

EMERGING STRONGER THROUGH RESILIENCE

# ANNUAL REPORT 2021



# Contents

Board of Directors	04
Corporate Information	06
Chairman's Statement	08
Financial Highlights	12
Notice & Explanatory Statement	14
Board's Report	42
Report on Corporate Governance	103
Auditor's Report (Consolidated)	141
Consolidated Accounts	154
Auditor's Report (Standalone)	257
Standalone Accounts	266
Statement Pursuant to Section 129	328

# BOARD OF



**Adi Godrej**  
Chairman



**Nadir Godrej**  
Managing Director



**Tanya Dubash**  
Executive Director &  
Chief Brand Officer



**Jamshyd Godrej**  
Director



**Vijay Crishna**  
Director



**Nitin Nabar**  
Executive Director &  
President (Chemicals)

# DIRECTORS



**Mathew Eipe**  
Independent Director



**Ganapati Yadav**  
Independent Director



**Monaz Noble**  
Independent Director



**Shweta Bhatia**  
Independent Director



**Sandeep Murthy**  
Independent Director



**Ajaykumar Vaghani**  
Independent Director

# Corporate Information

<b>AUDITORS</b>	:	BSR & Co. LLP, Chartered Accountants
<b>BOARD COMMITTEES</b>		
Audit Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Dr. Ganapati Yadav Mr. Sandeep Murthy Mr. Nitin Nabar
Nomination & Remuneration Committee	:	Mr. Mathew Eipe (Chairman) Ms. Monaz Noble Ms. Shweta Bhatia Mr. Sandeep Murthy
Stakeholders' Relationship Committee	:	Mr. Adi Godrej (Chairman) Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe Ms. Shweta Bhatia
Corporate Social Responsibility Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe
Risk Management Committee	:	Mr. Nadir Godrej (Chairman) Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe Dr. Ganapati Yadav Mr. Clement Pinto
Management Committee	:	Mr. Adi Godrej (Chairman) Mr. Nadir Godrej Ms. Tanya Dubash Mr. Nitin Nabar Mr. Mathew Eipe
<b>CHIEF FINANCIAL OFFICER</b>	:	Mr. Clement Pinto
<b>COMPANY SECRETARY &amp; COMPLIANCE OFFICER</b>	:	Ms. Tejal Jariwala
<b>REGISTERED OFFICE</b>	:	Godrej One, Pirojshanagar, Eastern Express Highway, Vikhroli (East), Mumbai 400 079, Maharashtra. Phone: 022-2518 8010, 2518 8020, 2518 8030 Fax: 022-2518 8066 Website: <a href="http://www.godrejindustries.com">www.godrejindustries.com</a> CIN: L24241MH1988PLC097781

## REGISTRARS & TRANSFER AGENT

### Equity Shares

Computech Sharecap Limited  
147, Mahatma Gandhi Road, Opp. Jahangir Art Gallery,  
Fort, Mumbai - 400 001, Maharashtra, India.  
Phone: 022 - 2263 5000, 2263 5001  
Fax: 022 - 2263 5001  
E-Mail: [helpdesk@computechsharecap.in](mailto:helpdesk@computechsharecap.in)  
Website: [www.computechsharecap.com](http://www.computechsharecap.com)

### Non-Convertible Debentures

Bigshare Services Private Limited  
1<sup>st</sup> Floor, Bharat Tin Works Building,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri (East), Mumbai - 400 059,  
Maharashtra, India.  
Phone: 022-6263 8200  
E-Mail: [investor@bigshareonline.com](mailto:investor@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

### Debenture Trustee

Catalyst Trusteeship Limited  
Windsor, 6<sup>th</sup> Floor, Office No.604, C.S.T. Road, Kalina,  
Santacruz (East), Mumbai - 400098, Maharashtra, India.  
Tel.: 022-4922 0555  
E-Mail: [ComplianceCTL-mumbai@ctltrustee.com](mailto:ComplianceCTL-mumbai@ctltrustee.com)  
Website: [www.catalysttrustee.com](http://www.catalysttrustee.com)

## FACTORIES

### Ambernath

: Plot No.N-73, Additional Ambernath Industrial Area,  
Anand Nagar, Village Jambivali,  
Taluka Ambernath (East), District Thane,  
Maharashtra - 421 506.  
Phone: 0251 - 2624000

### Valia

: Burjorjinagar, Plot No. 3, Village Kanerao,  
Taluka - Valia, District Bharuch, Gujarat - 393 135.  
Phone: 02643 - 270756 to 270760  
Fax: 02643 - 270018

### Wadala

: L.M. Nadkarni Marg, Near M.P.T. Hospital,  
Wadala (East), Mumbai - 400 037, Maharashtra, India.  
Phone: 022 - 2415 4816, 2414 8770  
Fax: 022 - 2414 6204

### Dombivali

: Plot No: W-61, MIDC Phase II, Sagaon, Sonarpada,  
Dombivali - East, Thane, Maharashtra - 421 204.  
Phone: 0251 - 2871177

## BANKERS

Central Bank of India  
State Bank of India  
Bank of India  
HDFC Bank Limited  
Citibank N.A.  
HSBC Limited  
DBS Bank Limited  
Kotak Mahindra Bank Limited  
Axis Bank Limited

# CHAIRMAN'S STATEMENT

Dear Shareholders,

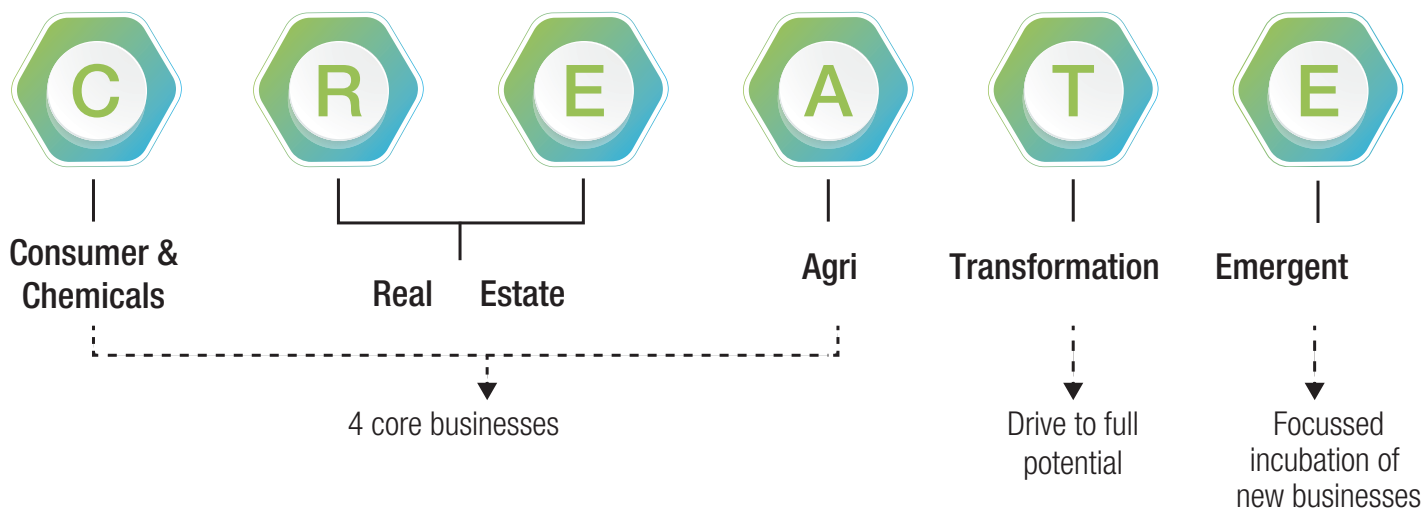
I am delighted to share with you the events and developments of your Company during the course of the financial year 2020-21. The year gone by is representative of the value Godrej Industries continues to create for all its stakeholders.

As a conglomerate with diverse business interest, growth at consolidated level is pursued through competitively growing your Company's core businesses, building an environment to achieve transformation while also nurturing and investing in emergent businesses of the future. This approach of your Company's business strategy is captured in the approach called CREATE which stands for:



**Adi Godrej**  
Chairman





I would like to summarize the performance for each dimension of your Company's CREATE strategy:

## C – Consumer and Chemicals

### Consumer (GCPL)

GCPL is a leading emerging markets company. As part of the 124-year young Godrej Group, GCPL is fortunate to have a proud legacy built on the strong values of trust, integrity and respect for others. At the same time, it is growing fast and has exciting, ambitious aspirations. Besides its strong financial strength and innovative, much-loved products, GCPL remains a good company. GCPL is also bringing together the passion and purpose to make a difference through the 'Good & Green' approach to create a more inclusive and greener India.

From a category perspective, GCPL saw continued strong growth momentum in the Household Insecticides and Hygiene categories. Hygiene grew by 24%, Household Insecticides grew by 15% and Value For Money products grew by 14%.

From a geography perspective, GCPL India grew at 14%. Africa, USA and Middle East business grew at 8% in INR and 9% in constant currency terms. Its Indonesian business delivered growth of 4% in INR and 2% in constant currency terms, on a positive growth base.

GCPL continues to focus its growth efforts where the demand is – in Household Insecticides, Hygiene and Value For Money. They are using this time to find ways to move faster and experiment more, sharpen execution, build platforms for the future, double down on digitisation and sustainability, and create more delight for all consumers.

We remain confident of leveraging growth opportunities to drive sustainable, profitable sales growth across our portfolio in FY 2022. We will continue to carefully navigate the challenges of the second wave of COVID-19 in India by ensuring seamless supply chain deliveries, and closely tracking shifts in consumer behavior.

We remain committed to doing our very best to truly live The Godrej Way and serve our people and communities.

### Chemicals

Our Chemicals business continued its strong performance, despite the COVID pandemic and lockdown restrictions during the year. The Total revenue of the Chemicals business stood at ₹ 1,666 Crore, with a healthy operating profit of ₹ 119 Crore. The business did well across its product categories with

good demand from hygiene related industries. Our Manufacturing Facilities worked very well during the Pandemic with the highest importance given to people safety and by following all COVID safety protocols. We continue to ensure that our growth is both sustainable as well as profitable, and that we continue to prioritise safety. Several initiatives taken by the Business resulting in energy and operating efficiencies has also helped the business to grow in a profitable and sustainable manner.

I am happy to share that the Chemicals Business received several awards and recognition. Our Valia (Gujarat) Factory has been awarded “GreenCo Star Performer Award, 2020” by Confederation of Indian Industry in the Annual CII Green Co Summit 2020. They were also awarded the ‘FGI Award’ for Excellence in Pollution Management & Sustainable Practices. Our Ambarnath (Maharashtra) Factory was also awarded most environment friendly company by FICCI in 2021. I am also happy to share that our Chemicals Business has won the Organization with Best Employee Relations Practices - award at the Global HR Excellence Awards organized by World HRD Congress and Times Ascent.

### **R E – Real Estate (GPL)**

GPL delivered a strong performance this year in unprecedented circumstances. The team leveraged digital and physical channels to report a booking value of ₹ 6,725 Crore, the highest ever in the history of GPL.

On the operational front, GPL successfully delivered 6.5 million sq.ft across its projects. GPL has now delivered over 28.2 million sq. ft. of real estate in the last six years. GPL also successfully concluded the largest ever QIP by a real estate company in India raising ₹ 3,750 Crore.

GPL received several recognitions for the efforts on environment and safety, including being ranked #1 amongst listed global residential developers in the 2020 Global Real Estate Sustainability benchmark (GRESB) Assessment report – An industry-driven organization which assesses Environmental, Social and Governance (ESG) performance.

While the real estate sector like all parts of the economy has been impacted by the COVID pandemic, we expect the sector will continue the robust recovery it was witnessing once this crisis abates. Given our robust launch pipeline, strong balance sheet, and interesting new project acquisition opportunities, we expect a strong FY22.

### **A – Agri Business (GAVL)**

The fiscal year 2020-21 was an excellent year for GAVL in terms of business profitability. The consolidated profit before tax for the year was ₹ 448 Crore, representing year-on-year growth of ~60%.

With a nation-wide lockdown at the beginning of the year, the team did a great job of keeping the supply chains running, with little and in some cases no downtime. In less than a fortnight, the entire network of 64 manufacturing plants were up and running. GAVL quickly adapted to this situation and all its manufacturing plants were operational during the Pandemic / lockdown while ensuring utmost safety for its employees and business partners. This quick adaption to the new normal and commitment of our Employees and our business partners ensured that the business segments did well.

The Animal feeds business operating results grew by 24% in fiscal year 2021, supported by favorable commodity prices and realization of R&D benefits. The Crop Protection business too did well with Astec recording a 45% growth in PBT. The focus on R&D continues with the business building a new state-of-the-art R&D facility at New Mumbai. The business is doing well with new product launches and expanding its customer base. It was also one of the best years for GAVL’s poultry and processed foods subsidiary