. Thane, *inter alia* seeking attachment of property of GPL being in breach of the consent terms. The matters are currently pending.

25. Chandrakant Shah has filed an application against GPL before the Small Causes Court, Mumbai *inter alia* praying that GPL be directed to comply with the consent decree wherein it was agreed upon that GPL

would develop the suit property and Chandrakant Shah would be given a monthly compensation for temporary accommodation. The matter is currently pending.

26. Shashi Bhartia and others have filed a miscellaneous application against GPL and others before Additional City Civil and Sessions Court, Banglore in the matter of a contempt petition filed by Devaiaih. GPL is yet to receive summons in the matter.

27. Shashi Bhartia and others have filed a miscellaneous application against GPL and others before Additional City Civil and Sessions Court, Banglore in the matter of a contempt petition filed by Pradeep Kilaru. GPL is yet to receive summons in the matter.

**(ii) *Litigation filed by GPL***

*Criminal matters*

1. GPL has filed a criminal complaint against Prabhu Yalagi before the XIV ACMM, Mayo Hall Bangalore in relation to dishonour of cheque under Section 138 of the Negotiable Instruments Act for an amount of ₹ 500,000. The matter is currently pending.

*Other matters involving amount exceeding ₹10 million*

1. GPL (the "**Petitioner**") has filed a petition against Grentex Wools Private Limited (the "**Respondent**") in the Bombay High Court *inter alia* challenging the final award in part (granting of counter claim of the Respondent for an amount of ₹ 7.822 million) and additional award (awarding of six flats to be handed over to the Respondent) in relation to arbitration invoked by the Petitioner against the Respondent. The said arbitration was in relation to certain disputes in connection with the terms of the development agreement. The matter is currently pending.

2. Simplex Realty Limited and GPL have filed a writ petition against the State of Maharashtra before the Bombay High Court challenging the demand for payment of premium and challenging the validity of certain government resolution/circulars as unconstitutional, ultra vires to the extent applicable to leasehold land. The total amount involved is ₹ 171.56 million. The matter is currently pending.

3. GPL and Maharashtra State Electricity Distribution Company ("**MSEDCL**") had filed two separate writ petitions challenging the orders passed by the Ombudsman with respect to payment of two supplementary bills raised by MSEDCL on the basis of commercial usage of electricity at Godrej Castlemaine at Pune. GPL had conveyed the land and the building to the society. However the electricity meter continued to stand in the name of GPL and electricity usage was considered as commercial and not for IT use. The total amount involved in the matter is ₹ 28.47 million. The matter is currently pending.

**9. Litigation involving Godrej Redevelopers (Mumbai) Private Limited ("GRPL")**

**Litigation filed by GRPL**

*Other matters involving an amount above ₹10 million*

GRPL has filed a writ petition against the State of Maharashtra and others (the "**Respondents**") before the Bombay High Court *inter alia* for seeking refund of the offsite infrastructure charges levied under the Development Control Regulations for Greater Bombay, 1991 and refund of development charges since the same falls under the exemption provided under Section 124F of the Maharashtra Regional Town Planning Act, 1966. GRPL has sought refund of the development charges and offsite charges being ₹ 56.47 million and ₹ 95.35 million respectively. The aggregate amount involved in the matter is ₹ 151.82 million. The matter is currently pending.

**10. Litigation involving Godrej Vikhroli Properties India Limited ("GVPIL")**

**Litigation filed against GVPIL**

*Matters involving an amount above ₹10 million*

1. Shramik Uttkarsh Kamgar Sabha ("**Petitioners**") has filed a winding up petition against Godrej Vikhroli Properties LLP (now changed to GVPIL) before the Bombay High Court (which has now been transferred to NCLT, Mumbai) in relation to unpaid labour dues of the Petitioners amounting to ₹ 58.86 million. The matter is currently pending.

2. Aluplex India Private Limited has initiated an arbitration against GVPIL for recovery of the alleged dues of ₹ 96.36 million under the contract. GVPIL has filed a counter claim under various heads for an amount of ₹ 694.33 million. The matter is currently pending.

3. Vishal Earthmovers India Private Limited has filed a case against GVPIL before the Bombay High Court for which the summons are yet to be received by GVPIL.

**Litigation filed by GVPIL**

*Matters involving an amount above ₹10 million*

1. GVPIL has filed a civil defamation suit against Sharmik Uttkarsh Kamgar Sabha before the Bombay High Court against the defamatory act of Sharmik Uttkarsh Kamgar Sabha and has claimed an amount of ₹ 5,000 million. The matter is currently pending.

2. GVPIL has filed a suit against Vishal Earthmovers India Private Limited (the "**Contractor**") before the Bombay High Court for recovery of amounts on account of breach by the Contractor. GVPIL has claimed an amount of ₹ 2,010 million. The matter is currently pending.

**11. Litigation involving Natures Basket Limited ("Natures Basket")**

***Litigation filed against Natures Basket***

*Actions by regulatory / statutory authorities*

The Food Safety Officer has filed a case against Natures Basket and others under the provisions of the Food Safety and Standards Act, 2006 ("**FSSAI**") with the Adjudicating officer, FSSAI Bandra allegedly in relation to the samples of 'Organic Aamla Sharbat' collected by the Food Safety Officer. The matter is currently pending.

**12. Litigation involving Laboratoria Cuenca S.A.**

*(i)* ***Litigation filed against Laboratoria Cuenca S.A.***

*Action by Regulatory / Statutory Authority*

1. The RENPRE ("Secretariat of Programming for the Prevention of Drug Addiction and the Fight against Drug Trafficking", namely "*Secretaría de Programación para la Prevención de la Drogadicción y la Lucha contra el Narcotráfico*") has initiated an inspection on Laboratoria Cuenca on July, 23 2013 regarding quarterly files of Laboratoria Cuenca and have directed Laboratoria Cuenca to rectify all information filed regarding 2012 third quarter. The matter is currently pending.

*Matters involving an amount above ₹10 million*

Eleven cases have been filed by employees of Laboratoria Cuenca S.A. against Laboratoria Cuenca S.A. before Argentine labour courts under Law No. 20,744 in relation to their dismissal for which compensation has been claimed. The aggregate amount involved is ARG 4,489,563**.** The matters are currently pending.

**13. Litigation involving Lorna Nigeria Limited ("LNL")**

***Litigation filed by LNL***

*Criminal matters*

Two cases have been filed by LNL against their ex-employee before the Magistrate Court, Lagos on the grounds of conspiracy and stealing of raw materials worth NGN 50 million in aggregate. The matters are currently pending.

**14. Litigation involving Style Industries Limited ("SIL")**

***(i) Litigation filed against SIL***

*Criminal matters*

1. William Okumu has filed a complaint against SIL in Milimani Magistrate Court in relation to a physical assault of employee. The matter is currently pending.

*Other matters*

1. Three civil suits have been filed against SIL in relation to infrignment of intellectual property rights before various courts. The matters are currently pending.

2. Mary Karuga has filed a civil suit against SIL in Nakuru Magistrate's Court in relation to an injury suffered at work seeking compensation for loss of amenities, damages for lost and diminished earning capacity.The matter is currently pending.

3. Competition Authority of Kenya has filed a case against SIL in in relation to abuse of dominant position and restrictive trade practices.The matter is currently pending.

***(ii) Litigation filed by SIL***

*Criminal matters involving an amount execeeding 10 million*

1. SIL has filed a complaint against Anthony Thuo Macharia in Nakhuru Court in relation to obtaining goods by false pretence by faking a bank deposit slip. The matter is currently pending.

2. SIL has filed a complaint against Lawrence Katana in Mombasa Magistrate's Court in relation to obtaining goods by false pretence. The matter is currently pending.

*Other matters involving an amount execeeding 10 million*

1. 14 civil suits have been filed by SIL in relation to **i**nfringement of trademarks and other intellectual property rights before various courts. The matters are currently pending.

2. Two civil suits have been filed by SIL against Best Beauty Cosmetics for debt recovery before certain courts. The matters are currently pending.

**15. Litigation involving Vora Soaps Limited** ("**Vora Soaps**")

***Litigation filed against Vora Soaps***

*Matters involving an amount exceeding ₹10 million*

The Registrar, High Court of Karnataka issued a notice under Section 531A of the Companies Act, 1956 directing Vora Soaps to show cause as to why Vora Soaps should not be restrained from alienating or dealing with the property registered in the name of Vora Soaps which was acquired from Avasthagen Limited ("**Avasthagen**"). In the winding up proceedings against Avasthagen, the ex-employees of Avasthagen disputed the title of two properties acquired by Vora Soaps. The provisional liquidator had taken possession of one of the immovable properties, against which Vora Soaps is currently contesting this action of the provisional liquidator. The matter is currently pending.

**II. Litigation involving our Directors** *All outstanding legal proceedings involving Directors shall be considered material for the purposes in this section.*

**Litigation filed against our Directors**

**A. Litigation involving Nadir Godrej in his capacity as director on the board of GCPL, GIL and Natures' Basket**

**Litigation filed against Nadir Godrej**

*Criminal Matters*

1. GCPL, Nadir Godrej and others have filed an application against the State of Kerala before the High Court of Kerala and have obtained a stay in relation to the proceedings against GCPL, Nadir Godrej and others before the trial court. State of Kerala through Legal Metrology Inspector has filed a case against GCPL, Nadir Godrej and others before the First Class Magistrate, Trivendrum, Kerala for alleged mis-branding and non-mentioning of the weight and dimensions on the package of the mosquito coils. The matter is currently pending.

2. Kamgar Suraksha Sangh has filed a complaint against GCPL, Nadir Godrej and others before the Industrial Court, Maharashtra alleging contempt of an award passed against GIL's soap factory. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Group Companies - Litigation filed against GCPL– Other matters involving an amount exceeding* **₹** *10 million at Sr. No. 2*" on page 481.

3. Nadir Godrej, GIL and its directors have filed an appeal against the Union of India before the special director (Appeals) against the order passed by the Deputy Director, Directorate of Enforcement imposing penalty of ₹1.55 Million on GIL and ₹0.15 Million on Nadir Godrej and other directors of GIL for alleged contravention of certain provisions of erstwhile Foreign Exchange Regulation Act, 1973. The matter is currently pending.

*Other matters*

1. ISS Facilities Limited (ISS) has initiated an arbitration against Nadir Godrej, GIL and its directors *inter alia* seeking indemnity claims against Nadir Godrej, GIL and its directors ("**Sellers**") in relation to recovery of taxes levied by the statutory bodies. The Sellers had given an indemnity to ISS while selling their stake in Godrej Hi- care business to ISS. ISS has alleged that assessments were pending and there was a demand for C and F forms along with other required documents which ISS could not submit as those were not handed over by GIL when the Godrej HI-care business was transferred to ISS. The amount involved in the matter is ₹21.06 million. The matter is currently pending.

**B. Litigation involving Adi Godrej in his capacity as director on the board of GCPL, GIL and Natures' Basket**

**Litigation filed against Adi Godrej**

*Criminal Matters*

1. Adi Godrej has filed a revision application before the Sessions Court, Kota in relation to a magistrate order refusing to consider discharge application of Adi Godrej. State of Rajasthan through Drug Inspector, Kota has filed a complaint against Adi Godrej before the Chief Judicial Magistrate, Kota, allegedly on the ground of selling mis-branded cosmetics in violation of the Drugs and Cosmetics Act, 1940. The matter is currently pending.

2. Adi Godrej has filed an appeal against State of Rajasthan before the appellate court in relation to a magistrate order refusing to consider discharge application of Adi Godrej. State of Rajasthan through Drug Inspector, Kota has filed a complaint against Adi Godrej before the Chief Judicial Magistrate, Kota, allegedly on the ground of selling mis-branded cosmetics in violation of Drugs and Cosmetics Act, 1940. The matter is currently pending.

3. Adi Godrej has filed an application against the State of U.P. before the Allahabad High Court and have obtained a stay order in relation to the proceedings before the Magistrate Court. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Group Companies s-Litigation filed against GCPL– criminal matters*" on page 480.

4. G. D. Gupta has filed a case against Adi Godrej, GIL and its directors before the First Class Magistrate, Borivali alleging dishonor of cheque. Adi Godrej and GIL's directors have obtained a stay of criminal proceedings against themselves from the Bombay High Court. The amount involved in the matter is ₹ 0.35 million. The matter is currently pending.

5. Adi Godrej, GIL and its directors filed an appeal against the Union of India before the special director (Appeals) against the order passed by the Deputy Director, Directorate of Enforcement. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – criminal matters - Serial No. 3*" on page 488.

6. Harilal Jalan has filed a suit against GCPL and Adi Godrej before the Bombay High Court for recovery of ₹ 24.6 million in relation to an alleged supply of gold coins purportedly ordered by GCPL. The matter is currently pending.

7. GCPL, Adi Godrej and others has filed an application against the State of Kerala before the High Court of Kerala and have obtained a stay in relation to the proceedings against GCPL, Adi Godrej and others before the trial court. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – criminal matters - Serial No. 1*" on page 488.

*Other matters*

1. ISS Facilities Limited (ISS) has initiated an arbitration against Adi Godrej, GIL and its directors *inter alia* seeking indemnity claims against Adi Godrej, GIL and its directors. For details, see – "*Outstanding*

*Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – Other matters - Serial No. 1*" on page 488.

**C. Litigation involving Tanya Dubash in her capacity as director on the board of GCPL, GIL and Natures' Basket**

**Litigation filed against Tanya Dubash**

*Criminal Matters*

1. GCPL, Tanya Dubash and others have filed an application against the State of Kerala before the High Court of Kerala and have obtained a stay in relation to the proceedings against GCPL, Tanya Dubash and others before the trial court. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – criminal matters - Serial No. 1*" on page 488.

2. Kamgar Suraksha Sangh has filed a complaint against GCPL and Tanya Dubash before the Industrial Court, Maharashtra alleging contempt of an award passed against GIL Soap factory. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Group Companies - Litigation filed against GCPL– Other matters involving an amount exceeding ₹ 10 million at Sr. No. 2*" on page 481.

*Other matters*

1. ISS Facilities Limited (ISS) has initiated an arbitration against Tanya Dubash, GIL and its directors *inter alia* seeking indemnity claims against Tanya Dubash, GIL and its directors. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – Other matters - Serial No. 1*" on page 489.

**D. Nisaba Godrej in her capacity as director on the board of GCPL, GIL and Natures' Basket**

**Litigation filed against Nisaba Godrej**

*Criminal Matters*

1. GCPL, Nisaba Godrej and others have filed an application against the State of Kerala before the High Court of Kerala and have obtained a stay in relation to the proceedings against GCPL, Nisaba Godrej and others before the trial court. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – criminal matters - Serial No. 1*" on page 488.

2. Kamgar Suraksha Sangh has filed a complaint against GCPL, Nisaba Godrej before the Industrial Court, Maharashtra alleging contempt of an award passed against GIL Soap factory. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Group Companies - Litigation filed against GCPL– Other matters involving an amount exceeding ₹ 10 million at Sr. No. 2*" on page 481.

*Other matters*

1. ISS Facilities Limited (ISS) has initiated arbitration proceeding against Nisaba Godrej, GIL and its directors *inter alia* seeking indemnity claims against Nisaba Godrej, GIL and its directors. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – Other matters - Serial No. 1*" on page 489.

**E. Balram Yadav**

***Litigation filed against Balram Yadav***

***Criminal matters***

1. A. Mahender Reddy, agriculturist and president of Annapura Max Group (the **"Complainant"**) has filed a complaint dated August 12, 2016 before the JMFC, Bhainsa against *inter alia* our Company and our Managing Director, Balram Yadav (collectively, the "**Accused**") under Section 420 of the IPC for the loss suffered by the Complainant due to supply of alleged low quality pesticide hit weed for eradication of grass. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Company -*

*Litigation filed against our Company – Criminal matters – Criminal matters against our Company*" on page 467.

2. Our Company and our Managing Director, Balram Yadav (collectively, the "**Accused**") have filed a criminal revision application (the "**Revision Application**") before the District and Sessions Judge, Sangli against the order of issue of process (the "**Process Order**") by the Chief Judicial Magistrate, Sangli (the "**Magistrate**"). For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed against our Company – Criminal matters – Criminal matters against our Company*" on page 467.

3. Two complaints have been filed against Balram Yadav as a managing director and an occupier of Godrej Tyson and another against which Balram Yadav has filed quashing petitions under Section 482 of the Criminal Procedure Code, 1972 before the High Court of Karnataka. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Subsidiary – Litigation involving Godrej Tyson - Litigation filed against Godrej Tyson – Criminal matters* on page 474.

## III. Litigation involving our Promoters

For details of litigation involving Nadir B. Godrej and Adi B. Godrej, see "*Outstanding Litigation and Material Developments - Litigation involving our Directors*" on page 488.

***Disclosure of litigation involving GIL:*** *The board of directors of GIL has approved that the outstanding litigation involving GIL which exceed an amount being lesser of 1% of the total net profit after tax or 1% of the net worth of GIL, as per the audited financial statements of GIL (as at and for the Financial Year 2017), on a consolidated basis would be considered material for GIL. The profit after tax and net worth of GIL as per the audited financial statements, on a consolidated basis, as of and for Financial Year 2017, was ₹ 4,588.20 million and ₹ 46,702.10 million, respectively. Accordingly, we have disclosed all material outstanding litigation involving GIL where (i) the aggregate amount involved exceeds ₹ 10 million (being an amount which is less than the lesser of 1% of the total net profit after tax and 1% of the net worth of GIL as per the audited financial statements of GIL (as of and for the Financial Year 2017) individually, (ii) the decision in one case is likely to affect the decision in similar cases, even though the amount involved in that individual litigation may not exceed ₹ 10 million; and (iii) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (i) or (ii) above, but where an adverse outcome would materially and adversely affect the business, operations or financial position or reputation of our Company.*

*On basis of the above, the following litigation involving GIL have been disclosed: (i) outstanding litigation above the materiality threshold or any other outstanding litigation involving GIL whose outcome could have a material and adverse effect on our Company's consolidated results of operations or financial position; (ii) outstanding criminal proceeding; and (iii) outstanding actions taken by statutory or regulatory authorities.*

### Litigation involving Godrej Industries Limited ("GIL")

***Litigation filed against GIL***

***Criminal matters***

1. Six criminal complaints have been filed by the Food Safety Inspector, State of Andhra Pradesh and Maharashtra against GIL before the Magistrate First Class in Andhra Pradesh and with adjudicating officer, Thane for alleged violation of Prevention of Food Adulteration Act on the ground of failed sample test. The matters are currently pending.

2. Factory Inspector, State of Gujarat has filed a complaint against the Nitin Nabar (executive director and occupier of GIL) before the Magistrate Court at Valia, Bharuch District in relation to an industrial accident that took place in Valia factory. The matter is currently pending.

3. Ghanshyamdas Gupta has filed a case against GIL under Section 138 of the Negotiable Instruments Act in relation to dishonor of cheque amounting to ₹ 352,000. The matter is currently pending.

***Other matters involving an amount exceeding ₹ 10 million***

1. ISS Facilities Limited (ISS) has initiated arbitration proceeding against GIL and its directors *inter alia* seeking indemnity claims against GIL and its directors. For details, see – "*Outstanding Litigation and Material Developments - Litigation involving our Directors- Litigation filed against our Directors - Litigation filed against Nadir Godrej – Other matters - Serial No. 1*" on page 489.

2. GIL has filed an appeal before the Division Bench of the Bombay High Court against Prakash Kadam & Ors. ("**Plaintiff**") against the order of the Single Judge of the Bombay High Court. The Plaintiff (working as a watchmen at Juhu guest house) had filed a case against GIL before the industrial court claiming parity of wages with the watchmen working at factory premises. The matter is currently pending.

***Litigation filed by GIL***

***Criminal matters***

1. GIL has filed a criminal complaint against an employee Pinaki Chowdhury (the "**Accused**") before the Court of ACJM, Bidhannagar, in relation to, *inter alia*, fraud, falsification of accounts by clerk, and criminal breach of trust under Sections 420, 408 and 477A of the IPC. The matter is currently pending.

2. GIL has filed a criminal complaint against ex-employee Vipin Dwiwedi under Sections 384, 403 and 418 of the IPC, in relation to, *inter alia,* extortion, dishonest misappropriation of property, and cheating. The matter is currently pending.

3. GIL has filed ten criminal complaints under section 138 of the Negotiable Instruments Act in relation to dishonor of cheques against Tricom Limited which are currently pending before the First Class Magistrate at Vikhroli, Mumbai, aggregating approximately to ₹ 96 million.

***Other matters involving an amount exceeding ₹ 10 million***

1. Our Company and GIL, our Promoter (collectively, the "**Claimants**") have initiated arbitration proceedings before the arbitral tribunal against Suzlon Energy Limited and Suzlon Infrastructure Services Limited (collectively, "**Suzlon**") in relation to the disputes arising out of contract entered into between Suzlon and the Claimants. For details, see "*Outstanding Litigation and Material Developments - Litigation involving our Company - Litigation filed by our Company – Other matters involving an amount exceeding ₹ 10 million*" on page 473.

2. GIL has filed a suit before the Bombay High Court against Tricom India Limited and others ("**Defendants**") for recovering an amount of ₹ 50 million towards the unrealised portion of the decree passed in favour of GIL in a summary suit against the Defendants. The matter is currently pending.

3. GIL has initiated arbitration proceedings against Colin Rebello, Jer Rutton Kavasmaneck and others ("**Defendants**") for recovering amounts advanced by GIL to the Defendants. The amount involved in the matter is ₹ 10.34 million. The matter is currently pending.

**Tax Proceedings:**

We have disclosed claims relating to direct and indirect taxes involving our Company, Subsidiaries, Promoters, Group Companies and Directors, in a consolidated manner giving details of the number of cases and total amount involved in such claims:

| Nature of case | Number of cases | Amounts involved (in ₹ million) |
|---|---|---|
| ***Company*** | | |
| Direct tax | 2 | 27.55 |
| Indirect tax | 80 | 1,196.47 |
| ***Subsidiaries & Joint Ventures*** | | |
| Direct tax | 7 | 43.79 |
| Indirect tax | 9 | 789.19 |
| ***Promoters*** | | |
| Direct tax | 23 | 454.28 |
| Indirect tax | 31 | 354.06 |
| ***Group Companies*** | | |
| Direct tax | 42 | 4,767.81 |
| Indirect tax | 351 | 87,165.12 |
| ***Directors*** | | |
| Direct tax | - | - |
| Indirect tax | 1 | 5 |

**Small scale undertakings or any other creditors**

Company, in its ordinary course of business, has outstanding dues aggregating to ₹ 2,181.84 million as of March 31, 2017. Company owes the following amounts, whereby material dues to creditors are identified as each creditor exceeding ₹ 20 million *(being less than 1% of total dues owed by our Company to the small scale undertakings and creditors as of March 31, 2017).*

| Particulars | Number of Cases | (₹ in million) |
|---|---|---|
| Dues to small scale undertakings | - | - |
| Material dues to creditors | 13 | 457.67 |
| Other dues to creditors | 5,479 | 1,724.17 |
| **Total** | **5,492** | **2,181.84** |

The details pertaining to material dues to creditors are available on the website of our Company at http://www.godrejagrovet.com/creditors-listing.aspx. It is clarified that such details available on our website do not form a part of this Draft Red Herring Prospectus. Anyone placing reliance on any other source of information, including our Company's website, would be doing so at their own risk.

**Material Developments**

For details of material developments since last balance sheet date, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" beginning on page 443.

## GOVERNMENT AND OTHER APPROVALS

*Our business requires various approvals, licenses, registrations and permits issued by relevant Central and State regulatory authorities under various rules and regulations. We have set out below an indicative list of material approvals obtained by our Company, our Subsidiaries and our Joint Ventures, as applicable, for the purposes of undertaking their respective business. In view of this, our Company can undertake the Issue and its current business activities. Additionally, unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus. Some of the approvals may expire periodically in the ordinary course and applications for renewal of such expired approvals are submitted in accordance with applicable requirements and procedures.*

*We have also disclosed below (i) approvals applied for but not received; (ii) approvals expired and renewal to be applied for; and (iii) approvals which are required but not obtained or applied for. For further details in connection with the applicable regulatory and legal framework, see "Regulations and Policies" on page 140.*

### I. Approvals in relation to the Issue

For the approvals and authorisations obtained by our Company in relation to the Issue, see "*Other Regulatory and Statutory Disclosures – Authority for the Issue*" on page 498.

### II. Incorporation details of our Company

1. Certificate of incorporation dated November 25, 1991 issued by the Registrar of Companies, Gujarat to our Company.

2. Fresh certificate of incorporation dated February 19, 2002 issued by Registrar of Companies, Gujarat upon conversion of our Company.

### III. Approvals in relation to the establishments and business operations of our Company, Subsidiaries and Godrej Tyson, as applicable, issued by authorities of the respective jurisdictions in which our factories are located

1. License issued by the designated authorities under the Factories Act to enable certain premises of our Company, Subsidiaries and Joint Ventures to be used as a factory.

2. Certificates issued by various pollution control boards under the Water Act, Air Act and Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 framed under the Environment Protection Act, 1986 granting consent to discharge effluents and hazardous wastes and emissions in the atmosphere.

3. Certificates issued by the Director of Boilers under the Indian Boilers Act for use of boiler and certificate of competency issued by designated authorities under the Boiler Attendants' Rule, 2011 to operate the boilers.

4. License issued by the Agricultural Marketing Committee, Gannavaram under the Andhra Pradesh (Agricultural Produce & Live Stock) Markets Act, 1966 for operating as a trader for purchase or sale of notified agricultural produce, live stock and products of live stock in the state of Andhra Pradesh for our Company.

5. License to trade issued by the gram panchayat for carrying on businesses including animal feed and agricultural inputs.

6. Certificate of registration issued by the electrical inspectors under the Indian Electricity Manual, 1956 for installation of generators.

7. Licenses issued by the Legal Metrology Departments under the Legal Metrology Act for storage tanks and weighing scale equipments.

8. No objection certificate issued by the Directorate of Fire and Emergency Services granting its no objection in occupancy of premises.

9. Licenses issued by the Commissioner of Prohibition and Excise under the Bombay Prohibition Act, 1949 for possession and use of molasses.

10. Certificates of registration issued by the Registering Officer and the labour commissioners under the Contract Labour (Regulation and Abolition) Act, 1970 for engaging labourers in various businesses and activities, including animal feed, loading, unloading, shifting, stacking, sweeping, and security.

11. Certificates of registration of establishment issued by Employees' State Insurance Corporation, 1948 under the Employee's State Insurance Act, 1948.

12. Certificates of acknowledgment of industrial entreprenuer memorandum and District Industries Centre issued by the Ministry of Commerce and Industry for manufacture of *inter alia* animal feed, agri input, oil palm and dairy products.

13. Report of examination issued by the competent person under the Factories Act certifying the pressure vessel or plant.

14. Certificate of stability issued by competent person under the Factories Act certifying the structural stability of the building, plant and machinery.

15. Various tax related approvals including permanent account number, registration under state legislations for tax on professions, trades and callings and employment, provident fund and registrations under the Shops and Establishment Acts in the states where we operate.

16. Provisional certificate issued by the Central Government for enrolment as existing tax payer for GST.

17. Certificate issued by the Ministry of Commerce and Industry for allotment of importer-exporter code number.

***Approvals applicable at the product level of our Company, Subsidiaries and Joint Ventures***

1. Certificates of registration issued by the Central Insecticides Board and Registration Committee under the Insecticides Act, 1968 for manufacture of various insecticides;

2. Licenses to sell, stock or exhibit for sale or distribution of insecticides issued by the Agriculture Officer under the Insecticides Act, 1968; and

3. Licenses to carry on the business of a dealer in seeds issued by the Director of Agriculture under the Seeds (Control) Order, 1983.

**Approvals in relation to our Subsidiaries and Joint Ventures**

Approvals in addition to those listed above, specific to each of our Subsidiaries and Joint Ventures are set out below:

***Approvals obtained by Astec LifeSciences***

1. Certificate of incorporation dated January 25, 1994 issued by the RoC to "Urshila Traders Private Limited". Subsequently, the fresh certificate of incorporation dated August 19, 1994 and March 3, 2006 were issued by RoC pursuant to change of name to "Astec Chemicals Private Limited" and "Astec LifeSciences Private Limited", respectively. Furthermore, a fresh certificate of incorporation dated April 27, 2006 was issued by the RoC upon conversion to a public company.

2. License issued by the Petroleum and Explosives Safety Organisation under the Gas Cylinder Rules, 2004 for storage of butylene, methyl chloride, butadiene and chlorine in cylinders.

3. Licence issued by the Petroleum and Explosives Safety Organisation under the Petroleum Act, 1934 for importation and storage of petroleum in an installation.

4. Certificate issued by the Petroleum and Explosives Safety Organisation under Indian Explosives Act, 1884 for storage of compressed gas including dimethyl amine, gas in pressure vessels.

5. Licence issued by the District Collector of Raigad, Maharashtra under the Maharashtra Solvent, Raffinate and Slop (Licensing) Order, 2007 and Maharashtra Solvent, Raffinate and Slop ( Acquisition, Sale, Storage and prevention of use in Automobiles) Order, 2007 to aquire, store and consume solvent, raffinate and slop used *inter alia* for formulating pesticides and purification of products.

6. Certificate issued by the Ministry of Science and Technology for recognition of in-house research and development.

7. Certificate of registration issued by the International Standards Certifications certifying compliance to develop, manufacture and supply organic chemicals and intermediates for pharmaceuticals and agro chemicals industries.

*Approvals obtained by Creamline Dairy*

1. Certificate of incorporation dated October 31, 1986 issued by the Registrar of Companies, Hyderabad. Fresh certificate of incorporation dated August 11, 1994 issued by the Registrar of Companies, Hyderabad upon conversion to a public limited company.

2. Certificate issued by the Bureau of Indian Standards for specification of skimmed milk powder.

3. Registration of licence issued by Food Safety & Standards Authority of India under the Food Safety and Standard Act, 2006 for factories, milk chilling centres and bulk milk cooling centres.

4. Certificate issued by the Ministry of Commerce and Industry for processing of butter and skimmed milk powder for non European Union countries for the purposes of export.

5. Certificate of authorisation issued by the Directorate of Marketing and Inspection under General Grading and Marketing Rules, 1988 for use of grade designation marks on ghee.

6. Certificate of registration issued by the Legal Metrology Departments under the Legal Metrology Act, 2009 for manufacturing and packing of certain dairy products.

In addition, Creamline Dairy has recently acquired a new factory from 'RBS Dairy', and all the licenses in this relation are in the name of 'RBS Dairy'.

*Approvals obtained by Behram Chemicals*

1. Certificate of incorporation dated April 6, 1993 issued by the RoC.

*Approvals obtained by Nagavalli Milkline*

1. Certificate of incorporation dated May 4, 1999 issued by the Registrar of Companies, Hyderabad.

*Approvals obtained by Comercializadora Agricola*

1. Certificate of incorporation dated March 19, 2013 at Bogota, Columbia.

2. Certificate of registration as importer and distributor of agrochemicals.

*Approvals obtained by Astec Europe*

1. Certificate of incorporation dated December 21, 2006 at Belgium.

*Approvals obtained by Godvet Agrochem*

1. Certificate of incorporation dated January 22, 2014 issued by the RoC.

*Approvals obtained by Godrej Tyson*

1. Certificate of incorporation dated January 11, 2008 issued by the RoC to "Godrej Foods Limited". Fresh certificate of incorporation dated October 14, 2008 issued by the RoC pursuant to change of name to "Godrej Tyson Foods Limited".

2. Registration of licence issued by Food Safety & Standards Authority of India under the Food Safety and Standard Act, 2006 as a manufacturer of various chicken food products.

3. Certificate of registration issued by Jamiat Ulama Halal Foundation for chicken products.

*Approvals obtained by ACI Godrej*

1. Certificate of incorporation dated October 10, 2004 at Bangladesh.

*Approvals applied for but not received by our Company, Subsidiaries and Joint Ventures*

1. Application for renewal of certificate Consolidated Consent Authorization (Air, Water and Hazardous) pending before the pollution control boards under the Air (Prevention and Control of Pollution Act), 1981 granting consent to discharge emissions in the atmosphere for one factory.

2. Applications for renewal of license pending before the Agriculture Officer under the Insecticides Act, 1968 to sell, stock or exhibit for sale or distribution of insecticides for two godowns.

3. Application for renewal of registration pending before the Electrical Inspectors under the Indian Electricity Manual, 1956 for installation of generators for one factory.

4. Applications for renewal of no objection certificates pending before the Directorate of Fire and Emergency Services for grant of no objection in occupancy of premises for four factories.

5. Applications for renewal of licenses pending before the Legal Metrology Departments under Legal Metrology Act for oil storage tanks for one factory.

6. Applications for renewal of certificate pending before the Director of Boiler under the Indian Boilers Act for use of boiler for two factories.

7. Application for renewal of licence pending before the District Collector of Raigad, Maharashtra under the Maharashtra Solvent, Raffinate and Slop (Licensing) Order, 2007 and Maharashtra Solvent, Raffinate and Slop (Acquisition, Sale, Storage and prevention of use in Automobiles) Order, 2007 to aquire, store and consume solvent, raffinate and slop for one factory.

8. Applications submitted for registration before the various pollution control boards under Plastic Waste Management Rules, 2016 for 19 factories.

***Approvals expired but not applied for by our Company, Subsidiaries and Joint Ventures***

1. Certificates issued by the Director of Boilers under the Indian Boilers Act for use of boiler for two factories.

2. No objection certificate issued by the Directorate of Fire and Emergency Services granting its no objection in occupancy of premises for two factories.

3. Licenses issued by the Legal Metrology Departments under the Legal Metrology Act for oil storage tanks for one factory.

4. Certificate of stability issued by competent person under the Factories Act certifying the structural stability of the building, plant and machinery one factory.

***Approvals required but not obtained or applied for by our Company, Subsidiaries and Joint Ventures***

1. No objection certificate issued by the Directorate of Fire and Emergency Services granting its no objection in occupancy of premises for 13 factories.

2. Certificate of registration issued by the Registering Officer and the Labour Commissioners under the Contract Labour (Regulation and Abolition) Act, 1970 for two factories.

3. Licenses issued by the Legal Metrology Departments under the Legal Metrology Act for oil storage tanks for one factory.

4. Certificate of acknowledgment of industrial entreprenuer memorandum and District Industries Centre issued by the Ministry of Commerce and Industry for manufacture of *inter alia* animal feed, agri input and oil palm for one factory.

5. Certificate of registration issued by the electrical inspectors under the Indian Electricity Manual, 1956 for installation of generators for two factories.

6. Certificate of registration of establishment issued by Employees' State Insurance Corporation, 1948 under the Employee's State Insurance Act, 1948 for one factory.

7. Registration under state legislations for tax on professions, trades and callings and employment for one factory.

8. Certificate of registration issued by the Legal Metrology Departments under the Legal Metrology Actfor manufacturing and packing of certain dairy products for three factories.

## OTHER REGULATORY AND STATUTORY DISCLOSURES

**Authority for the Issue**

The Issue has been authorised by a resolution of the Board passed at their meeting held on May 12, 2017 and the Shareholders have approved the Issue pursuant to a special resolution passed at the EGM of our Company held on May 12, 2017. Further, the Board, through its resolution dated July 18, 2017 has approved the quantum of Fresh Issue comprising Equity Shares aggregating up to ₹3,000 million.

Our Company may, in consultation with the BRLMs, consider a Pre-IPO Placement of up to 560,000 Equity Shares for cash consideration aggregating up to ₹ 252 million, at its discretion, prior to filing of the Red Herring Prospectus with the RoC. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post-Issue paid-up Equity Share capital of our Company being offered to the public.

The Offer for Sale has been authorised as follows:

| Sr.No. | Selling Shareholder | Offer for Sale | Date of consent/authorisation |
|---|---|---|---|
| 1. | Godrej Industries Limited | Up to [●] Equity Shares aggregating up to ₹3,000 million | June 28, 2017 and July 12, 2017 |
| 2. | V-Sciences Investments Pte Ltd | Up to 12,300,000 Equity Shares aggregating up to ₹[•] million | July 18, 2017 |
| | **Total** | [●] | |

The Promoter Selling Shareholder specifically confirm that the portion of the Equity Shares offered by it are eligible for being offered in the Offer for Sale in terms of Regulation 26(6) of the SEBI ICDR Regulations. The Investor Selling Shareholder specifically confirms that the V-Sciences' Offered Shares are eligible for being offered in the Offer for Sale, in terms of Regulation 26 (6) of the SEBI ICDR Regulations.. Each of the Selling Shareholders has also confirmed that it is the legal and beneficial owner of the Equity Shares being offered by it under the Offer for Sale.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

**Prohibition by SEBI or other Governmental Authorities**

Our Company, our Promoters, our Directors, the members of the Promoter Group, the Group Companies, the persons in control of our Company and the Promoter Selling Shareholders have not been prohibited or debarred from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The Investor Selling Shareholder specifically confirms that it has not been prohibited or debarred from accessing or operating in the capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

The companies, with which our Promoters or our Directors or persons in control of our Company are or were associated as promoters, directors or persons in control have not been prohibited from accessing or operating in capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other regulatory or governmental authority.

None of our Directors are associated with the securities market in any manner.

There has been no action taken by SEBI against our Directors or any entity in which our Directors are involved in as promoters or directors.

The listing of any securities of our Company and our Subsidiaries has never been refused at any time by any of the Stock Exchanges in India or abroad.

**Prohibition with respect to wilful defaulters**

Neither our Company nor our Promoters, relatives (as defined under Companies Act) of our Promoters, Directors, Group Companies, nor the Promoter Selling Shareholder have been identified as Wilful Defaulters.

The Investor Selling Shareholder specifically confirms that it has not been declared as a wilful defaulter, as defined under the SEBI ICDR Regulations.

**Eligibility for the Issue**

Our Company is eligible for the Issue in accordance with Regulation 26(1) of the SEBI ICDR Regulations as set out under the eligibility criteria calculated in accordance with the Restated Financial Information prepared in accordance with the Companies Act and restated in accordance with the SEBI ICDR Regulations:

- Our Company has net tangible assets of at least ₹30 million in each of the preceding three full years (of 12 months each), of which not more than 50% of the net tangible assets are held as monetary assets;

- Our Company has a minimum average pre-tax operating profit of ₹150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;

- Our Company has a net worth of at least ₹10 million in each of the three preceding full years (of 12 months each);

- The aggregate size of the proposed Issue and all previous issues made in the same Financial Year is not expected to exceed five times the pre-Issue net worth as per the audited balance sheet of our Company for the year ended March 31, 2017; and

- Our Company has not changed its name within the last one year.

Our Company's pre-tax operating profit, net worth, net tangible assets, monetary assets and monetary assets as a percentage of the net tangible assets derived from the Restated Financial Information included in this Draft Red Herring Prospectus as at, and for the last five years ended March 31 are set forth below:

**(₹ in Million, unless otherwise stated)**

| Particulars | Financial year ended | | Financial year ended | | Financial year ended | | Financial year ended | | Financial year ended | |
|---|---|---|---|---|---|---|---|---|---|---|
| | March 31, 2017 | | March 31, 2016 | | March 31, 2015 | | March 31, 2014 | | March 31, 2013 | |
| | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated | Standalone | Consolidated |
| Net Tangible Assets | 4,333.07 | 9,914.70 | 2,384.90 | 7,358.98 | 4,752.17 | 4,843.05 | N. A. | N. A. | N. A. | N. A. |
| Monetary Assets | 373.72 | 538.19 | 194.65 | 314.30 | 118.32 | 130.39 | N. A. | N. A. | N. A. | N. A. |
| Monetary Assets, as restated as a % of net tangible assets | 8.62 | 5.43 | 8.16 | 4.27 | 2.49 | 2.69 | N. A. | N. A. | N. A. | N. A. |
| Pre-tax Operating Profit | 2,587.58 | 3,526.76 | 2,106.74 | 2,418.17 | 2,179.68 | 2,341.24 | 1,885.98 | 2,071.31 | 1,387.18 | 1,367.00 |
| Net Worth | 9,026.17 | 10,087.86 | 6,978.12 | 7,828.35 | 5,916.49 | 6,401.18 | N. A. | N. A. | N. A. | N. A. |

*Source: Restated Financial Information*

(i) Net Tangible Assets = Net block of fixed assets + Capital work in progress for fixed assets (including capital advances) + Current assets, loans and advances - Loan funds (Secured loans + Unsecured loans) - Current liabilities and provisions;

(ii) Monetary Assets = Cash in hand + Balance with bank in current and deposit account (net of bank deposits not considered as cash and cash equivalent;

(iii) 'Pre-tax operating profit', is profit before exceptional items and tax;

(iv) Net Worth = Paid-up share capital + Reserves and surplus (Capital Reserve + Share Premium account + General Reserve + Retained earnings + Debenture Redemption Reserve + Employee Stock Options Outstanding + Reserve for Employee Compensation Expenses + Foreign Currency Transaction Reserve + Treasury Stock Reserve + Cash Flow Hedging Reserve) – Miscellaneous Expenditure – Debit balance of the profit and loss account;

'Monetary Assets as restated as a percentage of the net tangible assets' means Monetary Assets as restated divided by net tangible assets, as restated, expressed as a percentage.

Further, in accordance with Regulation 26(4) of the SEBI ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000 failing which the entire application monies shall be refunded forthwith.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI ICDR Regulations, to the extent applicable.

**DISCLAIMER CLAUSE OF SEBI**

**AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS,**

**KOTAK MAHINDRA CAPITAL COMPANY LIMITED, AXIS CAPITAL LIMITED AND CREDIT SUISSE SECURITIES (INDIA) PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, AND EACH SELLING SHAREHOLDER IS SEVERALLY AND NOT JOINTLY RESPONSIBLE FOR THE CORRECTNESS FOR THE STATEMENTS AND UNDERTAKINGS SPECIFICALLY MADE BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF AS A SELLING SHAREHOLDER AND THE EQUITY SHARES BEING SOLD BY IT IN THE ISSUE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPECTIVE RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 19, 2017 WHICH READS AS FOLLOWS:**

**WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING ISSUE, STATE AND CONFIRM AS FOLLOWS:**

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL DOCUMENTS IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY CONFIRM THAT:**

    **(A) THIS DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

    **(B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

    **(C) THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "SEBI ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THIS DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS.** <u>**NOTED FOR COMPLIANCE**</u>

5. **WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAVE BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS' DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THIS DRAFT RED HERRING PROSPECTUS WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA TILL**

THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THIS DRAFT RED HERRING PROSPECTUS .COMPLIED WITH

6. WE CERTIFY THAT REGULATION 33 OF THE SEBI ICDR REGULATIONS, WHICH RELATES TO EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS. COMPLIED WITH AND NOTED FOR COMPLIANCE

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE. NOT APPLICABLE

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. COMPLIED WITH

9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONIES RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. NOTED FOR COMPLIANCE. ALL MONIES RECEIVED OUT OF THE ISSUE SHALL BE CREDITED/TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.

10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE ISSUE WILL BE ISSUED IN DEMATERIALISED FORM ONLY.

11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI ICDR REGULATIONS HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.

12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THIS DRAFT RED HERRING PROSPECTUS:

    (A) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND

    (B) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.

13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI ICDR REGULATIONS WHILE MAKING THE ISSUE. NOTED FOR COMPLIANCE

14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC. COMPLIED WITH

15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THIS DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. COMPLIED WITH**

16. **WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SECURITIES AND EXCHANGE BOARD OF INDIA THROUGH CIRCULAR. COMPLIED WITH**

17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY REPORTED AS PER THE IND AS 24 IN THE FINANCIAL STATEMENTS OF THE COMPANY AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS**

18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE SEBI ICDR REGULATIONS (IF APPLICABLE). NOT APPLICABLE**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company and any person who has authorised the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013, or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Issue. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Promoter Selling Shareholder from any liabilities to the extent of the statements specifically made by them in respect of themselves and the Equity Shares offered by the Promoter Selling Shareholder, as part of the offer for sale, under Section 34 or Section 36 of the Companies Act, 2013. The filing of this Draft Red Herring Prospectus does not absolve the Investor Selling Shareholder from any liabilities to the extent of the statements specifically made by it in relation to itself as a selling shareholder and the V-Sciences' Offered Shares, as part of the Offer for Sale, under Section 34 or Section 36 of the Companies Act, 2013.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

**Caution - Disclaimer from our Company, the Selling Shareholders, our Directors and the BRLMs**

Our Company, the Promoter Selling Shareholder, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website www.godrejagrovet.com or the respective websites of our Subsidiaries or our Group Companies would be doing so at his or her own risk. It is clarified that the Investor Selling Shareholder is providing information in this Draft Red Herring Prospectus only in in relation to itself as a selling shareholder and the V-Sciences' Offered Shares, and the Investor Selling Shareholder and its directors, affiliates, associates and officers accept and/or undertake no responsibility or liability for any other statement or information contained in this Draft Red Herring Prospectus.

The BRLMs accept no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the Selling Shareholders and the BRLMs to the public and investors at large and no selective or additional information would be made available by our Company or the BRLMs for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, each of the Selling Shareholders, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, each of the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and their associates may engage in transactions with and perform services for our Company, the Selling Shareholders and its group companies, affiliates or associates or third parties in the ordinary course of business and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or associates or third parties for which they have received and may in the future receive customary compensation.

**Disclaimer in respect of Jurisdiction**

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with the SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in equity shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India), other QIBs permitted under applicable law and Eligible NRIs and FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to or purchase Equity Shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person in whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with the SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, our Group Companies or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Issue have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the U.S. Securities Act), pursuant to the private placement exemption set out in Section 4(a) of the U.S. Securities Act.

**Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to the RoC filing.

**Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to RoC filing.

**Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No. C4-A, "G" Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051, India.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the Office of the Registrar of Companies at 100, Everest, Marine Drive, Mumbai - 400 002.

**Listing**

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the applicants in pursuance of the Red Herring Prospectus. If such money is not repaid within the prescribed time, then our Company, and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Issue Closing Date.

If our Company does not Allot Equity Shares pursuant to the Issue within six Working Days from the Bid/Issue Closing Date or within such timeline as prescribed by SEBI, it shall repay, without interest, all monies received from the Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15% per annum for the delayed period.

**Price information of past issues handled by the BRLMs**

***A. Kotak***

1. Price information of past issues handled by Kotak:

**Table 1: Price information of past issues handled**

| Sr. No. | Issue Name | Issue Size (` Cr.) | Issue Price (`) | Listing Date | Opening Price on Listing Date (Rs.) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1. | CL Educate Limited | 238.95 | 502 | 31-Mar-17 | 402.00 | -8.98%[+ 1.42%] | -15.36%[+3.46%] | - |
| 2. | Avenue Supermarts Limited | 1,870.00 | 299 | 21-Mar-17 | 600.00 | +145.08%[- 0.33%] | +167.59%[+4.97%] | - |
| 3. | Laurus Labs Limited(1) | 1,330.50 | 428 | 19-Dec-16 | 489.90 | +11.44%[+3.62%] | +23.97%[+13.03%] | +41.43%[+18.31%] |
| 4. | Varun Beverages Limited | 1,112.50 | 445 | 8-Nov-16 | 430.00 | -7.72%[-5.17%] | -11.49%[+2.31%] | +8.89%[+8.68%] |
| 5. | PNB Housing Finance Limited(2) | 3,000.00 | 775 | 7-Nov-16 | 860.00 | +11.70%[-4.16%] | +21.28%[+2.87%] | +70.50%[+9.28%] |
| 6. | L&T Technology Services Limited | 894.40 | 860 | 23-Sep-16 | 920.00 | -0.85%[-1.57%] | -8.54%[-8.72%] | -9.55%[+3.28%] |
| 7. | RBL Bank Limited | 1,212.97 | 225 | 31-Aug-16 | 274.20 | +27.07%[-2.22%] | +56.98%[-7.50%] | +103.07%[+1.74%] |
| 8. | Larsen & Toubro Infotech Limited(3) | 1,236.38 | 710 | 21-Jul-16 | 667.00 | -6.39%[+1.84%] | -12.44%[+1.97%] | -4.21%[-1.14%] |
| 9. | Mahanagar Gas Limited(4) | 1,038.88 | 421 | 1-Jul-16 | 540.00 | +20.86%[+3.72%] | +57.15%[+5.00%] | +83.71%[-3.55%] |
| 10. | Parag Milk Foods Limited(5) | 750.54 | 215 | 19-May-16 | 217.50 | +17.07%[+4.97%] | +48.67%[+11.04%] | +38.93%[+6.59%] |
| 11. | Ujjivan Financial Services Limited | 882.50 | 210 | 10-May-16 | 231.90 | +72.38%[+4.88%] | +120.90%[+10.08%] | +98.31%[+6.92%] |
| 12. | Healthcare Global Enterprises Limited | 649.64 | 218 | 30-Mar-16 | 210.20 | -15.32%[+1.45%] | -19.98%[+4.65%] | -1.31%[+14.17%] |
| 13. | Dr. Lal PathLabs Limited(6) | 631.91 | 550 | 23-Dec-15 | 720.00 | +32.54%[-7.49%] | +66.95% [-2.06%] | +63.13% [+3.87%] |
| 14. | S H Kelkar and Company Limited | 508.17 | 180 | 16-Nov-15 | 223.70 | +21.69%[-1.35%] | +20.78%[-10.58%] | +24.97% [+0.11%] |

| Sr. No. | Issue Name | Issue Size (` Cr.) | Issue Price (`) | Listing Date | Opening Price on Listing Date (Rs.) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 15. | Interglobe Aviation Limited(7) | 3,008.50 | 765 | 10-Nov-15 | 855.80 | +32.39%[-2.20%] | +9.41%[-3.78%] | +40.59% [-0.64%] |
| 16. | Coffee Day Enterprises Limited | 1,150.00 | 328 | 2-Nov-15 | 317.00 | -21.42%[-1.19%] | -19.73%[-6.05%] | -20.98% [-2.50%] |
| 17. | Sadbhav Infrastructure Project Limited | 491.66 | 103 | 16-Sep-15 | 111.00 | -2.28% [+3.55%] | -5.63%[-3.15%] | -12.67% [-4.92%] |
| 18. | Power Mech Projects Limited | 273.22 | 640 | 26-Aug-15 | 600.00 | -9.36% [+0.98%] | -4.63%[+0.74%] | -10.65% [-7.15%] |
| 19. | Manpasand Beverages Limited | 400.00 | 320 | 9-Jul-15 | 300.00 | +23.20% [+2.83%] | +36.53% [-2.11%] | +58.34% [-6.45%] |
| 20. | Adlabs Entertainment Limited(8) | 374.59 | 180 | 6-Apr-15 | 162.20 | -18.36% [-3.87%] | -12.08% [-2.02%] | -38.39% [-8.19%] |
| 21. | Ortel Communications Limited | 173.65 | 181 | 19-Mar-15 | 160.05 | -3.67% [-0.33%] | -5.91% [-6.80%] | +12.21% [-8.83%] |

*Source: www.nseindia.com*

*Notes:*

1. *In Laurus Labs Limited, the issue price to employees was ` 388 per equity share after a discount of ` 40 per equity share. The Anchor Investor Issue price was ` 428 per equity share.*
2. *In PNB Housing Finance Limited, the issue price to employees was ` 700 per equity share after a discount of ` 75 per equity share. The Anchor Investor Issue price was ` 775 per equity share.*
3. *In Larsen & Toubro Infotech Limited , the issue price to retail individual investor was ` 700 per equity share after a discount of ` 10 per equity share. The Anchor Investor Issue price was ` 710 per equity share.*
4. *In Mahanagar Gas Limited, the issue price to employees was ` 383 per equity share after a discount of ` 38 per equity share. The Anchor Investor Issue price was ` 421 per equity share.*
5. *In Parag Milk Foods Limited , the issue price to retail individual investor and employees was ` 203 per equity share after a discount of ` 12 per equity share. The Anchor Investor Issue price was ` 227 per equity share.*
6. *In Dr. Lal PathLabs Limited, the issue price to retail individual investor was ` 535 per equity share after a discount of ` 15 per equity share. The Anchor Investor Issue price was ` 550 per equity share.*
7. *In Interglobe Aviation Limited, the issue price to employees was ` 688.50 per equity share after a discount of ` 76.5 per equity share. The Anchor Investor Issue price was ` 765 per equity share.*
8. *In Adlabs Entertainment Limited, the issue price to retail individual investor was ` 168 per equity share after a discount of ` 12 per equity share. The Anchor Investor Issue price was ` 221 per equity share.*
9. *In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.*
10. *Nifty is considered as the benchmark index.*

**Table 2: Summary statement of disclosure**

| Financial Year | Total no. of IPOs | Total amount of funds raised (Rs. Cr.) | No. of IPOs trading at discount - 30th calendar days from listing | | | No. of IPOs trading at premium - 30th calendar days from listing | | | No. of IPOs trading at discount - 180th calendar days from listing | | | No. of IPOs trading at premium - 180th calendar days from listing | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% | Over 50% | Between 25-50% | Less than 25% |
| 2016-2017 | 11 | 13,567.63 | - | - | 4 | 2 | 1 | 4 | - | - | 2 | 4 | 2 | 1 |
| 2015-2016 | 9 | 7,487.69 | - | - | 5 | - | 2 | 2 | - | 1 | 4 | 2 | 1 | 1 |
| 2014-2015 | 1 | 173.65 | - | - | 1 | - | - | - | - | - | - | - | - | 1 |

***B. Axis Capital***

1. Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital

| Sr. No. | Issue name | Issue size (₹ millions) | Issue price(₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1 | Central Depository Services (India) Limited | 5,239.91 | 149 | 30-Jun-17 | 250.00 | - | - | - |
| 2 | Eris Lifesciences Limited | 17,404.86 | 603[1] | 29-Jun-17 | 611.00 | - | - | - |
| 3 | Tejas Networks Limited | 7,766.88 | 257 | 27-Jun-17 | 257.00 | - | - | - |
| 4 | S Chand And Company Limited | 7,286 | 670.00 | 09-May-17 | 700.00 | -17.37%,[+3.59%] | - | - |
| 5 | Avenue Supermarts Limited | 18,700 | 299 | 21-Mar-17 | 600.00 | +145.08%, [-0.20%] | +166.35%,[+5.88%] | - |
| 6 | BSE Limited | 12,434.32 | 806 | 03-Feb-17 | 1085.00 | +17.52%,[+2.55%] | +24.41%,[+6.53%] | - |
| 7 | Varun Beverages Limited | 11,250.00 | 445 | 08-Nov-16 | 430.00 | -7.72%,[-5.17%] | -9.36%,[+3.01%] | +10.60%,[+9.02%] |
| 8 | Endurance Technologies Limited | 11,617.35 | 472 | 19-Oct-16 | 572.00 | +16.06%,[-6.69%] | + 23.78%,[-2.84%] | +73.98%,[+5.55%] |
| 9 | RBL Bank Limited | 12,129.67 | 225 | 31-Aug-16 | 274.20 | +27.07%,[-2.22%] | +56.98%,[-7.50%] | +107.91%,[+1.26%] |
| 10 | Dilip Buildcon Limited | 6,539.77 | 219 | 11-Aug-16 | 240.00 | +5.11%,[+3.20%] | +1.53%,[-0.57%] | +22.12%,[+2.43%] |

*Source: www.nseindia.com*

*[1]Price for eligible employees was ₹ 543.00 per equity share*

*Notes:*

*a. The CNX NIFTY is considered as the Benchmark Index.*
*b. Price on NSE is considered for all of the above calculations.*
*c. In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.*
*d. Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

2. Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Axis Capital:

| Financial Year | Total no. of IPOs | Total funds Raised (in ₹ million) | Nos. of IPOs trading at discount on as on 30th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180th calendar days from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% |
| 2017-2018* | 4 | 37,697.65 | - | - | 1 | - | - | - | - | - | - | - | - | - |
| 2016-2017 | 10 | 1,11,377.80 | - | - | 1 | 4 | 2 | 3 | - | - | - | 6 | - | 2 |
| 2015-2016 | 8 | 60,375.66 | 0 | 0 | 3 | 0 | 4 | 1 | 0 | 0 | 3 | 1 | 2 | 2 |

* *The information is as on the date of the document*

*The information for each of the financial years is based on issues listed during such financial year.*

*Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.*

***C. Credit Suisse***

1. Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Credit Suisse

| Sr. No. | Issue name | Issue size ( in ₹ million) | Issue price (in ₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 1 | Syngene International Limited | 5,500.00 | 250.00 | August 11, 2015 | 295.00 | 36.00%, [-7.61%] | 44.90%, [-6.47%] | 57.20%, [-12.70%] |
| 2 | TeamLease Services Limited | 4,236.77 | 850.00 | February 12, 2016 | 860.00 | 15.34%, [7.99%] | 5.38%, [12.43%] | 35.35%, [24.31%] |

| Sr. No. | Issue name | Issue size ( in ₹ million) | Issue price (in ₹) | Listing date | Opening price on listing date (in ₹) | +/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing | +/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing |
|---|---|---|---|---|---|---|---|---|
| 3 | S Chand and Company Limited | 7,285.57 | 670.00 | May 09, 2017 | 707.00 | -17.37%, [3.72%] | NA | NA |
| 4 | IRB InvIT Fund | 50,328.84 | 102.00 | May 18, 2017 | 103.25 | -2.80%, [1.68%] | NA | NA |
| 5 | Eris Lifesciences Limited | 17,411.63 | 603.00 | June 29, 2017 | 611.00 | NA | NA | NA |

*Source: www.nseindia.com for the price information and prospectus for issue details*

*Notes:*

a) *30th , 90th , 180th calendar days from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th , 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading date*

b) *Price information and benchmark index values have been shown only for the designated stock exchange in the above table*

c) *NSE is the designated stock exchange for the issue listed in the above table. NIFTY has been used as the benchmark index*

d) *Since the listing date of S Chand and Company Limited. was May09, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available*

e) *Since the listing date of IRB InvIT Fund Limited. was May18, 2017, information relating to closing prices and benchmark index as on 90th/180th calendar day from listing date is not available*

f) *Since the listing date of Eris Lifesciences Limited was June 29, 2017, information relating to closing prices and benchmark index as on 30th/90th/180th calendar day from listing date is not available*

2. Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Credit Suisse:

| Financial Year | Total no. of IPOs | Total funds Raised (in ₹ million) | Nos. of IPOs trading at discount on as on 30th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180th calendar days from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% |
| 2015-2016 | 2 | 9,736.80 | - | - | - | - | 1 | 1 | - | - | - | 1 | 1 | - |
| 2016-2017 | - | - | - | - | - | - | - | - | - | - | - | - | - | - |
| 2017- | 3 | 75,026.04 | - | - | 2 | - | - | - | - | - | - | - | - | - |

| Financial Year | Total no. of IPOs | Total funds Raised (in ₹ million) | Nos. of IPOs trading at discount on as on 30th calendar days from listing date | | | Nos. of IPOs trading at premium on as on 30th calendar days from listing date | | | Nos. of IPOs trading at discount as on 180th calendar days from listing date | | | Nos. of IPOs trading at premium as on 180th calendar days from listing date | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% | Over 50% | Between 25%-50% | Less than 25% |
| 2018 | | | | | | | | | | | | | | |

a) *Since the listing date of S Chand and Company Limited was May 9, 2017, information relating to closing prices and benchmark index as on 180 th calendar day from listing date is not available*

b) *Since the listing date of IRB InvIT Fund Limited. was May 18, 2017, information relating to closing prices and benchmark index as on 180 th calendar day from listing date is not available*

c) *Since the listing date of IRB Eris Lifesciences Limited. was June 29, 2017, information relating to closing prices and benchmark index as on 30 th /180th calendar day from listing date is not available*

For details regarding the track record of the BRLMs, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, see the websites of the BRLMs, as set forth in the table below:

| Name of the BRLMs | Website |
| --- | --- |
| Kotak | www.investmentbank.kotak.com |
| Axis Capital | www.axiscapital.co.in |
| Credit Suisse | www.credit-suisse.com/in/IPO/ |

**Consents**

Consents in writing of our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, legal counsel to our Company as to Indian law, legal counsel to the BRLMs as to Indian law and international legal counsel to the BRLMs, legal counsel to V-Sciences to Indian law, Bankers/lenders to our Company, the BRLMs, the Syndicate Members, the Escrow Collection Banks, the Refund Bank and the Registrar to the Issue to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

**Experts**

Except as stated herein, our Company has not obtained any expert opinions:

Our Company has received written consent from the Statutory Auditors, namely, Kalyaniwalla & Mistry LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated July 18, 2017 on the standalone Restated Financial Information and consolidated Restated Financial Information of our Company, and the statement of tax benefits dated July 14, 2017 included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of the Companies Act is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the Securities Act, the Statutory Auditors have not given consent under Section 7 of the Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Draft Red Herring Prospectus is different from those defined under the Securities Act which is applicable only to transactions involving securities registered under the Securities Act. The reference to the Statutory Auditors as “experts” in this Draft Red Herring Prospectus is not made in the context of the Securities Act but solely in the context of this initial public offering in India.

Our Company has also received a written consent to be named as expert from the following industry consultants and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Dr. P. Rethinam dated 8th May, 2017 in relation to Oil Palm – A Critical Study of its Role in Contributing the Vegetable Oil Economy in India;

(ii) LightCastle Partners dated June 21, 2017 in relation to the industry report - Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh;

(iii) A.C. Nielson dated July 18, 2017 in relation to “Sizing of the Processed Poultry Market in India and Estimating the Share of Godrej Agrovet’s Offering”, published in July 2017; and

(iv) IMARC Services Private Limited dated June 6, 2017 in relation to the Indian Dairy Market Report, 2017, Edition May 2017.

Our Company has also received a written consent to be named as expert from the following chartered engineers and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus:

(i) Astral Associates dated July 5, 2017;

(ii) Sundar Associates dated June 6, 2017;

(iii) Keni & D’Souza dated June 6, 2017;

(iv) Engr. Mohammad Anisur Rahman dated June 12, 2017;

(v) Tijare Engineers & Consultants Private Limited dated June 14, 2017;

(vi) Joshi & Associates dated June 26, 2017;

(vii) Mukesh M. Purdhan dated June 29, 2017; and

(viii) Er. Y. Ravindra Babu dated June 30, 2017.

**Issue Expenses**

The expenses of the Issue include, among others, underwriting and management fees, brokerage and selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses, advertising and marketing expenses, registrar and depository fees. For further details of Issue expenses, see "*Objects of the Issue*" beginning on page 87.

Except for listing fees which shall be solely borne by our Company, all Issue expenses will be shared, upon successful completion of the Issue, between our Company and the Selling Shareholders on a pro-rata basis, in proportion to the Equity Shares issued and allotted by our Company in the Fresh Issue and the Equity Shares sold by the Selling Shareholders in the Offer for Sale.

**Fees Payable to the Syndicate**

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the appointment letter with the BRLMs and the Syndicate Agreement. For further details of Issue expenses, see "*Objects of the Issue*" beginning on page 87.

**Commission payable to SCSBs, Registered Brokers, RTAs and CDPs**

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see "*Objects of the Issue*" beginning on page 87.

**Fees Payable to the Registrar to the Issue**

The fees payable to the Registrar to the Issue for processing of applications, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape and printing of bulk mailing register will be per the agreement dated July 18, 2017 entered into, between our Company, the Selling Shareholders and the Registrar to the Issue, a copy of which will be available for inspection at the Registered Office.

The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

**Particulars regarding public or rights issues by our Company during the last five years**

Except as disclosed in the "*Capital Structure*" beginning on page 71, our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

**Previous issues of Equity Shares otherwise than for cash**

Except as disclosed in the "*Capital Structure*" beginning on page 71, our Company has not issued any Equity Shares for consideration otherwise than for cash.

**Commission and Brokerage paid on previous issues of the Equity Shares**

Since this is the initial public issue of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company's inception.

**Performance vis-à-vis objects – Public/rights issue of our Company and/or listed Group Companies, Subsidiaries and Associate Company**

Except as disclosed in the "*Capital Structure*" beginning on page 71, our Company has not undertaken any previous public or rights issue. There has been no shortfall in terms of performance *vis-a-vis* objects for any of the previous issues of our Company.

**Previous capital issue during the previous three years by listed Group Companies, Subsidiary Company**

Except as disclosed below, none of our Group Companies or Subsidiaries has undertaken a capital issue in the last three years preceding the date of this Draft Red Herring Prospectus.

Except as disclosed below, none of our Group Companies or Subsidiaries has undertaken any public or rights issue in the last ten years preceding the date of this Draft Red Herring Prospectus.

**Group Companies**

1. **Godrej Consumer**

   Godrej Consumer was incorporated as a public company in November 2000 to acquire and take over the consumer products business of GSL. Pursuant to a scheme of arrangement, the consumer products business of GSL was demerged into Godrej Consumer with effect from April 2001 and the name of GSL was changed to GIL. As per the terms of the scheme, shareholders of GSL were issued and allotted one equity share of face value of ₹4 in Godrej Consumer and one equity share of face value of ₹6 in GIL for every equity share of face value of ₹10 held in GSL. Further as per the terms of the scheme the shares so issued and allotted in Godrej Consumer were also listed on the stock exchanges in which GSL was listed.

   Godrej Consumer offered subscription, by way of rights issue, 32,263,440 equity shares of ₹ 1 each at an issue price of ₹ 123 per equity share aggregating to ₹ 3,968.40 million. The issue opened on March 31, 2008 and closed on April 30, 2008. The proceeds of the issue were used for (i) funding of capital expenditure, (ii) investment in their joint venture, Godrej SCA Hygiene Limited, (iii) prepayment / repayment of certain debt, (iv) investment in their subsidiary, Godrej Netherlands B.V., and (v) finance the acquisition of Kinky Group (Proprietary) Limited.

   Pursuant to the shareholders' approval obtained in 2009, the objects for which the money was raised through the rights issue, was deployed for revised objects as mentioned in the annual general meeting notice of 2009.

2. **Godrej Properties**

   Godrej Properties, a listed group company of our Company offered for subscription, by way of initial public offer, 9,429,750 equity shares of ₹ 10 each at an issue price of ₹ 511.95 per equity share aggregating to ₹ 4,688.47 million. The issue opened on December 9, 2009 and closed on December 11, 2009. The proceeds of the issue were used for (i) acquisition of land development rights for their forthcoming projects; (ii) construction of their forthcoming project; and (iii) repayment of loans. There were no deviations from the objects on which the issue proceeds were utilised.

   Godrej Properties offered subscription, by way of rights issue, 21,538,388 equity shares of ₹ 10 each at an issue price of ₹ 325 at a premium of ₹ 315 per equity share aggregating to ₹ 6,999.98 million. The issue opened on August 28, 2013 and closed on September 11, 2013. The proceeds of the issue were used for (i) repayment/ pre-payment, in full or part, of certain loans availed by Godrej Properties and certain subsidiaries; and (ii) general corporate purposes. There were no deviations from the objects on which the issue proceeds were utilised.

**Subsidiaries**

**Astec LifeSciences**

Astec LifeSciences, a listed subsidiary of our Company offered for subscription, by way of initial public offer, 7,500,000 equity shares of ₹ 10 each at an issue price of ₹ 82 per equity share aggregating to ₹ 615 million. The issue opened on October 29, 2009 and closed on November 4, 2009. The proceeds of the issue were used for expansion of (i) existing manufacturing facilities at Mahad, Maharashtra; and (ii) existing research and development facility at Dombivli, Maharashtra. The issue proceeds were also used to meet (i) product registration expenses, (ii) long term working capital requirements, (iii) general corporate purposes, and (iv) issue expenses. There were no deviations from the objects on which the issue proceeds were utilised.

**Outstanding Debentures or Bonds**

Except as disclosed in "*Financial Indebtedness*" on page 465, our Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

**Outstanding Preference Shares or convertible instruments issued by our Company**

Our Company does not have any outstanding Preference Shares or other convertible instruments, as on date of this Draft Red Herring Prospectus.

**Partly Paid-up Shares**

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

**Stock Market Data of Equity Shares**

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

**Redressal of Investor Grievances**

The Registrar Agreement provides for retention of records with the Registrar to the Issue for a period of at least three years from the last date of despatch of the letters of allotment and demat credit to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

The Promoter Selling Shareholder will assist our Company in redressal of investor grievances, if any, in relation to the transfer of Equity Shares offered by it in the Issue (including providing all necessary documents and information sought from the Promoter Selling Shareholder by our Company and the BRLMs and facilitating any due diligence process that may be required to be undertaken in this regard). The Investor Selling Shareholder has authorised the Company to deal with, on behalf of the Investor Selling Shareholder, any investor grievance in relation to the transfer of the V-Sciences' Offered Shares and any statements specifically confirmed or undertaken by it as a selling shareholder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

Our Company estimates that the average time required by our Company or the Registrar to the Issue or the Designated Intermediary, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising (i) Nadir B. Godrej, Chairman and Non Executive Director (Chairman); (ii) Balram S. Yadav, Managing Director member and (iii) Amit B. Choudhury, Non Executive Director member. For details, see "*Our Management*" beginning on page 153.

Our Company has also appointed Vivek Raizada, Company Secretary of our Company as the Compliance Officer for the Issue and may be contacted in case of any pre-Issue or post- Issue related problems at the following address:

**Vivek Raizada**
Godrej Agrovet Limited
Godrej One,
3rd Floor, Pirojshanagar,
Eastern Express Highway, Vikhroli (East)
Mumbai 400 079
Tel: (91 22) 2519 4416
Fax: (91 22) 2519 5124
Email: gavlinvestors@godrejagrovet.com

**Investor grievance mechanism and investor complaints for the listed companies (whose equity shares are listed on stock exchanges) under the same management within the meaning of section 370 (1B) of the Companies Act, 1956**

Except for Godrej Industries Limited, Godrej Consumer Products Limited, Godrej Properties Limited and Astec LifeSciences Limited, there are no listed companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956. Except for Godrej Industries Limited, Godrej Consumer Products Limited, Godrej Properties Limited and Astec LifeSciences Limited, there are no listed companies under the same management within the meaning of section 370 (1B) of the Companies Act, 1956. These companies have arrangements and mechanisms in place for redressal of investor grievance. The number of investor compliants received during the three years preceding this Draft Red Herring Prospectus (being three financial years and information as on June 30, 2017) and the number of complaints disposed off during that period are set out below. None of the investor complaints are pending for the companies mentioned below as on June 30, 2017 and the time taken to dispose the respective complaints by the companies mentioned is approximately 10 Working Days from the date of receipt of the complaint.

***Godrej Industries Limited***

| Period | Complaints received | Complaints disposed off |
|---|---|---|
| After March 31, 2017* | 7 | 7 |

| Period | Complaints received | Complaints disposed off |
|---|---|---|
| Financial Year 2016-17 | 95 | 95 |
| Financial Year 2015-16 | 55 | 55 |
| Financial Year 2014-15 | 60 | 60 |
| **Total** | 217 | 217 |

***Godrej Consumer Products Limited***

| Period | Complaints received | Complaints disposed off |
|---|---|---|
| After March 31, 2017* | 35 | 35 |
| Financial Year 2016-17 | 131 | 131 |
| Financial Year 2015-16 | 118 | 118 |
| Financial Year 2014-15 | 102 | 104 |
| **Total** | 386 | 388 |

***Godrej Properties Limited***

| Period | Complaints received | Complaints disposed off |
|---|---|---|
| After March 31, 2017* | 3 | 3 |
| Financial Year 2016-17 | 28 | 28 |
| Financial Year 2015-16 | 14 | 14 |
| Financial Year 2014-15 | 8 | 8 |
| **Total** | 53 | 53 |

***Astec Lifesciences Limited***

| Period | Complaints received | Complaints disposed off |
|---|---|---|
| After March 31, 2017* | 0 | 0 |
| Financial Year 2016-17 | 3 | 3 |
| Financial Year 2015-16 | 15 | 15 |
| Financial Year 2014-15 | 0 | 0 |
| **Total** | 18 | 18 |

**As on June 30, 2017*

**Changes in Auditors**

There has been no change in the Auditors during the last three years. Pursuant to a resolution dated February 7, 2017, our Board granted approval to the appointment of B S R & Co. as the statutory auditors of the Company to hold office from the conclusion of the 26th Annual General Meeting until the conclusion of the 31st Annual General Meeting, subject to the approval of our Shareholders.

**Capitalisation of Reserves or Profits**

Our Company has not capitalised its reserves or profits at any time during the last five years, except as stated in "*Capital Structure*" beginning on page 71.

**Revaluation of Assets**

There has been no revaluation of assets by our Company.

## SECTION VII: ISSUE INFORMATION

## TERMS OF THE ISSUE

The Equity Shares being issued and transferred pursuant to this Issue shall be subject to the provisions of the Companies Act, the SEBI ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting its approval for the Issue.

For details in relation to Issue expenses, see "*Objects of the Issue*" and "*Other Regulatory and Statutory Disclosures*" beginning on pages 87 and 498, respectively.

### Ranking of the Equity Shares

The Equity Shares being issued and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and shall rank *pari passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividend. The Allottees upon Allotment of Equity Shares under the Issue will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act and Articles of Association. For further details, see "*Main Provisions of Articles of Association*" beginning on page 564.

### Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association and provisions of the SEBI Listing Regulations. For further details in relation to dividends, see "*Dividend Policy*" and "*Main Provisions of the Articles of Association*" beginning on pages 208 and 564, respectively.

### Face Value and Issue Price

The face value of each Equity Share is ₹ 10 and the Issue Price is ₹ [●] per Equity Share. The Floor Price is ₹ [●] and the Price Band is ₹ [●] - ₹ [●]. The Anchor Investor Issue Price is ₹ [●] per Equity Share.

The Price Band for the Issue will be decided by our Companyy seeking and ensuring alignment with the Selling Shareholders, in consultation with the BRLMs, in the manner as agreed upon in the Issue Agreement. The minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMs, and will be advertised in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and the [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Issue Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges.

At any given point of time, there shall be only one denomination of Equity Shares.

### Compliance with disclosure and accounting norms

Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

### Rights of our Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;

- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the SEBI Listing Regulations and the Articles of Association.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see "*Main Provisions of Articles of Association*" beginning on page 564.

**Market lot and Trading Lot**

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Issue:

- Tripartite agreement dated November 17, 2016 between NSDL, our Company and Registrar to the Issue; and
- Tripartite agreement dated July 28, 2016 between CDSL, our Company and Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

**Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

**Jurisdiction**

Exclusive jurisdiction for the purpose of the Issue is with the competent courts/authorities in Mumbai.

**Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by the Board, elect either:

a) to register himself or herself as the holder of the Equity Shares; or

b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may, at any time, give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

**Withdrawal of the Issue**

Our Company and the Selling Shareholders, severally and not jointly, in consultation with the BRLMs, reserve the right not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two days of the

Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The Registrar to the Issue shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company and the Selling Shareholders withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

**Bid/Issue Programme**

| | |
|---|---|
| **BID/ISSUE OPENS ON** | [●][(1)] |
| **BID/ISSUE CLOSES ON** | [●][(2)] |

*(1) Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/ Issue Period shall be one Working Day prior to the Bid/Issue Opening Date in accordance with the SEBI ICDR Regulations.*

*(2) Our Company may, in consultation with the BRLMs, decide to close the Bid/ Issue Period for QIBs one Working Day prior to the Bid/ Issue Opening Date, in accordance with the SEBI ICDR Regulations.*

An indicative timetable in respect of the Issue is set out below:

| Event | Indicative Date |
|---|---|
| Bid/Issue Closing Date | [●] |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about [●] |
| Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account | On or about [●] |
| Credit of Equity Shares to demat accounts of Allottees | On or about [●] |
| Commencement of trading of the Equity Shares on the Stock Exchanges | On or about [●] |

**The above timetable, other than the Bid/Issue Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.**

**Whilst our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date with such reasonable support and cooperation of the Selling Shareholder, as maybe required in respect of their respective Equity Shares offered in the Offer for Sale, the timetable may be extended due to various factors, such as extension of the Bid/Issue Period by our Company, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws.**

**Submission of Bids (other than Bids from Anchor Investors):**

| **Bid/Issue Period (except the Bid/Issue Closing Date)** | |
|---|---|
| Submission and Revision in Bids | Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time ("**IST**") |
| **Bid/Issue Closing Date** | |
| Submission and Revision in Bids | Only between 10.00 a.m. and 3.00 p.m. IST |

**On the Bid/Issue Closing Date, the Bids shall be uploaded until:**

(i) 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and

(ii) until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On the Bid/Issue Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received by Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 3.00 p.m. IST on the Bid/Issue Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Issue Closing Date, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under this Issue. Bids will be accepted only during Monday to Friday (excluding any public holiday). None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Our Company, in consultation with the Selling Shareholders and the BRLMs, reserves the right to revise the Price Band during the Bid/Issue Period. The revision in the Price Band shall not exceed 20% on either side, i.e. the Floor Price can move up or down to the extent of 20% of the Floor Price and the Cap Price will be revised accordingly.

**In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Issue Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Members.**

**Minimum Subscription**

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a subscription in the Net Issue equivalent to at least 10% of the post-Issue paid up Equity Share capital of our Company, in terms of Rule 19(2)(b)(iii) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Issue Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received, in the manner set out in the Issue Agreement. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest prescribed under the Companies Act, 2013, the SEBI ICDR Regulations and applicable law. The requirement for minimum subscription is not applicable for the Offer for Sale. In case of an under subscription in the Issue, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Issue will be met in the following order of priority:

(i) through the issuance of the Fresh Issue; and

(ii) through the sale of, the Equity Shares being offered by the Promoter Selling Shareholder and the V-Sciences' Offered Shares, on a pro-rata basis.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000 in compliance with Regulation 26(4) of the SEBI ICDR Regulations. For the avoidance of doubt, subject to applicable laws, the Investor Selling Shareholder will not be responsible to pay interest for any delay except to the extent such delay has been caused solely by it.

**Arrangement for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots.

**Restrictions on Transfer and Transmission of Equity Shares**

Except for lock-in of the pre-Issue Equity Share capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in Equity Shares as detailed in "*Capital Structure*" beginning on page 71 and except as provided in the Articles of Association, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation/ splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 564.

## ISSUE STRUCTURE

Public Issue of up to [●] Equity Shares for cash at price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million comprising Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 3,000 million by our Company and Offer for Sale of up to [●] Equity Shares by Godrej Industries Limited aggregating up to ₹3,000 million and up to 12,300,000 Equity Shares by V-Sciences aggregating up to ₹[●] million. Our Company has reserved [●] Equity Shares for Eligible Employees as part of the Issue. Further, Our Company proposes to issue up to 405,500 Equity Shares aggregating up to ₹ [●] to identified employees under the ESPS Scheme at Issue Price in compliance with Regulation 22(4) of SEBI ESOP Regulations. The Net Issue will constitute [●] % (after considering allotment pursuant to ESPS) of the post-Issue paid-up Equity Share capital of our Company.

Our Company may, in consultation with the BRLMs, Issue and Allot up to 560,000 Equity Shares for an amount not exceeding ₹ 252 million through a private placement to eligible employees of certain of our Group Companies, prior to filing of the Red Herring Prospectus with the RoC at a price as the Board may determine in accordance with the Companies Act, and other applicable laws. If the Pre-IPO Placement is completed, the number of Equity Shares issued pursuant to the Pre-IPO Placement will be reduced from the Fresh Issue, subject to a minimum Issue size of 10% of the post-Issue paid-up equity share capital of our company being offered to the public.

The Issue is being made through the Book Building Process.

| Particulars | QIBs(1) | Non Institutional Bidders | Retail Individual Bidders | Eligible Employees |
|---|---|---|---|---|
| Number of Equity Shares available for Allotment/allocation *(2) | Not more than [●] Equity Shares | Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Retail Individual Bidders | Not less than [●] Equity Shares available for allocation or offer less allocation to QIB Bidders and Non-Institutional Bidders | Up to [●] Equity Shares aggregating to ₹200 million |
| Percentage of Issue Size available for Allotment/allocation | Not more than 50% of the Issue size shall be available for allocation to QIBs.<br><br>However, up to 5 % of the QIB Portion net of the Anchor Investor Portion (“**Net QIB Portion**”) will be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the Net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion. | Not less than 15% of the Issue | Not less than 35% of the Issue | Approximately [●]% of the Issue size |
| Basis of Allotment/ allocation if respective category is oversubscribed | Proportionate as follows (excluding the Anchor Investor Portion):<br><br>(a) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and | Proportionate | Proportionate, subject to minimum Bid Lot. For details, see “*Issue Procedure– Part B – Allotment Procedure and Basis of Allotment –Allotment to RIBs*” on page 552 | Proportionate |

| Particulars | QIBs[1] | Non Institutional Bidders | Retail Individual Bidders | Eligible Employees |
|---|---|---|---|---|
| | (b) Up to [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above | | | |
| Minimum Bid | Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter | Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter | [●] Equity Shares and in multiples of [●] Equity Shares thereafter | [●] Equity Shares |
| Maximum Bid | Such number of Equity Shares not exceeding the Issue Size, subject to applicable limits | Such number of Equity Shares not exceeding the Issue Size, subject to applicable limits | Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000 | Such number of Equity Shares such that the Bid Amount does not exceed ₹ 500,000 |
| Bid Lot | [●] Equity Shares and in multiples of [●] Equity Shares thereafter. | | | |
| Allotment Lot | Minimum of [●] Equity Shares and in multiples of one Equity Share thereafter | | | |
| Trading Lot | One Equity Share | | | |
| Who can apply[3][4] | Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs other than Category III Foreign Portfolio Investors, VCFs, AIFs, state industrial development corporation, insurance company registered with IRDAI, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up and managed by army, navy or air force of the Union of India, insurance fund set up and managed by the Department of Posts, India and systematically important non-banking financial companies. | Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III Foreign Portfolio Investors. | Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta) | Eligible Employees |

| Particulars | QIBs[1] | Non Institutional Bidders | Retail Individual Bidders | Eligible Employees |
|---|---|---|---|---|
| Terms of Payment | Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidders that is specified in the ASBA Form at the time of submission of the ASBA Form [5] | | | |

* *Assuming full subscription in the Issue.*

(1) *Our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being made to other Anchor Investors. For details, see "Issue Procedure" beginning on page* 523.

(2) *Subject to valid Bids being received at or above the Issue Price. The Issue is being made in accordance with Rule 19(2) (b) (iii) of the SCRR and under Regulation 26(1) of the SEBI ICDR Regulations.*

(3) *In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*

(4) *With respect to restrictions on participation in the Issue, see "Issue Procedure" and "Restrictions on Foreign Ownership of Indian Securities" beginning on pages 523 and 563.*

(5) *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see "Issue Procedure - Part B - Section 7: Allotment Procedure and Basis of Allotment" from page 552.*

Under subscription, if any, in any category except in the QIB Category, would be met with spill-over from the other categories at the discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange.

[●] Equity Shares aggregating to ₹ 200 million shall be made available for allocation on a proportionate basis to the Eligible Employees bidding in the Employee Reservation portion, subject to valid Bids being received at or above the Issue Price. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion after allocation over ₹ 500,000,, shall be added to the Net Issue.

In accordance with the FDI Policy, participation by non-residents in the Issue is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Regulations, in the Issue subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of the Company and the aggregate limit for FPI investment is as provided under applicable laws; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations subject to limit of the individual holding of an NRI below 5% of the post-Issue paid-up capital of the Company and the aggregate limit for NRI investment to 10% of the post-Issue paid-up capital of our Company. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue.

## ISSUE PROCEDURE

*All Bidders should review the General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/ 2015 dated November 10, 2015 and SEBI circular bearing number SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under section "Part B – General Information Document", of this section which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, and certain notified provisions of the Companies Act, 2013, and amendments to the SEBI ICDR Regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

*Our Company, the Selling Shareholders and the BRLMs do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.*

## PART A

***Book Building Procedure***

The Issue is being made through the Book Building Process wherein not more than 50% of the Net Issue shall be Allotted to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs, may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Issue Price. 5% of the QIB Category (excluding the Anchor Investor Category) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Issue Price. Further, not less than 15% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Issue shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Issue Price.

[●] Equity Shares aggregating to ₹ 200 million shall be made available for allocation on a proportionate basis to the Eligible Employees bidding in the Employee Reservation portion, subject to valid Bids being received at or above the Issue Price. In the event of under-subscription in the Employee Reservation Portion (if any), the unsubscribed portion will be available for allocation and Allotment, proportionately to all Eligible Employees who have Bid in excess of ₹ 200,000, subject to the maximum value of Allotment made to such Eligible Employee not exceeding ₹ 500,000. The unsubscribed portion, if any, in the Employee Reservation Portion (after allocation over ₹ 500,000), shall be added to the Net Issue.

Our Company proposes to issue up to 405,500 Equity Shares aggregating up to ₹ [●] to eligible employees under the ESPS Scheme as part of the Issue and at Issue Price.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Investors should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders' depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

**Bid cum Application Form**

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centers, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of NSE (www.nseindia.com) and BSE (www.bseindia.com) at least one day prior to the Bid/Issue Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. Anchor Investors are not permitted to participate in the Issue through the ASBA process.

ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centers only (except in case of electronic ASBA Forms) and the ASBA.

Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

| Category | Colour of Bid cum Application Form* |
|---|---|
| Resident Indians and Eligible NRIs applying on a non-repatriation basis | White |
| Non-Residents including Eligible NRIs and FPIs applying on a repatriation basis.<br><br>For restrictions on participation in the Issue, see "*Issue Procedure*" and "*Restrictions on Foreign Ownership of Indian Securities*" beginning on pages 523 and 563, respectively | Blue |
| Anchor Investors | White |

* *Excluding electronic Bid cum Application Form*

Designated Intermediaries (other than SCSBs) shall submit/ deliver the ASBA Forms to the respective SCSB, where the Bidder has a bank account and shall not submit it to any non-SCSB bank or any Escrow Collection Bank.

**Participation by Promoters, Promoter Group, the BRLMs the Syndicate Members and persons related to the Promoters/Promoter Group/ BRLMs**

The BRLMs and the Syndicate Members shall not be allowed to subscribe to the Equity Shares in the Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Net Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Neither the BRLMs nor any persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and Promoter Group and any persons related to our Promoters and Promoter Group can apply in the Issue under the Anchor Investor Category.

**Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

**In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.**

**No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.**

**Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from the Designated Intermediaries. NRIs are only allowed to participate in the Issue on non-repatriation basis under Schedule 4 of the FEMA Regulations, and eligible NRI Bidders bidding on a non-repatriation basis using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary accounts for the full Bid Amount, at the time of submission of the Bid cum Application Form.

Eligible NRIs Bidding on non-repatriation basis are advised to use the Bid cum Application Form for residents (white in colour). For details of restrictions on investment by NRIs, see "*Restrictions on Foreign Ownership of Indian Securities*" beginning on page 563.

**Bids by FPIs**

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) is not permitted to exceed 10% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs shall be included. FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

In accordance with the FDI Policy, participation by non-residents in the Issue is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Regulations, in the Issue subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of the Company and the aggregate limit for FPI investment to is as provided under applicable law; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations subject to limit of the individual holding of an NRI below 5% of the post-Issue paid-up capital of the Company and the aggregate limit for NRI investment to 10% of the post-Issue paid-up capital of our Company. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by, or on behalf of, it to any persons that are not regulated by an appropriate foreign regulatory authority.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to the following conditions:

(a) such offshore derivative instruments are transferred only to persons in accordance with Regulation 22(1) of the SEBI FPI Regulations; and

(b) prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

**Bids by limited liability partnerships**

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid by a limited liability partnership without assigning any reason thereof.

**Bids by banking companies**

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid cum Application Form, failing which, our Company reserves the right to reject any Bid by a banking company without assigning any reason thereof.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended ("**Banking Regulation Act**"), and the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10% of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10% of the banks' own paid-up share capital and reserves, whichever is lower. However, a banking company would be permitted to invest in excess of 10% but not exceeding 30% of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10% of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, the aggregate investment by a banking company in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20% of the investee company's paid-up share capital and reserves.

**Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies and provident funds with a minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable must be lodged along with the Bid cum Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

**Bids by insurance companies**

In case of Bids made by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

(a) equity shares of a company: the lower of 10% of the outstanding equity shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;

(b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and

(c) the industry sector in which the investee company operates: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or a general insurer and the amounts calculated under points (a), (b) and (c) above, as the case may be.

Insurance Companies participating in this Issue shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

**Bids by SCSBs**

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

**Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250 million, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

**Bids by Eligible Employees**

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 500,000. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (which will be less Employee Discount).

Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount). Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

(a) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.

(b) Made only in the prescribed Bid cum Application Form or Revision Form (*i.e.* pink colour form).

(c) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 500,000.

(d) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.

(e) Bid by Eligible Employees (subject to Bid Amount being up to ₹ 500,000) in the Employee Reservation Portion and in the Net Issue shall not be treated as multiple Bids.

(f) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.

(g) The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 500,000 on a net basis. However, the initial Allotment to an Eligible Employee in the Employee Reservation Portion shall not exceed ₹ 200,000 (which will be less Employee Discount). Only in the event of an under-subscription in the Employee Reservation Portion post the initial allotment, such unsubscribed portion may be Allotted on a proportionate basis to Eligible Employees Bidding in the Employee Reservation Portion, for a value in excess of ₹ 200,000, subject to the total Allotment to an Eligible Employee not exceeding ₹ 500,000 (which will be less Employee Discount).

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, see "*Issue Procedure- Allotment Procedure and Basis of Allotment*" on page 552 of this Draft Red Herring Prospectus.

**General Instructions**

***Do's*:**

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;

2. Ensure that you have Bid within the Price Band;

3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;

4. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;

5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Center within the prescribed time;

6. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to any of the Designated Intermediaries;

7. If the first applicant is not the bank account holder, ensure that the Bid cum Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid cum Application Form;

8. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;

9. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;

10. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;

11. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;

12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;

13. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;

14. Ensure that the category and the investor status is indicated;

15. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;

16. Ensure that Bids submitted by any person outside India is in compliance with applicable foreign and Indian laws;

17. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database;

18. Ensure that you have correctly signed the authorisation/undertaking box in the Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form at the time of submission of the Bid; and

19. Ensure that the Demographic Details are updated, true and correct in all respects.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

***Don'ts:***

1. Do not Bid for lower than the minimum Bid size;

2. Do not Bid for a Bid Amount exceeding ₹200,000 (for Bids by Retail Individual Bidders);

3. Do not pay the Bid Amount in cheques, demand drafts or by cash, money order, postal order or by stock invest;

4. Do not send Bid cum Application Forms by post; instead submit the same to the Designated Intermediary only;

5. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);

6. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;

7. Do not submit the Bid for an amount more than funds available in your ASBA account.

8. Do not submit Bids on plain paper or on incomplete or illegible Bid cum Application Forms or on Bid cum Application Forms in a colour prescribed for another category of Bidder;

9. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;

10. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);

11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Issue size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Red Herring Prospectus;

12. Do not submit more than five Bid cum Application Forms per ASBA Account;

13. Anchor Investors should not bid through the ASBA process;

14. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries;

15. Do not submit the GIR number instead of the PAN;

16. Anchor Investors should submit Anchor Investor Application Form only to Syndicate;

17. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder; and

18. Do not submit Bids to a Designated Intermediary at a location other than Specified Locations.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Payment into Escrow Account for Anchor Investors**

Our Company, in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

(a) In case of resident Anchor Investors: "[●] Public Issue – Escrow Account – R"

(b) In case of Non-Resident Anchor Investors: "[●] Public Issue – Escrow Account – NR"

**Pre- Issue Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI ICDR Regulations, in: (i) all editions of English national newspaper [●]; (ii) all editions of Hindi national newspaper [●]; and (iii) [●] edition of Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office of our Company is situated), each with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the QIB Bid Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI ICDR Regulations.

**Signing of the Underwriting Agreement and the RoC Filing**

(a) Our Company and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Issue Price.

(b) After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Issue Price, the Anchor Investor Issue Price, Issue size, and underwriting arrangements and will be complete in all material respects.

**Impersonation**

**Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:**

**"*Any person who:***

***(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

***(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

***(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name, shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

**Undertakings by our Company**

Our Company undertakes the following:

- if our Company does not proceed with the Issue after the Bid/Issue Closing Date but prior to Allotment, reasons thereof shall be given as a public notice within two days of Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the pre-Issue advertisements were published.

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

- it shall not have any recourse to the proceeds of the Issue until final listing and trading approvals have been received from the Stock Exchanges;

- the complaints received in respect of the Issue shall be attended to by our Company expeditiously and satisfactorily;

- all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Issue Closing Date or such other period as may be prescribed;

- if Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law, failing which interest will be due to be paid to the Bidders at the rate prescribed under applicable law for the delayed period;

- the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Issue by our Company;

- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;

- Promoters' contribution, if any, shall be brought in advance before the Bid/Issue Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;

- intimation of the credit of the securities/refund orders to Eligible NRIs shall be despatched within specified time; and

- Other than the Pre-IPO Placement and except for the Equity Shares allotted to the employees of our Company under the ESPS, if any, and the Issue, no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.

**Undertakings by the Promoter Selling Shareholder**

The Promoter Selling Shareholder undertakes that:

- they shall deposit their Equity Shares in an escrow account opened with the Registrar to the Issue at least one Working Day prior to the Bid/Issue Opening Date;

- they shall not offer, lend, pledge, encumber, sell, contract to sell or otherwise transfer or dispose off, directly or indirectly, any of the Equity Shares offered in the Offer for Sale;

- they shall not have any recourse to the proceeds of the Offer for Sale until final listing and trading approvals have been received from the Stock Exchanges;

- they shall take all steps and provide all assistance to the Company, the BRLMs, as may be required and necessary by the Selling Shareholders, for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Issue Closing Date of the Issue, failing which they shall forthwith repay without interest all monies received from Bidders to the extent of the Issued Shares. In case of delay, interest as per applicable law shall be paid by them to the extent of the Issued Shares;

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013; and

- they shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law.

**Undertakings by the Investor Selling Shareholder**

The Investor Selling Shareholder undertakes that:

- it shall deliver the V-Sciences' Offered Shares in an escrow account in accordance with the Share Escrow Agreement;

- except pursuant to the Offer for Sale, it shall not offer, lend, pledge, encumber, sell, contract to sell or otherwise transfer or dispose off, directly or indirectly, any of the V-Sciences' Offered Shares from the date of filing of this Draft Red Herring Prospectus until the Equity Shares are admitted to listing and trading on the Stock Exchanges;

- it shall not have any recourse to the proceeds of the Offer for Sale (only to the extent of the V-Sciences' Offered Shares) until final listing and trading approvals have been received from the Stock Exchanges;

- it shall extend reasonable co-operation to the Company and the BRLMs, as may be required, for the completion of the necessary formalities for listing and commencement of trading of the V-Sciences' Offered Shares at the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid/Issue Closing Date of the Issue. Any expense incurred by our Company on behalf of the Investor Selling Shareholder with regard to interest for delay for the V-Sciences' Offered Shares will be reimbursed by the Investor Selling Shareholder to our Company in proportion to the V-Sciences' Offered Shares, to the non-ASBA Bidders. For the avoidance of doubt, subject to applicable laws, the Investor Selling Shareholder will not be responsible to pay interest for any delay except to the extent such delay has been caused solely by it; and

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

**Utilisation of Net Proceeds**

The Board of Directors certify that:

- all monies received out of the Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;

- details of all monies utilised out of the Issue shall be disclosed, and continue to be disclosed till the time any part of the Net proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;

- details of all unutilised monies out of the Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;

- utilisation of monies received under the Promoters' contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the Net Proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and

- details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

## PART B

### General Information Document for Investing in Public Issues

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI ICDR Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Issue.*

### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issue. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("**SEBI ICDR Regulations, 2009**").

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus ("**RHP**")/Prospectus filed by the Issuer with the Registrar of Companies ("**RoC**"). Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see "*Glossary and Abbreviations*".

### SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

#### 2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

#### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Issue for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

#### 2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

### 2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

### 2.5 ISSUE PERIOD

The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

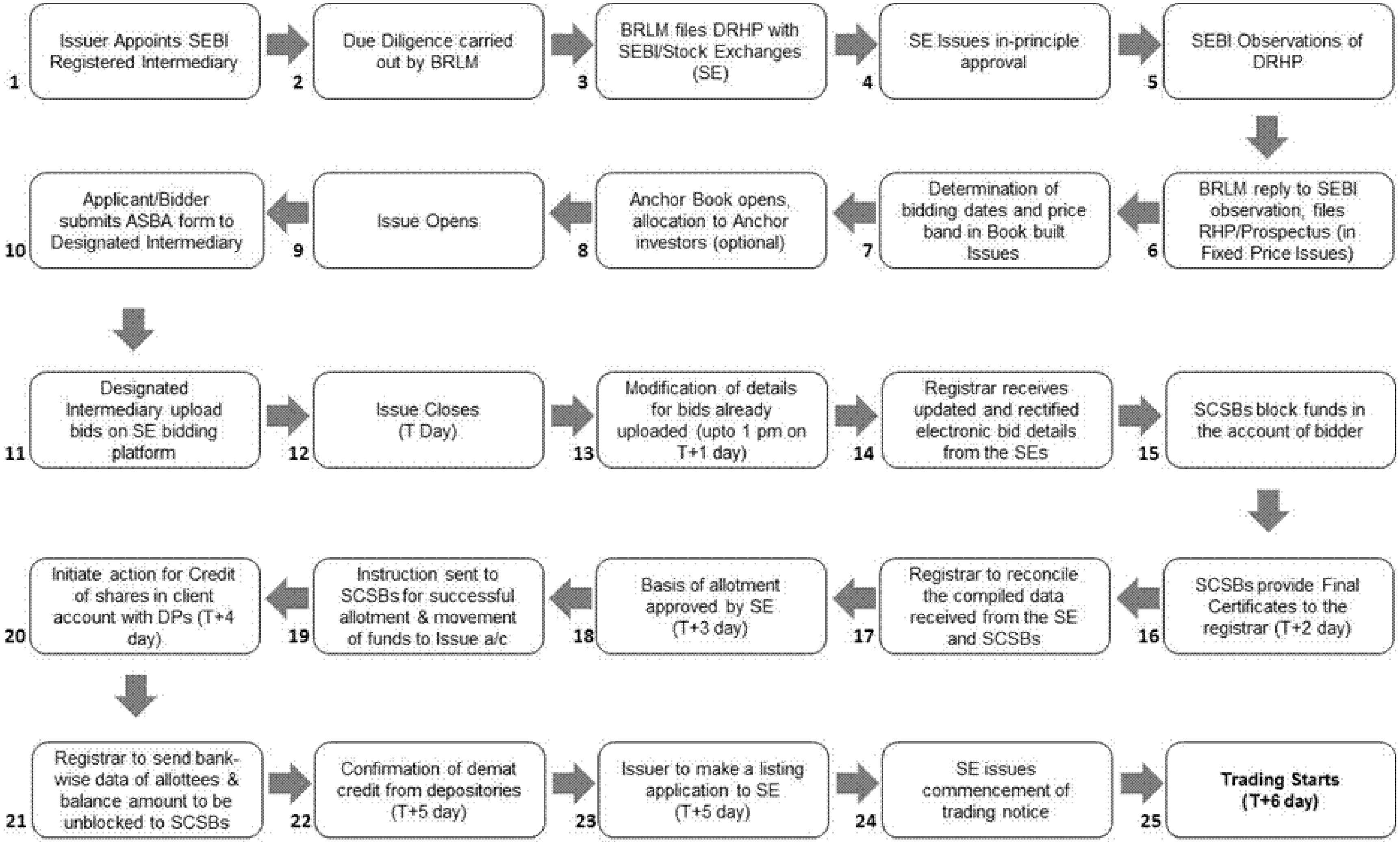
### 2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Build Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:

    i. Step 7 : Determination of Issue Date and Price

    ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries


1 Issuer Appoints SEBI Registered Intermediary
2 Due Diligence carried out by BRLM
3 BRLM files DRHP with SEBI/Stock Exchanges (SE)
4 SE Issues in-principle approval
5 SEBI Observations of DRHP
6 BRLM reply to SEBI observation, files RHP/Prospectus (in Fixed Price Issues)
7 Determination of bidding dates and price band in Book built Issues
8 Anchor Book opens, allocation to Anchor investors (optional)
9 Issue Opens
10 Applicant/Bidder submits ASBA form to Designated Intermediary
11 Designated Intermediary upload bids on SE bidding platform
12 Issue Closes (T Day)
13 Modification of details for bids already uploaded (upto 1 pm on T+1 day)
14 Registrar receives updated and rectified electronic bid details from the SEs
15 SCSBs block funds in the account of bidder
16 SCSBs provide Final Certificates to the registrar (T+2 day)
17 Registrar to reconcile the compiled data received from the SE and SCSBs
18 Basis of allotment approved by SE (T+3 day)
19 Instruction sent to SCSBs for successful allotment & movement of funds to Issue a/c
20 Initiate action for Credit of shares in client account with DPs (T+4 day)
21 Registrar to send bank-wise data of allottees & balance amount to be unblocked to SCSBs
22 Confirmation of demat credit from depositories (T+5 day)
23 Issuer to make a listing application to SE (T+5 day)
24 SE issues commencement of trading notice
25 Trading Starts (T+6 day)

## SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

***Each Bidder/Applicant should check whether it is eligible to apply under applicable law.*** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, OCBs are not allowed to participate in an Issue.

## SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the Registered and Corporate Office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

| Category | Colour of the Bid cum Application Form |
|---|---|
| Resident Indian, Eligible NRIs applying on a non repatriation basis | White |
| NRIs, FPIs, on a repatriation basis | Blue |

| Category | Colour of the Bid cum Application Form |
|---|---|
| Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category | As specified by the Issuer |

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

## 4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - R<br>Address : .................. Contact Details: .................. CIN No ........... | FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS |
|---|---|---|

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ..............

Bid cum Application Form No.

| SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE |
|---|---|
| SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE |
| BANK BRANCH SERIAL NO. | SCSB SERIAL NO. |

**1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER**

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | |
|---|---|---|---|---|---|
| | 8 \| 7 \| 6 \| 5 \| 4 \| 3 \| 2 \| 1 | Bid Price<br>3 \| 2 \| 1 | Retail Discount<br>3 \| 2 \| 1 | Net Price<br>3 \| 2 \| 1 | "Cut-off" (Please ✓ tick) |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

**5. CATEGORY**

☐ Retail Individual Bidder
☐ Non-Institutional Bidder
☐ QIB

**6. INVESTOR STATUS**

☐ Individual(s) - IND
☐ Hindu Undivided Family* - HUF
☐ Bodies Corporate - CO
☐ Banks & Financial Institutions - FI
☐ Mutual Funds - MF
☐ Non-Resident Indians - NRI (Non-Repatriation basis)
☐ National Investment Fund - NIF
☐ Insurance Funds - IF
☐ Insurance Companies - IC
☐ Venture Capital Funds - VCF
☐ Alternative Investment Funds - AIF
☐ Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with individual)

**7. PAYMENT DETAILS** PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

| 8A. SIGNATURE OF SOLE/ FIRST BIDDER | 8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) | BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) |
|---|---|---|
| | I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue | |
| | 1) | |
| | 2) | |
| Date : | 3) | |

TEAR HERE

LOGO

| XYZ LIMITED<br>INITIAL PUBLIC ISSUE - R | Acknowledgement Slip for Broker/SCSB/ DP/RTA | Bid cum Application Form No. |
|---|---|---|

DPID / CLID

PAN of Sole / First Bidder

| Amount paid (₹ in figures) | Bank & Branch | Stamp & Signature of SCSB Branch |
|---|---|---|
| ASBA Bank A/c No. | | |
| Received from Mr./Ms. | | |
| Telephone / Mobile | Email | |

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

| COMMON BID CUM APPLICATION FORM | XYZ LIMITED - INITIAL PUBLIC ISSUE - NR<br>Address : .................... Contact Details: .................... CIN No .............. | FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIS OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS |
|---|---|---|

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ..........................

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE

ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO.

SCSB SERIAL NO.

**1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER**

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

**2. PAN OF SOLE / FIRST BIDDER**

**3. BIDDER'S DEPOSITORY ACCOUNT DETAILS** ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

**4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")**

| Bid Options | No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) | | | "Cut-off" (Please ✔ tick) |
|---|---|---|---|---|---|
| | | Bid Price | Retail Discount | Net Price | |
| | 8 \| 7 \| 6 \| 5 \| 4 \| 3 \| 2 \| 1 | 3 \| 2 \| 1 | 3 \| 2 \| 1 | 3 \| 2 \| 1 | |
| Option 1 | | | | | ☐ |
| (OR) Option 2 | | | | | ☐ |
| (OR) Option 3 | | | | | ☐ |

**5. CATEGORY**

☐ Retail Individual Bidder

☐ Non-Institutional Bidder

☐ QIB

**6. INVESTOR STATUS**

| | |
|---|---|
| NRI | Non-Resident Indian(s) (Repatriation basis) |
| FII | FII or Sub-account not a Corporate/Foreign Individual |
| FIISA | FII Sub-account Corporate/Individual |
| FVCI | Foreign Venture Capital Investor |
| FPI | Foreign Portfolio Investors |
| OTH | Others (Please Specify)________ |

**7. PAYMENT DETAILS**

PAYMENT OPTION : FULL PAYMENT ☐ PART PAYMENT ☐

Amount paid (₹ in figures) (₹ in words) ________________

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.

**8A. SIGNATURE OF SOLE/ FIRST BIDDER**

Date : ____________

**8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)**

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)

2)

3)

**BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)**

TEAR HERE

LOGO

| XYZ LIMITED<br>INITIAL PUBLIC ISSUE - NR | Acknowledgement Slip for Broker/SCSB/ DP/RTA |
|---|---|

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Amount paid (₹ in figures)

Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Amount Paid (₹) | | | |

ASBA Bank A/c No. ________________

Bank & Branch ________________

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

Bid cum Application Form No.

TEAR HERE

4.1.1 **FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT**

(a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(b) **Mandatory Fields**: Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(c) **Joint Bids/Applications**: In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.

(d) **Impersonation**: Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

**"*Any person who:***

***(d) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or***

***(e) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or***

***(f) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,***

***shall be liable for action under Section 447.*"**

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

(e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective DP.

4.1.2 **FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT**

(a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim ("PAN Exempted Bidders/Applicants"). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.

(e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

(a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**

(b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.

(c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for other correspondence(s) related to an Issue.

(d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

4.1.4 **FIELD NUMBER 4: BID OPTIONS**

(a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.

(b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).

(c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.

(d) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.

(e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 **Maximum and Minimum Bid Size**

(a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, Employees and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹200,000.

(b) In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.

(c) For NRIs, a Bid Amount of up to ₹200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹200,000 may be considered under the Non-Institutional Category for the purposes of allocation.

(d) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.

(e) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.

(f) For Anchor Investors, if applicable, the Bid Amount shall be least ₹10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.

(g) A Bid cannot be submitted for more than the Issue size.

(h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.

(i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e))

4.1.4.2 **Multiple Bids**

(a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.

Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.

(b) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:

i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

ii. For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.

(c) The following Bids may not be treated as multiple Bids:

i. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.

iii. Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

iv. Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

### 4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

(a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.

(b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.

(c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.

(d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

### 4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

(c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.

(d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

### 4.1.7 FIELD NUMBER 7: PAYMENT DETAILS

(a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If Discount is applicable in the Issue, RIBs should indicate the full Bid Amount in the Bid cum Application Form and funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.

(b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.

(c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.

(d) Bid Amount cannot be paid in cash, through money order or through postal order.

#### 4.1.7.1 Instructions for Anchor Investors:

(a) Anchor Investors may submit their Bids with a Book Running Lead Manager.

(b) Payments should be made either by direct credit, RTGS or NEFT.

(c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

4.1.7.2 **Payment instructions for ASBA Bidders**

(a) Bidders may submit the ASBA Form either

i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or

ii. in physical mode to any Designated Intermediary.

(b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.

(c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.

(d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.

(e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.

(f) Bidders should submit the Bid cum Application Form only at the Bidding Centers, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.

(g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.

(h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.

(i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.

(j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.

(k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.

(l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

(m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.

(n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

4.1.7.2.1 **Unblocking of ASBA Account**

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.

(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.

(c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/Issue Closing Date.

4.1.7.3 **Discount** (if applicable)

(a) The Discount is stated in absolute rupee terms.

(b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.

(c) The Bidders entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

#### 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.

(b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.

(c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.

(d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### 4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

(a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.

(b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

### 4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Bid/Issue Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.

(b) RIB may revise their bids or withdraw their Bids till the Bid/Issue Closing Date.

(c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.

(d) The Bidder/Applicant can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

COMMON BID REVISION FORM

XYZ LIMITED - INITIAL PUBLIC ISSUE - R

Address : ................ Contact Details: ................ CIN No ..........

FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS

LOGO

TO,
THE BOARD OF DIRECTORS
XYZ LIMITED

BOOK BUILT ISSUE

ISIN : ..............

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE | BROKER/SCSB/DP/RTA STAMP & CODE

SUB-BROKER'S / SUB-AGENT'S STAMP & CODE | ESCROW BANK/SCSB BRANCH STAMP & CODE

BANK BRANCH SERIAL NO. | SCSB SERIAL NO.

1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST BIDDER

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS NSDL CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)

| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | |
| (OR) Option 2 | OLD BID | | | | |
| (OR) Option 3 | | | | | |

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")

| Bid Options | No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures) | Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures) Bid Price | Retail Discount | Net Price | "Cut-off" (Please ✓ tick) |
|---|---|---|---|---|---|
| | 8 7 6 5 4 3 2 1 | 3 2 1 | 3 2 1 | 3 2 1 | |
| Option 1 | | | | | |
| (OR) Option 2 | REVISED BID | | | | |
| (OR) Option 3 | | | | | |

6. PAYMENT DETAILS

PAYMENT OPTION : FULL PAYMENT PART PAYMENT

Additional Amount Paid (₹ in figures) (₹ in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABRIDGED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVERLEAF.

7A. SIGNATURE OF SOLE/ FIRST BIDDER

Date :

7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)

I/We authorize the SCSB to do all acts as are necessary to make the Application in the Issue

1)
2)
3)

BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

LOGO

XYZ LIMITED
BID REVISION FORM - INITIAL PUBLIC ISSUE - R

Acknowledgement Slip for Broker/SCSB/ DP/RTA

Bid cum Application Form No.

DPID / CLID

PAN of Sole / First Bidder

Additional Amount Paid (₹) | Bank & Branch

ASBA Bank A/c No.

Stamp & Signature of SCSB Branch

Received from Mr./Ms.

Telephone / Mobile | Email

REVISED BID

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R

| | Option 1 | Option 2 | Option 3 |
|---|---|---|---|
| No. of Equity Shares | | | |
| Bid Price | | | |
| Additional Amount Paid (₹) | | | |

REVISED BID

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Bidder

Acknowledgement Slip for Bidder

ASBA Bank A/c No.

Bank & Branch

Bid cum Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 **FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

(a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.

(b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.

(c) In case of revision of Bids by RIBs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.

(d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible. shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.

(e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

4.2.3 **FIELD 6: PAYMENT DETAILS**

(a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.

(b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.

(c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

(d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

**4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

(a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).

(b) **Minimum Application Value and Bid Lot**: The Issuer in consultation with the Lead Manager may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹10,000 to ₹15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.

(c) Applications by RIBs**,** Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹200,000.

(d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.

(e) An application cannot be submitted for more than the Issue size.

(f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.

(g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.

(h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(i) The following applications may not be treated as multiple Bids:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.

iii. Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.3.3 **FIELD NUMBER 5 : CATEGORY OF APPLICANTS**

(a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

(b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

(c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

4.3.5 **FIELD 7: PAYMENT DETAILS**

(a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue

(b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.

4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraphs 4.1.7.2.1.

4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraphs 4.1.7.3.

4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

**4.4 SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM**

4.4.1 **Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:-**

| Mode of Application | Submission of Bid cum Application Form |
|---|---|
| Anchor Investors Application Form | 1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form |
| ASBA Form | (a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the DP at the Designated DP Location<br>(b) To the Designated Branches of the SCSBs |

(a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.

(b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.

(c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### 5.1 SUBMISSION OF BIDS

(a) During the Bid/Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.

(b) In case of Bidders/Applicants (excluding NIIs, NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).

(c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

### 5.2 ELECTRONIC REGISTRATION OF BIDS

(a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.

(b) On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.

(c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### 5.3 BUILD UP OF THE BOOK

(a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/Issue Period.

(b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding Centres during the Bid/Issue Period.

### 5.4 WITHDRAWAL OF BIDS

(a) RIBs can withdraw their Bids until Bid/Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.

(b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalisation of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

### 5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

(a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:

i. the Bids accepted by the Designated Intermediary,

ii. the Bids uploaded by the Designated Intermediary, and

iii. the Bid cum application forms accepted but not uploaded by the Designated Intermediary.

(b) The BRLMs and their affiliate Syndicate Members, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.

(c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.

(d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.

(e) All bids by QIBs, NIBs & RIBs Bidders can be rejected on technical grounds listed herein.

### 5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various places in this GID:-

(a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);

(b) Bids/Applications by OCBs;

(c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;

(d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;

(e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

(f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;

(g) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;

(h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;

(i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;

(j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;

(k) Bids/Applications at Cut-off Price by NIBs and QIBs;

(l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;

(m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;

(n) Submission of more than five ASBA Forms/Application Forms per ASBA Account;

(o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;

(p) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

(q) Bids not uploaded in the Stock Exchanges bidding system.

(r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;

(s) Where no confirmation is received from SCSB for blocking of funds;

(t) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;

(u) Bids/Applications not uploaded on the terminals of the Stock Exchanges;

(v) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centers or to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;

(w) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

**5.6 BASIS OF ALLOCATION**

(a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.

(b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

(c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.

(d) **Illustration of the Book Building and Price Discovery Process**

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹20 to ₹24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer company at various prices and is collated from bids received from various investors.

| Bid Quantity | Bid Price (₹) | Cumulative Quantity | Subscription |
|---:|---:|---:|---:|
| 500 | 24 | 500 | 16.70% |
| 1,000 | 23 | 1,500 | 50.00% |
| 1,500 | 22 | 3,000 | 100.00% |
| 2,000 | 21 | 5,000 | 166.70% |
| 2,500 | 20 | 7,500 | 250.00% |

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of equity shares is the price at which the book cuts off, *i.e.*, ₹22.00 in the above example. The issuer, in consultation with the book running lead managers, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹22.00. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

(e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding ("**Alternate Book Building Process**").

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted

Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date.

In a fixed price issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### 7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot ("**Maximum RIB Allottees**"). The Allotment to the RIBs will then be made in the following manner:

(a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).

(b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

### 7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

## 7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

(a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows: (i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;

(b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

(a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the BRLMs, subject to compliance with the following requirements:

   i. not more than 60% of the QIB Category will be allocated to Anchor Investors;

   ii. one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and

   iii. allocation to Anchor Investors shall be on a discretionary basis and subject to:

      - a maximum number of two Anchor Investors for allocation up to ₹100 million;
      - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹100 million and up to ₹2,500 million subject to minimum Allotment of ₹50 million per such Anchor Investor; and
      - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹2,500 million, and an additional 10 Anchor Investors for every additional ₹2,500 million or part thereof, subject to minimum Allotment of ₹50 million per such Anchor Investor.

(b) An Anchor Investor shall make an application of a value of at least ₹100 million in the Issue.

(c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.

(d) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price**: Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

(e) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

## 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

(a) Bidders may be categorized according to the number of Equity Shares applied for;

(b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;

(c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;

(d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;

(e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and

(f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/Issue Closing Date.

## SECTION 8: INTEREST AND REFUNDS

### 8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/Issue Closing Date.

### 8.2 GROUNDS FOR REFUND

#### 8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹5 lakhs but which may extend to ₹50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹50,000 but which may extend to ₹3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

#### 8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

#### 8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

#### 8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

### 8.3 MODE OF REFUND

(a) **In case of ASBA Bids:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

(b) **In case of Anchor Investors:** Within six Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.

(c) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

**8.3.1 Electronic mode of making refunds for Anchor Investors**

The payment of refund, if any, may be done through various electronic modes as mentioned below:

(a) **NACH –** National Automated Clearing House which is a consolidated system of ECS. Payment of refund would be done through NACH for Applicants having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) code wherever applicable from the depository. The payment of refund through NACH is mandatory for Applicants having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf, from the depositories), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or Direct Credit or RTGS.

(b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("**IFSC**"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;

(c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.

(d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

**8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND**

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

| Term | Description |
|---|---|
| Allotment/Allot/Allotted | The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants |

| Term | Description |
|---|---|
| Allotment Advice | Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges |
| Allottee | An Bidder/Applicant to whom the Equity Shares are Allotted |
| Anchor Investor | A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus. |
| Anchor Investor Application Form | The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus |
| Anchor Investor Portion | Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors |
| Application Supported by Blocked Amount /ASBA | An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB |
| Application Supported by Blocked Amount Form /ASBA Form | An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus |
| ASBA Account | Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder |
| ASBA Bidder | All Bidders/Applicants except Anchor Investors |
| Banker(s) to the Issue/Escrow Collection Bank(s)/Collecting Banker | The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Basis of Allotment | The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue |
| Bid | An indication to make an offer during the Bid/Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application |
| Bid Amount | The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount |
| Bid cum Application Form | The Anchor Investor Application Form or the ASBA Form, as the context requires |
| Bid/Issue Closing Date | Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Closing Date |

| Term | Description |
|---|---|
| Bid/Issue Opening Date | The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Opening Date |
| Bid/Issue Period | Except in the case of Anchor Investors (if applicable), the period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/Issue Period for QIBs one working day prior to the Bid/Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/Issue Period |
| Bidder/Applicant | Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant |
| Book Built Process/Book Building Process/Book Building Method | The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |
| Broker Centres | Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers are available on the websites of the Stock Exchanges. |
| BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM | The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM |
| Business Day | Monday to Saturday (except 2nd and 4th Saturday of a month and public holidays) |
| CAN/Confirmation of Allocation Note | Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Issue Period |
| Cap Price | The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted |
| Client ID | Client Identification Number maintained with one of the Depositories in relation to demat account |
| Collecting Depository Participant or CDPs | A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Cut-off Price | Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price |
| DP | Depository Participant |
| DP ID | Depository Participant’s Identification Number |
| Depositories | National Securities Depository Limited and Central Depository Services (India) Limited |
| Demographic Details | Details of the Bidders/Applicants including the Bidder/Applicant’s address, name of the Applicant’s father/husband, investor status, occupation and bank account details |

| Term | Description |
|---|---|
| Designated Branches | Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes |
| Designated CDP Locations | Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants.<br><br>The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Date | The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale |
| Designated Intermediaries | Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Issue |
| Designated RTA Locations | Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.<br><br>The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com) |
| Designated Stock Exchange | The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer |
| Discount | Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009. |
| Draft Prospectus | The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band |
| Employees | Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus |
| Equity Shares | Equity Shares of the Issuer |
| Escrow Account | Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid |
| Escrow Agreement | Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof |
| Escrow Collection Bank(s) | Refer to definition of Banker(s) to the Issue |
| FCNR Account | Foreign Currency Non-Resident Account |
| First Bidder/Applicant | The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form |
| Fixed Price Issue/Fixed Price Process/Fixed Price Method | The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made |

| Term | Description |
|---|---|
| Floor Price | The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto |
| FPIs | Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 |
| FPO | Further public offering |
| Foreign Venture Capital Investors or FVCIs | Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000 |
| Fresh Issue | The public issue of up [●] Equity Shares aggregating up to ₹[●] million |
| IPO | Initial public offering |
| Issuer/Company | The Issuer proposing the initial public offering/further public offering as applicable |
| Maximum RIB Allottees | The maximum number of RIBs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot. |
| MICR | Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf |
| Mutual Fund | A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996 |
| Mutual Funds Portion | 5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form |
| NACH | National Automated Clearing House |
| NEFT | National Electronic Fund Transfer |
| NRE Account | Non-Resident External Account |
| NRI | NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares |
| NRO Account | Non-Resident Ordinary Account |
| Net Issue | The Issue less reservation portion |
| Non Institutional Bidders or NIBs | All Bidders/Applicants registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than ₹200,000 (but not including NRIs other than Eligible NRIs) |
| Non-Institutional Category | The portion of the Issue being such number of Equity Shares available for allocation to NIBs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form |
| Non-Resident | A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI |
| OCB/Overseas Corporate Body | A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA |
| Issue | Public issue of Equity Shares of the Issuer including the Offer for Sale |

| Term | Description |
|---|---|
| Issue for Sale | Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder |
| Other Investors | Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for |
| Issue Price | The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s) |
| PAN | Permanent Account Number allotted under the Income Tax Act, 1961 |
| Price Band | Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band for the Issue will be decided by our Company in consultation with the Selling Shareholdersand the BRLMs and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the BRLMs and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation |
| Pricing Date | The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price |
| Prospectus | The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information |
| Public Issue Account | A Bank account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date |
| QIB Category | The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis |
| Qualified Institutional Buyers or QIBs | As defined under SEBI ICDR Regulations, 2009 |
| RTGS | Real Time Gross Settlement |
| Red Herring Prospectus/RHP | The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus |
| Refund Account | The account opened with Refund Bank, from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made |
| Refund Bank | Refund bank as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer |
| Registrar and Share Transfer Agents or RTAs | Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI |
| Registered Broker | Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate |

| Term | Description |
|---|---|
| Registrar to the Issue/RTO | The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form |
| Reserved Category/Categories | Categories of persons eligible for making application/Bidding under reservation portion |
| Reservation Portion | The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009 |
| Retail Individual Bidders/ RIBs | Investors who applies or bids for a value of not more than ₹200,000. |
| Retail Individual Shareholders | Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000. |
| Retail Category | The portion of the Issue being such number of Equity Shares available for allocation to RIBs which shall not be less than the minimum Bid Lot, subject to availability in RIB category and the remaining shares to be Allotted on proportionate basis. |
| Revision Form | The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s) |
| RoC | The Registrar of Companies |
| SEBI | The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992 |
| SEBI ICDR Regulations, 2009 | The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 |
| Self Certified Syndicate Bank(s) or SCSB(s) | A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on<br><br>http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html |
| Specified Locations | Refer to definition of Broker Centers |
| Stock Exchanges/SE | The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed |
| Syndicate | The Book Running Lead Manager(s) and the Syndicate Member |
| Syndicate Agreement | The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members |
| Syndicate Member(s)/SM | The Syndicate Member(s) as disclosed in the RHP/Prospectus |
| Underwriters | The Book Running Lead Manager(s) and the Syndicate Member(s) |
| Underwriting Agreement | The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date |
| Working Day | "Working Day" means all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 |

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the FDI Policy and FEMA. The government bodies responsible for granting foreign investment approvals are the concerned ministries/departments of the Government of India and the RBI. The Union Cabinet has recently approved phasing out the erstwhile Foreign Investment Promotion Board, as provided in the press release dated May 24, 2017. Accordingly, pursuant to the Office Memorandum dated June 5, 2017 issued by the Department of Economic Affairs, Ministry of Finance, approval for foreign investment under the FDI Policy and FEMA has been entrusted to the concerned ministries/departments.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the consolidated FDI Policy by way of circular no. D/o IPP F. No. 5(1)/2016-FC-1 dated the June 7, 2016 which with effect from June 7, 2016, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on June 6, 2016. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated FDI Policy.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the RBI, provided that (i) the activities of the investee company falls under the automatic route as provided in the FDI Policy and FEMA and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs cannot participate in this Issue.

In accordance with the FDI Policy, participation by non-residents in the Issue is restricted to participation by (i) FPIs through the portfolio investment scheme under Schedule 2A of the FEMA Regulations, in the Issue subject to limit of the individual holding of an FPI below 10% of the post-Issue paid-up capital of the Company and the aggregate limit for FPI investment as provided under applicable laws; and (ii) Eligible NRIs only on non-repatriation basis under Schedule 4 of the FEMA Regulations subject to limit of the individual holding of an NRI below 5% of the post-Issue paid-up capital of the Company and the aggregate limit for NRI investment to 10% of the post-Issue paid-up capital of our Company. Further, other non-residents such as FVCIs and multilateral and bilateral development financial institutions are not permitted to participate in the Issue. As per the existing policy of the Government, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold (i) in the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as “U.S. QIBs”, for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as “QIBs”) pursuant to Rule 144A or another available exemption from the registration requirements of the Securities Act, and (ii) outside the United States only in offshore transactions in reliance on Regulation S under the Securities Act and pursuant to the applicable laws of the jurisdiction where those offers and sales occur.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

**The above information is given for the benefit of the Bidders. Our Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

*Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below.*

*Articles 186 to 198 hereof shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of receipt of final listing and trading approval from a recognized stock exchange with respect to the Equity Shares of our Company, without any further action by our Company or by our Shareholders.*

**Share Capital**

Article 3 provides the following:

"(i) The Authorized Share Capital of the Company is ₹2,25,00,00,000/- (Rupees Two Hundred Twenty Five Crore Only) divided into: (a) ₹2,24,99,40,000/- (Rupees Two Hundred Twenty Four Crore Ninety Nine Lac Forty Thousand Only) consisting of 22,49,94,000 (Twenty Two Crore Forty Nine Lac Ninety Four Thousand) Equity Shares of ₹10/- (Rupees Ten Only) each; and (b) ₹60,000/- (Rupees Sixty Thousand Only) consisting of 6,000 (Six Thousand) Preference Shares of ₹10/- (Rupees Ten Only) each.

(ii) The paid-up Capital of the Company shall be minimum of ₹5,00,000/- (Rupees Five Lakh Only) or such other amount as may be prescribed under the Act."

Article 4 provides that "The Company in General Meeting may, from time to time, increase the capital by the creation of new shares, such increase to be of such aggregate amount and to be divided into shares of such respective amounts as the resolution shall prescribe. Subject to the provisions of the Act, any shares of the original or increased capital shall be issued upon such terms and conditions and with such rights and privileges annexed thereto, as the General Meeting resolving upon the creation thereof, shall direct, and if no direction be given, as the Board shall determine and in particular, such shares may be issued with a preferential or qualified right to dividends, and in the distribution of assets of the Company, and with a right of voting at general meeting of the company in conformity with the provisions of the Act. Whenever the capital of the Company has been increased under the provisions of this article the Board shall comply with the provisions of the Act."

Article 6 provides that "Subject to the provisions of the Act the Company shall have the power to issue preference shares which are liable to be redeemed and the resolution authorising such issue shall prescribe the manner, terms and conditions of redemption."

Article 8 provides that "Subject to the provision of Sections 52, 55 and 66 of the Act, the Company may from time to time by Special Resolution, reduce its capital and any capital redemption reserve fund or other premium account in any manner for the time being authorised by law, and in particular capital may be paid off on the footing that it may be called up again or otherwise."

Article 8A provides that "The Company is also permitted to purchase its own shares or other specified securities in accordance with the provisions of Sections 68 to 70 and other applicable provisions, if any, of the act and such rules, regulations, guidelines as may be framed thereunder or by the Securities and Exchange Board of India or any other appropriate authority as may be applicable."

Article 10 provides that "Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of shares, all or any of the rights and privileges attached to each class may, subject to the provisions of the Act, be modified, commuted, affected or abrogated, or dealt with by agreement between the Company and any person purporting to contract on behalf of that class, provided such agreement is ratified in writing by holders of atleast three fourths in nominal value of the issued shares of the class or is confirmed by a Special Resolution passed at a separate General Meeting of the holders of shares of that class and all the provisions hereinafter contained as to General Meetings shall mutatis apply to every such meeting."

Article 11 provides that "The Company shall cause to be kept a Register and Index of Members and Register and Index of Debenture holders, if any in accordance with the provisions of the Act. The Register and Index of Beneficial Owners maintained by a depository under the Depositories Act, shall be deemed to be the Register and Index (if applicable) of members and security holders for the purposes of these Articles. The Company shall be entitled to keep in any country outside India a branch Register of beneficial owners residing outside India."

Article 13 provides that

(1) "Where at any time the Board or the Company, as the case may be, may, propose to increase the subscribed capital by the issue of further shares then such shares shall be offered, subject to the provisions of Section 62 and other applicable provisions of the Act:

A. to the persons who, at the date of the offer, are holders of the equity shares of the Company in proportion as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions mentioned in (i) to (iv) below;

(i) the offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer, within which the offer if not accepted, shall be deemed to have been declined;

(ii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (ii) shall contain a statement of this right;

(iii) after the expiry of time specified in the notice aforesaid or on receipt of earlier intimation from the person to whom such notice is given that the person declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the shareholders and the Company;

B. to employees under any scheme of employees' stock option subject to special resolution passed by the Company and subject to the Companies (Share Capital and Debentures) Rules, 2014 and such other conditions, as may be prescribed under applicable law; or

C. to any person(s), if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (A) or clause (B) above either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the Act and the rules made thereunder."

Article 14 provides that "Subject to the provisions of the Act and these Articles, the shares in the Capital of the Company for the time being (including any shares forming part of any increased capital of the Company) shall be under the control of the Board which may issue, allot or otherwise dispose of the same to such persons in such proportion, on such terms and conditions, and either at a premium or at par (subject to compliance with the provisions of Sections 52 and 53 of the Act) and at such times as they may from time to time think fit and proper with the sanction in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Board may think fit, and may issue and allot Shares in the Capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares."

Article 15 provides that "Notwithstanding the powers for the purpose conferred on the Board under Articles 14 and 15 the Company in General Meeting may, subject to the provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions, and (subject to the provisions of the Act) either at a premium or at par, as such General Meeting shall determine and with full power to give any person (whether a member or not) the option to call for or be allotted shares of any class of the Company (subject to the provisions of the Act) either at a premium or at par, such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of the shares.

Article 18 provides that "Every member, or his heirs, executors or administrators, shall pay to the Company the portion of the capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts, at such time or times, and in such manner, as the Board shall from time to time, in accordance with the Company's regulations require or fix for the payment thereof.

Article 19 provides that "Every Member or allottee of shares shall be entitled without payment, to receive one certificate specifying the name of the person in whose favour it is issued, the shares to which it relates and the amount paid-up thereon. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its Letter of Allotment or its fractional coupons of requisite value save in cases of issues against Letters of Acceptance or of Renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the Seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose, and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or a Whole time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue."

Article 20 provides that “If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on execution of such indemnity as the Company deem adequate, being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding the limit prescribed under the Act) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other act, or rules applicable in this behalf.

The provisions of this Article shall mutatis mutandis apply to debentures of the Company.”

Article 27 provides that “Subject to the terms on which any shares may have been issued and to the conditions of allotment, the Board may, form time to time, by resolution passed at a meeting of the Board. (and not by circular resolution) make such call as it thinks fit upon the Members in respect of all moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the person or persons and at the times and places appointed by the Board. A call may be made payable by instalments.”

Article 38 provides that “The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that Article 22 hereof is to have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed, the registration of a transfer of shares/debentures shall operate as a waiver of the Company’s lien, if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Article.”

Article 41 provides that “If any Member fails to pay call or installment of a call on or before the day appointed for the payment of the same or any such extension thereof as aforesaid, the Board may, at any time thereafter, during such time as the call or installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.”

Article 43 provides that “If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may, at any time thereafter before payment of all calls or instalments, interest and expenses due in respect thereof, be forfeited by a resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.”

Article 45 provides that “Any share so forfeited, shall be deemed to be the property of the Company, and may be sold, reallotted or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board shall think fit.”

**Transfer and Transmission of Shares**

Article 52 provides that “The Company shall keep a “Register of Transfers” and therein shall be fairly and distinctly entered particulars of every transfer or transmission of any shares.”

Article 52A provides that “In the case of transfer or transmission of shares or other marketable securities where the Company has not issued any certificates and where such shares or securities are being held in any electronic or fungible form in a depository, the provisions of Depositories Act shall apply.”

Article 53 provides that “The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and the SEBI Listing Regulations and statutory modification thereof for the time being shall be duty complied with in respect of all transfers of shares and the registration thereof.”

Article 55 provides that “The Board shall have power on giving not less than 7 (seven) days’ previous notice by advertising in some newspaper circulating in the district in which the office of the Company is situated to close the Transfer Books, the Register of Members or Register of Debenture holders for such period or periods, not exceeding thirty days at a time nor exceeding in the aggregate forty five days in each year.”

Article 56 provides that “Subject to the provisions of section 58 of the Act, Section 22A of the Securities Contracts (Regulation) Act, 1956, these Articles, the SEBI Listing Regulations, and any other applicable law, the Board may, refuse with cause whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any shares or interest of a member therein, or debentures of the Company, and the Company shall within thirty days from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to the Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be giving reasons for such refusal."

Article 61 provides that "Subject to the provisions of the Act, the Directors shall have the same right to refuse on legal grounds to register a person entitled by transmission to any shares or his nominee, as if he were the transferee named in any ordinary transfer presented for registration."

**Borrowing Powers**

Article 65 provides that "Subject to the provisions of the Act and of these Articles, the Board may, from time to time at its discretion, by resolution passed at a meeting of the Board, accept deposits from Members, either in advance of calls or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the Company. Provided however where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board shall not borrow such moneys without the consent of the Company in General Meeting."

Article 66 provides that "Subject to the provisions of Article 65, the payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by a resolution passed at a meeting of the Directors (and not by circular resolution) by the issue of debenture or debenture stock of the Company, charged upon all or any part of the property of the Company (both present and future), including its uncalled capital for the time being and debentures, debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued."

Article 67 provides that "Any debentures, debenture stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination, and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares and attending (but not voting) at General meetings, appointment of Directors and otherwise, debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in General Meeting by a special resolution."

Article 69 provides that "The Company shall, if at any time it issues debentures, keep a Register and Index of Debenture holders in accordance with Section 88 of the Act. The Company shall have the power to keep in any state or country outside India a branch Register of Debenture holders resident in that state or country."

**Meetings of Members**

Article 72 provides that "The Company shall in each year hold a General Meeting as its Annual General Meeting in addition to any other Meetings in that year. All General Meetings other than Annual General Meetings shall be called Extra-Ordinary General Meetings. An Annual General Meeting of the Company shall be held within 6 (six) months after the expiry of each financial year, provided that not more than 15 (fifteen) months shall lapse between the date of one Annual General Meeting and that of the next. Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under provisions of Section 96(1) of the Act to extend the time within which any Annual General Meeting may be held. Every Annual General Meeting shall be called for a time during business hours between 9.00 a.m. to 6.00 p.m. on a day that is not a National Holiday, and shall be held at the Office of the Company or at some other place within the city in which the Office of the Company is situated as the Board may determine and the Notices calling the Meeting shall specify it as the Annual General Meeting.

Article 73 provides that "The Board may, whenever it thinks fit, call an Extraordinary General meeting and shall do so upon a requisition in writing by any Member or Members holding in the aggregate not less than one-tenth of such of the paid up capital of the Company as at the date of deposit of the requisition carries the right of voting in regard to the matter in respect of which the requisition has been made."

Article 74 provides that "Any valid requisition so made by Members must state the object or objects of the Meeting proposed to be called, and must be signed by the requisitionists and be deposited at the Office; provided that such requisition may consist of several documents in like form, each signed by one or more requisitionists."

Article 75 provides that "Upon the receipt of any such requisition, the Board shall forthwith call an Extraordinary General meeting, and if it does not proceed within 21 (twenty-one) from the date of the requisition being deposited at the Office, to cause a meeting to be called for a day not later than 45 (forty-five) days from the date of deposit of the requisition, the requisitionists or such of their number as represent either a majority in value of the paid-up share capital held by all of them or not less than one-tenth of such of the paid up share capital of the Company as is referred to in Article 73, whichever is less, may themselves call the meeting, but in either case any meeting so called shall be held within 3 (three) months from the date of the deposit of the requisition as aforesaid."

Article 77(A) provides that "21 (Twenty-one) days' notice at the least of every General Meeting, Annual or Extraordinary, and by whomsoever called specifying the day, place and hour of Meeting, and the general nature of the business to be transacted thereat, shall be given in the manner hereinafter provided, to such persons as are under these Articles entitled to receive notice from the Company. Provided that in the case of an Annual General Meeting with the consent in writing of all the Members entitled to vote thereat and in case of any other Meeting, with the consent of Members holding not less than 95 (ninety-five) per cent of such part of the paid-up share capital of the Company as gives a right to vote at the Meeting, a Meeting may be convened by a shorter notice. In the case of an Annual General Meeting, if any business other than (1) the consideration of financial statements and Reports of the Board of Directors and Auditors, (2) the declaration of dividend, (3) the appointment of Directors in place of those retiring, (4) the appointment of, and fixing of the remuneration of the auditors, is to be transacted, and in the case of any other Meetings in any event there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any therein of every Director and the Manager (if any). Where any such item of special business relates to, or affects any other Company, the extent of shareholding interest in that other Company of every Director and the Manager, If any, of the Company shall also be set out in the statement if the extent of such shareholding interest is not less than 20 (twenty) percent of the paid-up share Capital of that other Company. Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid."

**Quorum for General Meetings**

Article 80 provides that "Quorum for General Meetings shall be as provided in Section 103 of the Act."

Article 85 provides that "Subject to the provisions of the Act, at any General Meeting a resolution put to the vote of the Meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of the result of the show of hands) demanded by the Chairman of the Meeting or any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or by any Member or Members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution being shares on which an aggregate sum of not less than fifty thousand rupees has been paid up and unless a poll is demanded a declaration by the Chairman that a resolution has on show of hands, been carried or carried unanimously, or Company shall be conclusive evidence of the fact, without proof of the number or proportion of the votes recorded in favour of or against that resolution."

**Votes of Members**

Article 91 provides that "No member shall be entitled to vote either personally or by proxy at any General Meeting or meeting of any class of shareholders whilst any money due from him alone or jointly, to the Company in respect of any shares registered in his name on which any calls or other sums presently payable by him, have not been paid or in regard to which the Company has, exercised, any right of lien."

Article 92(a) provides that "Subject to the provisions of the Act and these Articles and without prejudice to any special privileges or restrictions as to voting for the time being attached to any class of share for the time being forming part of the Capital of the Company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and vote at such Meeting, and on a show of hands every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share Capital of the Company. Provided, however, if any Preference Shareholder be present at any Meeting of the Company, save as a provided in Section 47 of the Act, he shall have a right to vote only on resolutions placed before the Meeting which directly affect the rights attached to his Preference Shares.

Provided that the holders of Preference Shares shall have no right to vote either in person or by proxy at any General Meeting by virtue or in respect of their holdings of Preference Shares, unless the preference dividend due on such Preference Shares or any part of such dividend remained unpaid in respect of an aggregate period of not less than two years preceding the date of commencement of the meeting or unless a resolution is appeared directly affecting the rights or privileges attached to such Preference Shares.

**Directors**

Article 107 provides that "Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the number of Directors (excluding Debenture Ex-officio and alternate Directors) shall not be less than 3 (three) or more than 15 (fifteen). 1 (One) Woman Director shall be appointed on the Board in terms of Section 149(1)(b) of the Act."

**Managing Director**

Article 132 provides that "Subject to the provisions of the Act, the Board may, from time to time appoint one or more of their body, to be the Managing Director/s of the Company and the remuneration payable to such Managing Director/s shall be determined by the Board of Directors, in accordance with and subject to the provisions of Section 197 read with Schedule V to the Act.

A Managing Director so appointed shall exercise the powers and authorities conferred upon him by an agreement entered into between him and the Company and/or by a resolution of the Board and be subject to the obligations and restrictions imposed upon him thereby or by the Act."

**Proceedings of the Board of Directors**

Article 136 provides that "The Directors may meet together at Board Meetings from time to time for the discussion of business and Directors shall so meet at least once in every 3 (three) calendar months and at least 4 (four) such meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit."

Article 137 provides that "Notice of every Meeting of the Board shall be given in writing to every Director for time being in India, and at his usual address in India, and in addition, to every Director resident outside India, written notice shall be given at his usual address outside India."

Article 138 provides that "Subject to Section 174 of the Act, the quorum for a Meeting of the Board shall be one-third of its total strength (any fraction contained in that one-third being round off as one) or two Directors, whichever is higher, provided that no quorum shall be formed or constituted at the meeting of Board of Directors and provided further that where at any meeting the number of interested Director exceeds or is equal to two-thirds of the total strength, the number of the remaining Directors, that is to say, the Directors who are not interested, present at the Meeting being not less than 2 (two), shall be the quorum during such time."

Article 144 provides that "Subject to the provisions of the Act, the Board may delegate their powers to Committees of the Board consisting of such members of its body as it thinks fit, and it may, from time to time, revoke and discharge any such Committee of the Board either wholly or in part, and either as to persons or purposes; but every Committee of the Board so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effects as if done by the Board."

**Dividends**

Article 155 provides that "The profits of the Company, subject to any special rights relating thereto created or authorised to be created by these Articles and subject to the provisions of these Articles, shall be divisible amongst the members in proportion to the amount of capital paid up on the shares held by them respectively."

Article 165 provides that "Unless otherwise directed any dividend may be paid by cheque or warrant or by a pay slip or receipt having the force of a cheque or warrant sent through the post to the registered address of the Member or person entitled or in case of joint-holders to that one of them first named in the Register in respect of the joint-holdings. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transmission, for any dividend lost to the Member or person entitled thereto by the forged endorsement of any dividend cheque or the fraudulent recovery of the dividend by any other means. Provided that the Company can also pay the dividend by crediting it directly to the bank account of the shareholders through Electronic fund transfer system of the banks or any other mode which, in the opinion of the Board of Directors, is appropriate for payment of dividend to the shareholders."

Article 166 provides that "Subject to the provisions of the Act, if the Company has declared a Dividend but which has not been paid or claimed within 30 (thirty) days from the date of declaration, the Company shall transfer the total amount of dividend, which remained unpaid or unclaimed within 7 (seven) days from the date of expiry of the said period of 30 (thirty) days to a special account to be opened by the Company in that behalf in any scheduled bank to be called the "Unpaid Dividend of Godrej Agrovet Limited

Any money so transferred to the Unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of 7 (seven) years from the date of such transfer, shall be transferred by the Company to the Fund established under sub-section (1) of Section 125 of the Act, viz. "Investor Education and Protection Fund

No unpaid or unclaimed Dividend shall be forfeited by the Board before the claim becomes barred by Law."

**Winding Up**

Article 183 provides that "The Liquidator on any winding up (whether voluntary, under supervision or compulsory) may with the sanction of a special Resolution but subject to the rights attached to any preference share capital, divide among the contributors in specie any part of the assets of the Company and may, with the like sanction, vest any part of the assets of the Company in trustees upon such trusts for the benefit of the contributories, as the Liquidator, with the like sanction, shall think fit."

**Indemnity and Responsibility**

Article 184 provides that “Every officer or agent for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in defending any proceedings, whether civil or criminal in which judgment is given in his favour or in which he is acquitted or discharged.”

## SECTION IX: OTHER INFORMATION

## MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been attached to the copy of the Red Herring Prospectus delivered to RoC for registration. Copies of these contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 a.m. and 5.00 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date, other than the documents executed after Bid/ Issue Closing Date.

**A. Material Contracts for the Issue**

1. Issue Agreement dated July 18, 2017 among our Company, the Selling Shareholders and the BRLMs.

2. Registrar Agreement dated July 18, 2017 among our Company, the Selling Shareholders and the Registrar to the Issue.

3. Escrow Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Bankers to the Issue, the Syndicate Members and the Registrar to the Issue.

4. Share Escrow Agreement dated [●] between our Company, the Selling Shareholders and the Share Escrow Agent.

5. Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and Syndicate Members.

6. Underwriting Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and the Syndicate Members and the Registrar to the Issue.

7. Monitoring Agency Agreement dated [●] between our Company and [●].

**B. Material Documents in relation to the Issue**

1. Certified copies of the Memorandum and Articles of Association of our Company, as amended from time to time.

2. Certificate of incorporation dated November 25, 1991 upon incorporation, fresh certificate of incorporation dated February 19, 2002 consequent upon name change.

3. Resolutions of our Board dated May 12, 2017 and July 18, 2017 in relation to the Issue and other related matters.

4. Shareholders' resolution dated May 12, 2017 in relation to the Issue and other related matters.

5. The examination reports of the Statutory Auditors, on our Company's standalone Restated Financial Statements and consolidated Restated Financial Statements, included in this Draft Red Herring Prospectus.

6. Copies of the annual reports of our Company for the Financial Years 2017, 2016, 2015, 2043 and 2013.

7. Statement of Tax Benefits dated July 14, 2017 from Kalyaniwalla & Mistry LLP, Chartered Accountants.

8. Copies of auditor's reports and director's reports of our Company for Financial Years 2017, 2016, 2015, 2014 and 2013.

9. Consent of Directors, Selling Shareholders, Statutory Auditors, BRLMs, Syndicate Members, Legal Counsel to our Company as to Indian law, Legal Counsel to the Underwriters as to Indian law, Legal Counsel to V-Sciences as to Indian law, International Legal Counsel to the Underwriters, Registrar, Escrow Collection Bank, Refund Bank(s), Bankers to our Company, Lenders to our Company, Company Secretary and Compliance Officer and Chief Financial Officer as referred to in their specific capacities.

10. Consent letter dated July 18, 2017 from the Statutory Auditors, namely, Kalyaniwalla & Mistry LLP, Chartered Accountants to include its name as an expert herein.

11. Consent of CRISIL Limited dated July 18, 2017 in relation to "the Animal Feed Sector in India" published in June 2017.

12. Consent of CRISIL Limited dated July 18, 2017 in relation to "A study of the Indian crop protection industry" published in June 2017.

13. Dr. P. Rethinam dated May 8, 2017 in relation to “Oil Palm - A Critical Study of its Role in Contributing the Vegetable Oil Economy in India”.

14. LightCastle Partners dated June 21, 2017 in relation to “Market Mapping and Growth Prospects of Poultry, Cattle and Fish Feed Industry in Bangladesh”.

15. IMARC Services Private Limited dated June 6, 2017 in relation to “the Indian Dairy Market Report, 2017”, Edition May 2017.

16. Consents of the following chartered engineers (a) Astral Associates dated July 5, 2017; (b) Sundar Associates dated June 6, 2017; (c) Keni & D'Souza dated June 6, 2017; (d) Engr. Mohammad Anisur Rahman dated June 12, 2017; (e) Tijare Engineers & Consultants Private Limited dated June 14, 2017; (f) Joshi & Associates dated June 26, 2017; (g) Mukesh M. Purdhan dated June 29, 2017; and (h) Er. Y. Ravindra Babu dated June 30, 2017.

17. Shareholders’ Agreement and Share Purchase Agreement dated December 17, 2012 and amendment agreement dated July 18, 2017 entered into between our Company, V-Sciences Investments Pte Ltd, the selling shareholders (as defined under the agreement) and Godrej family.

18. Agreement dated July 3, 2017 between our Company and our Managing Director.

19. Tripartite agreement between our Company, CDSL and the Registrar to the Issue dated July 28, 2016.

20. Tripartite agreement between our Company, NSDL and the Registrar to the Issue dated November 17, 2016.

21. Due Diligence Certificate dated July 19, 2017 addressed to SEBI from the BRLMs.

22. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.

23. SEBI observation letter no. [●] dated [●].

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

## DECLARATION

Godrej Industries Limited confirms that all statements and undertakings made by it in this Draft Red Herring Prospectus in relation to itself as a selling shareholder and its Offered Shares, are true and correct. Godrej Industries Limited assumes no responsibility for any other statement including statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

**Signed for and on behalf of Godrej Industries Limited**

**Authorised Signatory**

Name:
Designation:
Place:
Date: July 18, 2017

## DECLARATION

V-Sciences Investments Pte Ltd confirms that all statements and undertakings made by it in this Draft Red Herring Prospectus in relation to itself as a selling shareholder and the V-Sciences' Offered Shares, are true and correct. V-Sciences Investments Pte Ltd assumes no responsibility for any other statement including statements made by the Company or any other person(s) in this Draft Red Herring Prospectus.

**Signed for and on behalf of V-Sciences Investments Pte Ltd**

**Authorised Signatory**

Name:
Designation:
Place:
Date: July 18, 2017

## DECLARATION

We hereby declare that all relevant provisions of the Companies Act, and the rules and guidelines issued by the Government or the regulations or guidelines issued by SEBI, established under Section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

**SIGNED BY ALL THE DIRECTORS OF OUR COMPANY**

**Nadir B. Godrej**
(Chairman and Non-Executive Director)

**Kavas N. Petigara**
(Independent Director)

**Adi B. Godrej**
(Non-Executive Director)

**Sudhir L. Anaokar**
(Independent Director)

**Jamshyd N. Godrej**
(Non-Executive Director)

**Amit B. Choudhury**
(Independent Director)

**Vijay M. Crishna**
(Non-Executive Director)

**Raghunath A. Mashelkar**
(Independent Director)

**Tanya A. Dubash**
(Non-Executive Director)

**Roopa Purushothaman**
(Independent Director)

**Nisaba Godrej**
(Non-Executive Director)

**Aditi Kothari Desai**
(Independent Director)

**Balram S. Yadav**
(Managing Director)

**Ritu Anand**
(Independent Director)

**SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY**

**S. Varadaraj**
(Chief Financial Officer)

Place:

Date: July 18, 2017