kaveri seed company limited

kaveri seeds®

21st August, 2019

Bombay Stock Exchange Ltd.,
1st Floor New Trading Ring
Rotimda Building
P.J.Towers, Dalal Street, Fort,
MUMBAI - 400 001

Scrip Code : 532899

National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra Kurla Complex, Bandra (E)
MUMBAI - 400 0051

Scrip Code : KSCL

Dear Sirs,

Sub: Annual Report for the financial year 2018-19 and Notice convening the 32nd Annual General Meeting - Reg.,
Ref:- Compliance u/r.30 and 34 of SEBI (LODR) Regulations 2015

Further to our letter dated 13th August 2019 regarding an intimation of book closure for the purpose of 32nd Annual General Meeting (AGM) of the Company will be held on **Tuesday the 17th day of September, 2019 at 03.00 P.M.** at the FTCCI Auditorium, Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, FTAPCCI Marg, Red Hills, Hyderabad-500 004, Telangana and pursuant to Regulation 34(1) of SEBI (LODR) Regulations, 2015, please find attached herewith a copy of Annual Report for the financial year 2018-19 including Business Responsibility Report along with Notice, Attendance slip, Proxy of the AGM for your information and records, which is being dispatched to the shareholders of the Company and the Annual Report is also available on the Company's website at www.kaveriseeds.in

We hereby further submitted that the e-voting facility for the AGM will be made available to all the members of the Company. The details are as under:

i. The period of e-voting commences **Saturday 14th September 2019 (9.00 AM) and ends on Monday the 16th September 2019 (5.00 PM).**

ii. Voting rights will be reckoned on the shares registered in the name of the members as on **10th September 2019 (cut-off date).**

Contd..2..

iii. Pursuant to 42 of SEBI (LODR) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from **16th September 2019 to 17th September 2019** (both the days inclusive) for the purpose of AGM.

Please take the information on record.

Thanking you,

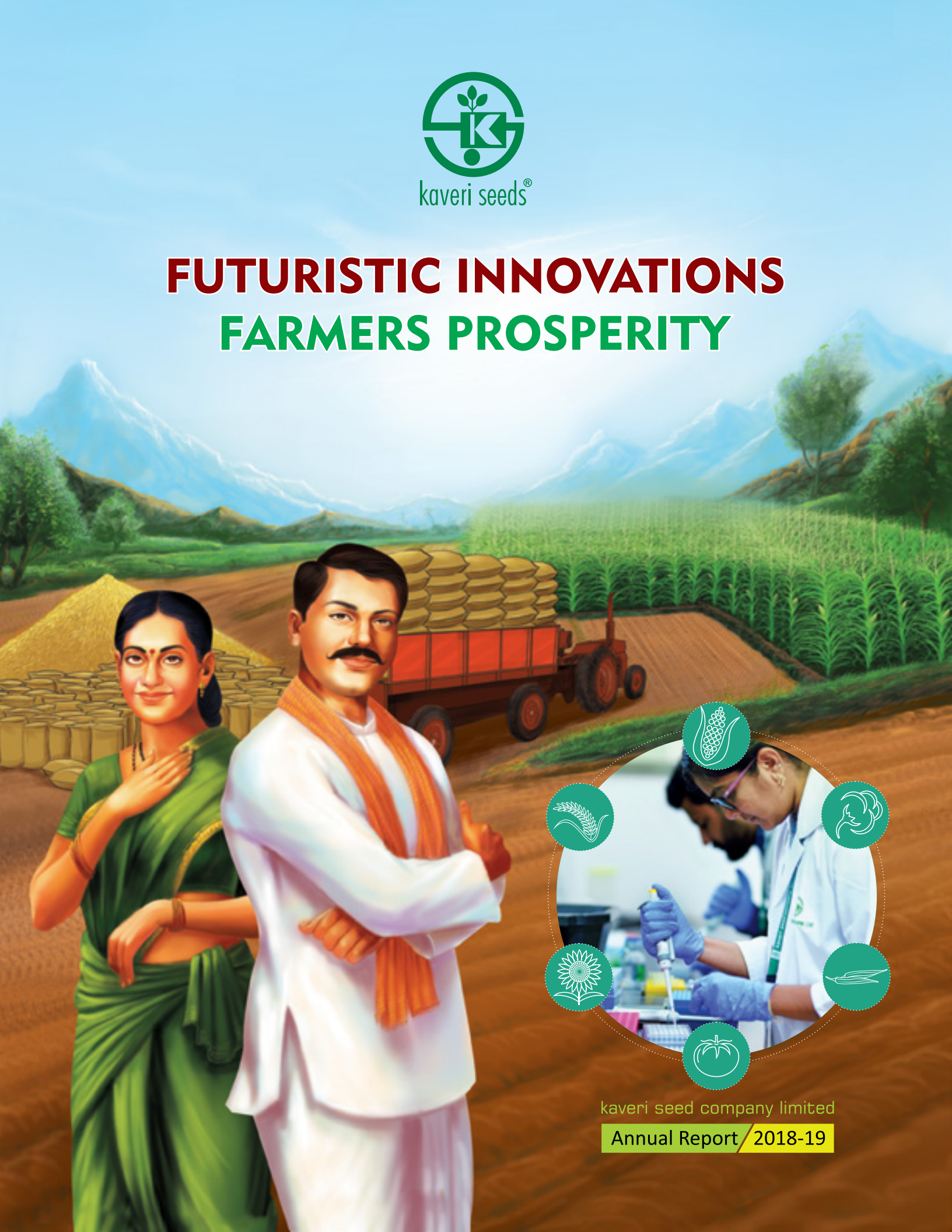
Yours faithfully,
For KAVERI SEED COMPANY LIMITED

kaveri seed company limited SECUNDERABAD

C. MITHUN CHAND
WHOLE TIME DIRECTOR
DIN: 00764906

kaveri seeds®

FUTURISTIC INNOVATIONS
FARMERS PROSPERITY



kaveri seed company limited

Annual Report / 2018-19

Agriculture is among one of the most life affirming professions there is - it is not only close to nature, but also helps nurture every life form by providing sustenance to them. It fills you with the innate satisfaction of earning an income while doing your bit in giving back to the nature and the world around you.

We remain committed to feeding more than a billion people of India, playing a pivotal role in food chain. Our in-depth research, innovation and collaboration are helping us produce seeds that compliment farmer prosperity and food security of the country.

CONTENTS

Company Overview

About Kaveri Seed Company	02
Numbers that Matter	03
Most Promising Products	04
Chairman and Managing Director's Message	06
Performance Highlights	08
Our Business Model	10
Futuristic Innovations: Building a Culture of Innovation and Disruption	12
Building Trust and Brand with Partnerships	16
Farmers' Prosperity: Making Co-Existence of Prosperous Farmers Possible	20
Mastering Supply Chain Operations	24
Social Inclusiveness	28
Fostering a Positive Work Culture	29
Profile of Board of Directors	30
Five-Year Performance Highlights	32

Statutory Reports

Management Discussion & Analysis	33
Notice	43
Directors' Report	53
Business Responsibility Report	91
Report on Corporate Governance	99

Financial Statements

Standalone Financial Statements	120
Consolidated Financial Statements	168

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

The Indian seed market is vast. It's the fifth largest across the globe and is expected to grow at a tremendous pace. This escalates the need to persistently advance the research and innovation in seeds so as to tap into its possibilities. With half of the country's land employed by its agricultural sector, its farmers can hugely benefit from good quality seed varieties that enhance yield while tackling changes in climate. Farmers are the backbone of the nation and making their livelihood, immensely viable is what our heart is set on.

We at Kaveri are dedicated to the cause of alienating more and more farmers from outmoded varieties of seeds and adopt our revolutionary product offerings. We are in a constant quest for making our seeds more efficient under challenging conditions.

Our pursuit, therefore, is to continue to optimally use our in-depth research, our collaborations, our experience and our ideas towards crop development, farmer prosperity, and food security. Feeding an ever increasing population is a huge responsibility and we at Kaveri are proud to be one of the most preferred choices of the farming fraternity.

We are positioned to revolutionise India's agriculture eco-system by using the best of science to make improved seeds, its foundation, more tolerant to external challenges, enabling farmers' prosperity.

ABOUT KAVERI SEED COMPANY

Vision

With consistent performance in all functional areas of the Company, our endeavour is to make Kaveri a benchmark seed company with the best of research, innovation and product development.

Mission

To realise our vision, every member at Kaveri will adopt consequential values of the Company and inculcate sustainable business practices. In our endeavour to reach the goal, team Kaveri would uphold all brand promises to its stakeholders.

About us

Kaveri Seed Company Limited (hereinafter referred as Kaveri Seed) is a leading producer of quality crop seeds in India. Started in 1976 with a seed production unit by Shri G V Bhaskar Rao, our Chairman and Managing Director, Kaveri Seed was incorporated in 1986 recognizing the need to accelerate crop productivity to ensure food security and farmer prosperity.

Built on years of research, we have been advancing technologies to develop sustainable seeds for farmers. We are today among the fastest and leading seed producing companies in India, offering a broad portfolio of seeds, with a wide business channel partner network. Backed by our strong research and development capabilities, we continue to focus on new varieties of seed that address the dynamic changes related to climate, natural resources (water and soil) and crop diseases.

The diverse climatic conditions across the country present us with the opportunity to produce multiple crops that can be produced throughout the year. At Kaveri, we have invested heavily in R&D to ensure use of modern plant breeding techniques in combination with biotechnology to develop hybrids /varieties to suit under varied situations.

Brand recall

We have a pan-India distribution, sales and marketing network for our products. The farmers' today look up for brands and products they can trust. The use of advanced technology to ensure uniform germination in different climatic and soil conditions, have helped us gain the trust of thousands of seed growers across the country. Our seeds under the brand 'Kaveri Seed' continue to penetrate the Indian agriculture market across our diverse crop profile.

Presence

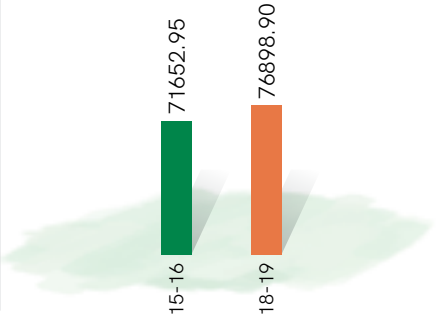
Headquartered out of Hyderabad, India, we have seven state-of-the-art seed processing plants along with pan India distribution and marketing offices in 22 cities across India. In addition, we have started exports to 6 countries, namely, Egypt, Pakistan, Bangladesh, Nepal, Myanmar and Sri Lanka, marking a milestone in our efforts to widen our presence globally.

Product offerings

We are providing the farmers with the seeds, backed by breeding and biotech innovation that will help meet the increasingly dynamic consumer demands. Our game-changing product offerings (like hybrids and varieties) that make the seeds more efficient under challenging conditions and enable the farmers to earn premium on their produce.

Revenue from operations (₹ in lakhs)

Field Crops and Vegetable crops



NUMBERS THAT MATTER

SUMMARISING KAVERI SEED IN FY2019

76,898.90
Revenue from operations (₹ Lakhs)

7
Total seed processing plants in India

1,00,000+
Seed growers across 12 different agro-climatic zones in India

32.30%
EBIDTA margin

10,00,000
Cumulative warehouse space across multiple locations in India (sq.ft)

1,000+
Site promoters working with farmers 24x7

956
Employees

~36,000
Retail and distributor touch points across the country

100+
Members in the R&D unit working towards innovating futuristic product development

6
Countries of export

65,000+
Land under seed production across India with different agri-climatic conditions

~100
Total trial centres to conduct tests of seeds under different conditions

20+
Years of experience of top management in the

MOST PROMISING PRODUCTS

MAIZE

KMH 2589 (Drona)
KMH 25 K 45 (Bumper)
KMH 25 K 55
KMH 6681

RICE

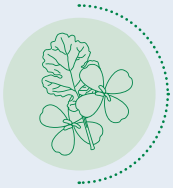
Sampurna
KPH 468
Kaveri 9090
KPH 475

COTTON

Jaadoo
ATM
Money Maker
KCH 111

SUN FLOWER

Champ
Sankranti
Dhara



MUSTARD

AK 47

JOWAR

KSH 6363

PULSES

Sampada
KG 19

WHEAT

KW 51
KW 101

HYBRID BITTER GOURD

BITTER GOURD

KAVERI 67
KBIG 1710

HYBRID BOTTLE GOURD

BOTTLE GOURD

NOVA
Kaveri 46

HYBRID CHILLIES

CHILLIES

KHPH 1209
LITTLE HOT
Kaveri SPICE KING

HYBRID CUCUMBER

CUCUMBER

RANI
KIARA

HYBRID SWEET CORN

HY SWEETCORN

KMH 333 CANDY (100g)

HYBRID BHENDI

HYBRID BHENDI

KOH 1107
KOH 1106

OP BHENDI

OP BHENDI

KO 49
KO 54

HYBRID RIDGEGOURD

RIDGEGOURD

KAVERI 63
KAVERI 1501

HYBRID TOMATO

TOMATO

KTH 354
KTH 1301

HYBRID WATERMELON

WATERMELON

SWEETHEART
KWMH-1901

CHAIRMAN AND MANAGING DIRECTOR'S MESSAGE

Dear Shareholders

I am happy to share Kaveri Seed's performance and highlights for FY2019. Today, one of the biggest challenges of the 21st century is to provide food for fast-growing world population, sustainably. As part of our business philosophy, at Kaveri Seed we are constantly innovating to help farmers to get higher yields and to mitigate challenges.

However, adequate crop production in India is linked with a number of factors today. A deplinishing eco-system with challenges related to availability of more arable land for different crop production across topographies, fast urbanization scarcity of water for irrigation and looming temperatures, rainfall deficit and other natural factors.

The agriculture sector continues to be the most important, yet the least performing sector in India. Efforts and funds continue to be invested to make the sector sustainable, aligning to national interests of farmers prosperity and food security. Given the challenges that persist, at Kaveri Seed, we are determined to execute our strategies to bring innovative solutions that would help seed perform better and bring value to the farmers.

Investing in future

For more than three decades we are continuously investing in strengthening our R&D activities of research, develop and produce the right seeds to improve the farm yields. Our state-of-the-art laboratories for Biotechnology and Seed Technology, are today unmatched in the industry in terms of infrastructure, intellectual capital and machinery. We further increased the manpower in scientific research across our multi-crop portfolio. A clear road map for R&D has been drawn to produce the innovative seeds with futuristic needs to meet the aspirations of farmers, that are suitable under various agro-climatic conditions so as to sustainably drive high yields and improve farmer's income.

> "Over the years we have positioned ourselves credibly in the market place due to creation of Kaveri Brand's salience by delivering the right products at right place."

Improved seed quality will play a key role for food security in order to sustain agricultural productivity. Rising global population has cascading effects, not only for increased food requirement, but also on availability of land and water to ensure sustainable agriculture produce. Also, understanding the customer need is critical to food security today.

Performance highlights

I am pleased to report that, Kaveri Seed had another satisfactory year of performance, amidst unfavourable industry factors, underpinned by lower farm income and erratic monsoon across the country. Our revenue from operations stood at ₹ 768.99 crore in FY2019,

backed by new product launches and higher operational efficiency levels. We recorded our EBIDTA at ₹ 248.43 crore in FY2019 compared to ₹ 241.70 crore in the previous year, growing by 2.78%, while we registered an impressive PAT of ₹ 214.73 crore in FY2019, growing by 2.09% over previous year figures of ₹ 210.34 crore. We have ended FY2019 with the sustained progress and look forward to delivering improved performance in the ensuing years.

Kaveri has undergone a concerted transformation. Being one of the largest seed producers for cotton, maize and rice, we are now transforming to emerge as a preferred and leading multi-crop player with our widening portfolio. Our firm foundation laid on advanced R&D programmes and innovation in seed production. For us innovation is making seed that results in farmers prosperity. The bed-rock of our innovation rests on emerging trends like advanced plant breeding for biotic and abiotic stresses.

Vegetables continue to play an important role in Indian population, being a staple food component as well as providing protein supplement. The Kaveri Seed R&D has accelerated its efforts in tomato, okra, hot pepper, bitter gourd and other vegetable crops. We were also able to develop and design the right seeds for different climatic conditions of various regions of the country to meet the aspirations of the farmers and consumers. The marketing team also intensified its efforts to penetrate our products aggressively to strengthen our market presence.

Kaveri has initiated strong R&D capabilities in genetics, plant breeding and biotech innovation which provide a critical edge to the farmers and meet the consumer needs. We are also collaborating with leading national and international institutions on germ plasm acquisition, biotechnology, precision agriculture, digital agriculture etc., to strengthen our product portfolio and transform into a multi-crop product portfolio company.

Our new, innovative seeds covering various crops are also setting a strong foundation for our export presence, where we are making steady progress with our quality seeds finding acceptance. In FY2019 we started exporting to SAARC and African countries with plans to further penetrate other countries in the coming years.

A trusted brand

Most of our hybrid seeds expand the addressable acreage with their ability to produce under biotic and abiotic climatic conditions of the country. Over the years we have positioned ourselves credibly in the market place due to creation of Kaveri Brand's salience by delivering the right products at right place. For instance, the two Bt cotton hybrids viz., Jaadoo and ATM, which we introduced in 2009 and 2012 respectively, still garner sizable market share.

People first

More than 956 people at Kaveri Seed are responsible for the growing success of the organisation. Their knowledge, commitment and expertise have helped bring our futuristic innovation to life. They are integral to our vibrant business model assisting and collaborating with the farmers located at the last mile of our country. We excel to build deeper relationship with our employees and work seamlessly to improve our performance and drive market leadership.

Social sustainability

At Kaveri Seed, social responsibility and sustainability remain at the core of everything we do. Our team of volunteers undertake various projects and initiatives to address the underprivileged community in rural areas, across fields like education, agriculture and skill development etc.,. Social inclusion and community engagement form an important element of our business model and we are passionate to make a positive difference in various ways we can.

Road ahead

As we remain steadfast on our future targets, I would again like to reiterate the insights and expertise of our team across the operations of the Company. I would also like to thank the farmers, who continue to repose their faith and trust in our company.

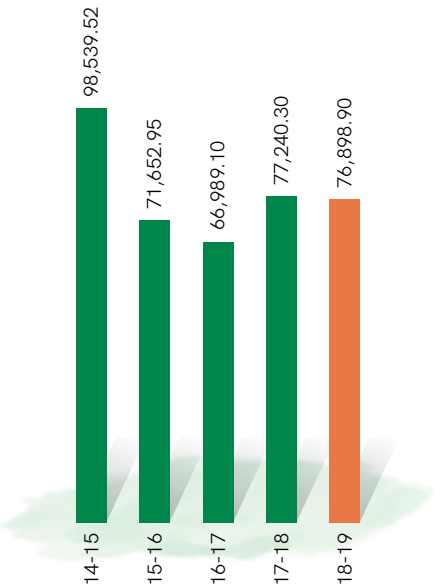
We shall continue to invest in innovation and drive sustainable agriculture development of the nation. I thank the Board's and leadership team's hard work and commitment for their stewardship and contribution for Kaveri Seed's sustained growth. I would also like to acknowledge the investors for their ongoing trust and support, enabling us to take strategic long-term decisions that ensure value-creation in the foresight.

I strongly feel, our futuristic product innovations will define the way to bring farmers prosperity. As we continue to move forward, we remain optimistic to build a stronger entity that will contribute to nation's food value chain and farmer prosperity, together.

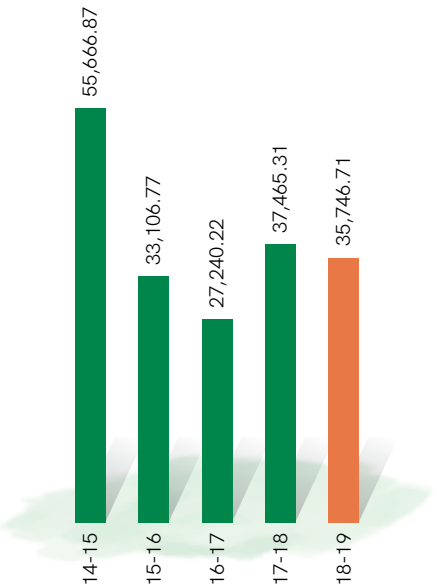
G. V. Bhaskar Rao
Chairman & Managing Director

PERFORMANCE HIGHLIGHTS

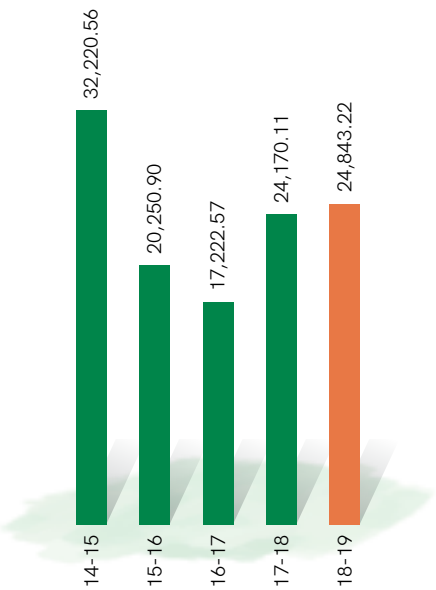
Revenue from operations
(₹ in lakhs)



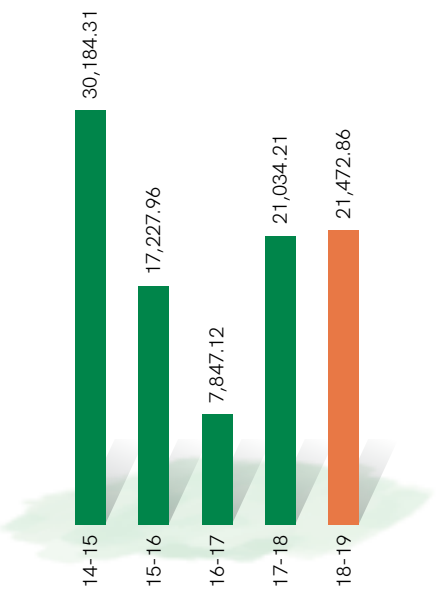
Operating profit
(₹ in lakhs)



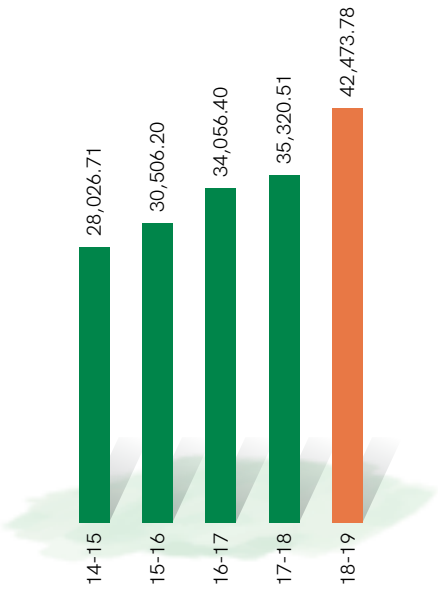
EBIDTA
(₹ in lakhs)



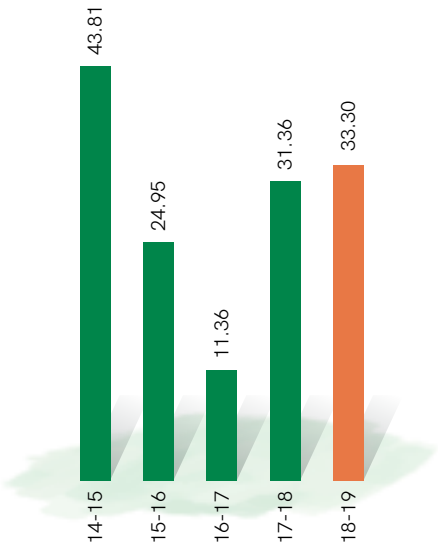
Net Profit
(₹ in lakhs)



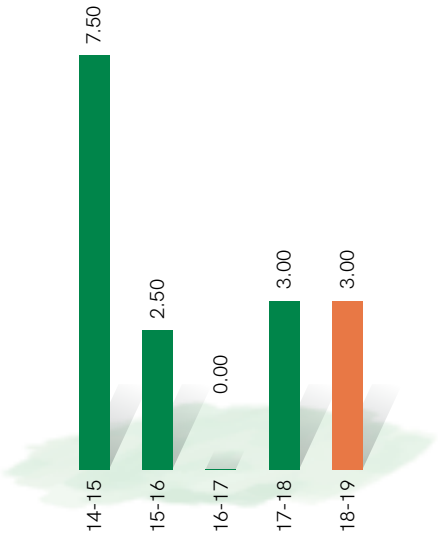
Gross Block
(₹ in lakhs)



Earnings per share
(₹)



Dividend per share
(₹)



Key ratios

	2014-15	2015-16	2016-17	2017-18	2018-19
Liquidity					
Current ratio	2.38	2.71	2.58	2.91	2.37
Quick ratio	1.10	1.45	1.58	1.71	1.14
Asset Management					
Inventory turnover	0.87	0.73	0.79	0.82	0.76
Fixed asset turnover	4.11	2.45	2.08	2.23	1.98
Receivable days	29.82	41.05	36.22	31.60	30.56
Profitability					
Return on assets	0.28	0.13	0.05	0.14	0.14
Return on equity	21.93	12.49	5.68	15.56	16.62
Return on sales	0.56	0.46	0.41	0.49	0.46
Operating margin	0.55	0.43	0.36	0.45	0.44
Leverage					
Debt-equity	0.01	0.01	0.01	0.01	0.01
Debt ratio	0.34	0.31	0.33	0.30	0.34

OUR BUSINESS MODEL

Our ability to create value for all our stakeholders is a strong foundation that we have laid to balance short-term and long-term sustainable growth. Through our innovation and research capabilities, its our endeavor to widen seed portfolio to enhance our market presence in India, as well as across the globe.

The resource we depend on

Financial Capital

In form of equity and reserves available

Human Capital

Includes knowledge, trainings and skill set of our people

Intellectual Capital

In terms of research, innovation in the field of Biotechnology, Genetics and plant breeding, Seed Production Research

Seed Production & processing units

Large scale seed production and processing of mandate crops.

Social and Relationship Capital

Engage with local communities across villages to improve education, agriculture and rural infrastructure. We also partner with National and State level programmes like Swachh Bharat, Sanitation, Tree plantation and Health awareness programmes

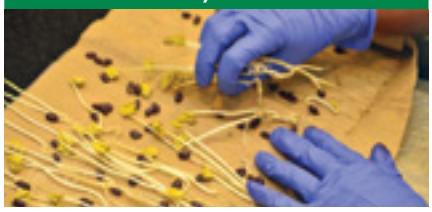
What we do

Research and Development

What we do

- Advance Plant Breeding and Seed Technology Research
- Development of market competitive hybrids
- Develop suitable products tolerant to biotic and abiotic situations

Quality Control



What we do

- Implemented advanced seed production planning tools to achieve targeted seed volumes in newer and multi-location geographies
- Implemented seed production technologies to field staff and seed growers to improve seed quality
- Various production strategies employed to improve seed yields, forecasting production volumes by scientific estimates

Processing

What we do

- Product life cycle management
- Vibrant marketing and distribution manned by technically competent marketing team
- Marketing in to new geographies
- New product promotions by conducting demos and creating awareness among the farmers

Product development

What we do

- Safe and sustainable use of our products
- Product registration
- Health, Safety and environment
- Multi-stakeholder dialogue

Social work

Whom we work with

- Scientists and universities
- Research institutes
- Farmers

Whom we work with

- Seed growers
- Farmers

Whom we work with

- End use farmers
- Channel partners Dealers, Distributors & Retailers
- Different state Govt. Department of agriculture

Whom we work with

- Industry associations
- Government and local authorities
- Communities
- Seed Growers

What we produce

Field crops

Cotton

Maize

Paddy

Pearl Millet

Sorghum

Sunflower

Pulses

Wheat

Mustard

Vegetables

Tomato

Okra

Chillies

Gourds

Brinjal

Watermelon

The value we provide

- Sustainable intensification of agriculture to provide food & nutritional security
- Food, feed, fuel and fiber
- Sustainable production
- Growers and Customer satisfaction
- Development of our people and partners along the value chain
- Returns on investments for growers and shareholders
- Economic value shared with employees, suppliers, governments and communities
- Upliftment of the society and country

FUTURISTIC INNOVATIONS

BUILDING A CULTURE OF INNOVATION AND DISRUPTION

Over the years, we have always kept pace with evolving agricultural landscape, encouraging innovation, to meet the farmers and consumers demand.

During FY2019 we continued to focus on holistic development of stakeholders in food value chain. A commitment towards research and innovation has led us to launch new products consistently over the years.

We are providing the farmers with the improved seeds, backed by breeding and biotech innovation that will help to meet the increasingly dynamic consumer demands. Our game-changing product offerings (like hybrids, inbred varieties) make the seeds more efficient under challenging conditions and enable the farmers to obtain higher yields and earn premium on their produce.

Collaborating for a better future

At Kaveri Seed we believe that our vision towards being a benchmarked seed company is not possible without an effective partnership and collaboration. We have the following engagements and association, both at national and international level, that help us build a stronger and better entity.

- Enrolled membership of HPRC (Hybrid Parent Research Consortium) at ICRISAT for useful pearl millet germplasm collections
- HRDC (Hybrid Rice Development Consortium) at IRRI for useful Rice germplasm collection
- IMIC (International Maize Improvement Consortium) at CIMMYT for Maize germplasm collection
- WVCBC (World Vegetable Centre Breeding Consortium) at Word Vegetable Centre for Tomato, Hot Pepper, Bitter Gourd germplasm
- Collection of lines from public institutions or released from government breeding programs (Universities, ICAR and International institution, HarvestPlus membership (Millet) etc.)

Biotech lab

We have invested in blending traditional breeding with cutting-edge biotechnology, with the set up of biotech laboratory. In the lab we have developed methodologies like candidate gene strategy, association mapping, and other procedures to develop superior hybrids and varieties that are high-yielding under optimum input use and stress environments.

Some of the new technologies we have deployed includes Doubled haploid breeding, MAS (Marker Aided Selection), MARS (Marker Assisted Recurrent Selection), RGA (Rapid Generation Advance), Inbred pool-heterotic bins, MPS (Multi-parent synthetics) and MAGIC (Multi-parent Advanced Generation Inter-cross populations).

Highlights for FY2019

Maize Molecular Breeding

- Marker-assisted recurrent selection (MARS) approach is followed to incorporate desired genes for grain yield and drought tolerance into parental lines to develop high yielding drought tolerant maize hybrids
- The research work is in progress on molecular markers to tag genes/QTL for tolerance to post-flowering stalk rot (PFSR) disease and Markers-assisted selection for improving lines for PFSR disease in maize
- A project was undertaken for identifying molecular markers to tag QTL for tolerance to Turcicum leaf Blight (TLB) disease and implement Markers-assisted selection for improving lines for TLB disease in maize
- The research work is in progress for identifying molecular markers to tag genes/QTL for tolerance to Banded leaf sheath blight (BSLB) disease and implement Markers-assisted selection for improving lines for BSLB disease in maize

Rice Molecular Breeding

- Pyramiding of Biotic stress resistant traits (BLB, BLAST and BPH) into rice hybrid parental lines and selections
- Development of Abiotic tolerance (Submergence) rice through marker assisted selection
- Phenotype screening of Biotic stress resistance rice (BLB, BLAST and BPH) - in-house with artificial screening and hotspot locations

Cotton Molecular Breeding

- Introgression of Bt genes (Cry1 Ac, Cry2 Ab) in cotton is being done using conjunct use of biotech and conventional breeding approaches

Other Biotechnology applications

- DNA Fingerprinting of Kaveri hybrid crops through molecular approaches
- Assessing genetic purity of hybrids and parental seed lots using molecular markers
- Assessing genetic diversity of germplasm for development of commercial hybrids through molecular marker applications

New products launched

Cotton

The volumes decreased by about 11% for FY2019, however it gained market share in Gujarat, Maharashtra & Northern states, particularly due to new products launch that rose up from 17% to 20%. Performance of Money Maker was again appreciated by farmers. Our former hybrids JAADOO & ATM are still popular among the farmers across the country and garnering a significant share in total revenues.

Maize

Maize volumes decreased 4% during FY2019, in the Kaveri dominant states of Telangana, M.S and North Eastern states. New hybrid Drona achieved prominent scale with good market growth. The Company released two more variants in Kharif. On the back of fear of FAW (Fall Army Worm) incidence, the sentiments for maize have been subdued in key states.

Rice

Attractive market prices for fine grain rice gave boost to rice variant produced. The tremendous growth of coastal king, Elito and Shireen varieties across key markets was a notable achievement in the year under review. Under selection rice the volumes were increased by 43%. Hybrid rice volumes increased by 38% for FY2019. The new rice hybrid KPH 468 delivered more than 200% growth.

Bajra

The acreage of Bajra was severely impacted due to late and deficit rains. New products were introduced in Kharif found acceptance among the farmers.

Accreditations

A number of promising parental lines and hybrids were applied for registration and registered with Protection of Plant Varieties and Farmers Rights Authority (PPV&FRA) to safeguard our Intellectual Property Rights.

Germplasm

Kaveri Seed owns a vast pool of germ plasm and acts as a fuel for the Company's futuristic innovations for the product development to meet the aspirations of the farmers.

18

Hybrids were recommended for inclusion in the Organisation for Economic Co-operation and Development (OECD) Seed Scheme list to market in other countries

20

Hybrids were released and notified under Central Variety Release Committee (CVRC), Government of India

BUILDING TRUST AND BRAND WITH PARTNERSHIPS

Our endeavour is to build a brand that offers innovative, reliable and quality seeds to the farmers. Through our marketing and branding initiatives, we offer our products to a diverse farmer base across geographies.

The Indian agriculture industry is undergoing rapid transformation where multiple factors are accounted for growth of the sector. A quality seed holds immense significance in today's challenging and dynamic agriculture sector.

500+

Contractual field workers to engage with farmers

15+ years

Average experience of marketing team

20+

States with 400 districts covered

Collaborating for a better tomorrow

At Kaveri, we continue to be the most collaborative and trusted seed player in the sector, building long-term partnerships and earning trust of the stakeholders. We are sincerely fostering a culture of collaboration, partnering with farmers, distributors and retailers. As we make efforts to scale up our research and innovation capabilities, we are also deepening our understanding of farmers' requirement and circumstances. We also conducting seasonal surveys at Zonal level to understand farmers needs and satisfaction on our brands. This direction supports our focus to improve seed development, helping farmers enhance their crop output.

Our network of distributors and retailers form an integral part of our value chain. Our marketing teams promote our brand stewardship, educating the distributors and retailers about each product benefit, imparting technical, safety and environmental knowledge to pass the benefits to the farmers. This has helped enhance our brand with commitment to drive a sustainable agrarian economy.

Sharad and Aruna Deshpande,
Partners, Silvia Trade Inc, Karnataka

"No other seed player could match Kaveri Seed's farm gate presence. They have an unmatched fieldwork driven by great intensity and quality with a wide presence in Belagavi district of Karnataka. Our region is highly monsoon dependent with varying crop pattern. Kaveri's product basket and unwavering focus in field work has ensured they have withered all competition in a dynamic market environment."

Portfolio analysis

In India, we have established leadership in cotton in the market of Gujarat, while creating significant market presence in the state of Maharashtra. As a part of our strategy, we reduced our dependency on cotton and increased the presence in non-cotton crops like Maize, Rice (Hybrid rice and Selection rice), Bajra and Vegetable crops. We expect to enhance the revenues in three years of time frame from non-cotton seeds portfolio. To achieve the goals, we have stepped up the research programmes backed by increased satellite research centres. The research areas will be focused to deliver right products at right place to penetrate the market more appropriately.

Our International presence is now expanded to SAARC countries, while our product evaluation is under testing in African countries as well. We are optimistic our products will find acceptance in these new markets enabling us to strengthen our foothold and enhance our market share.

Outlook

We continue to accelerate our pace of futuristic innovation to produce breakthrough seeds that are expected to strengthen the farmers' livelihood. We further expect to strengthen our efforts to widen our product offering that meet the diverse agro-climatic conditions and soil composition, providing the farmers' security and choice to sustain and grow in a challenging agri eco-system.

Kodithyala Jagan,
Proprietor,
Sri Rama
Fertilisers and
Pesticides,
Karimnagar

I have been a dealer of Kaveri Seed for the past 25 years. The Company has developed promising crop hybrids of cotton, maize and rice. Most of the farmers in and around our town show great interest to buy Kaveri hybrid seed because of their superior product performance. It clearly reflects the Company's efforts to develop hybrids to suit different climatic conditions. The farmers of our region appreciated Drona maize hybrid for excellent performance and productivity. I feel proud to be associated with the Kaveri brand and remain optimistic for new product launches benefiting the farmers and dealers.

FARMERS' PROSPERITY

MAKING CO-EXISTENCE OF PROSPEROUS FARMERS POSSIBLE

A vulnerable biodiversity leaves more threat to eco-system and the output from the food value chain. At Kaveri, we strive to reduce over-reliance on external factors to restore food security and farmer income.

All our ideas, innovations and improvements in Products which are aimed at improving crop productivity to enable farmer prosperity. We are humbled to see our new product perform and the impact it creates on the lives of the farmers. During the year under review, we undertook several initiatives that complimented our research innovation, ultimately to help improve farmer income.

Setting up satellite breeding stations

Based on the research gaps identified in the farmer's field for each crop, the R&D strategy has been prepared to maximise yield for farmers. To meet the respective crop breeding objectives, different satellite stations were established in India by Kaveri.

Keeping in view with region specific problems, the breeding centres were set up accordingly for cotton at South Zone, Central Zone, North Zone, for maize, five stations in North, South and Western parts, for rice eight breeding centres across the country, while for pearl millet at western, southern and northern parts of the country.

Similarly for vegetables, we set up breeding centres at different strategic locations across the country. The breeding material generated in these centres will be advanced that would evaluate the breeding trials by the concerned breeders. The promising entries will be promoted to the next generation keeping in view with the desired objective.

The hybrids developed in these breeding stations have to undergo through stringent testing stages which including MLT's, HAT and pre-commercial tests. We involve the farmers and sales team in pre-commercial stage of testing to get their feedback, which is primarily considered as an important component along with the consistency of field data before the launch of the new product(s).

In this endeavour we were able to design and develop promising, tailor-made products so that it can fit well to the aspirations of the farmer/ consumer needs.

Strengthening farmer connectivity

Our relentless pursuit of seed innovation has helped significantly improve the yield of crops for farmers. We have developed committed growers network across 12 agro-climatic zones of India, who are assisted by our field promoters round the clock. With more than 65000 acres of land under seed production, we focus on designing suitable hybrids, keeping in mind the farmer's needs and customers' preferences across different agri-climatic conditions.

We have developed more than 35000+ customer touch points across 15 states, to provide instant feedback to farmers, in case of any concerns. This has also enabled us to penetrate key markets and increase our market share of key crops.

Quotes from farmers covering various crops and qualitative aspects

Improving farm income

Sanka Pally Ramchandra Reddy
Village - Rudra Gudem
Mandal - Nalla belly
Dist. - Warangal

For the past two years, I am cultivating 'Money Maker' Kaveri cotton hybrid, it is giving higher yields than other hybrids. Money Maker cotton hybrid has given 20 quintals of kapas per acre. By cultivating this promising Kaveri hybrid my financial position has improved a lot. I would like to cultivate this hybrid 'Money maker' every year and I advised my fellow farmers also to raise this hybrid to reap good harvest.

Higher yield and output

Chandra Bhan
Village – Kayarda Khurd
Tashil – Hindoun
Dist. – Karauli (Rajasthan)

I started cultivating Bajra hybrid MAXIMO and have been happy with the average 20 Qtls/Acre of output from MAXIMO. Having used other seeds, the output and yield received from Kaveri Seed has been most encouraging and promising. The yield was available despite volatility in temperature and minimal rainfall. Being present largely in semi-arid conditions of Rajasthan, the Kaveri Seed has helped enhance the states overall production of Bajra, with most farmers shifting towards the Kaveri brand.

Non-dependence on climatic conditions

Bukya Babu
Village – Irya Tanda
Mandal - Chinna Rao peta
Dist. - Warangal

I cultivated 'Drona' Maize hybrid during last year, it has out yielded 40 quintals per acre during kharif season. Generally, I prefer Kaveri Seed hybrids only, due to high yield and its ability to tolerate pest and diseases. I am very thankful to Kaveri Seed Company for developing such a promising hybrids to improve the economic position of farmers.

Empowering a better livelihood

Mariappann
Village – Thailakulam
Tq - Srivilliputhur
Dist. - Virudhu Nagar, Tamil Nadu

My name is Mariappann, we have taken up farming since 20 years. We have dealt with a lot of crops in Field & Vegetables. Recently we have cultivated Kaveri seeds Okra hybrid KOKH 1107. The difference between Kaveri and other hybrids is that, it's attractive fruit colour, quality and crop stand is excellent. Specially it's fruit picking is very easy and it has good market price. It is best suitable for multiple pickings due to fruit bearing short internodes and gives high fruit yield. No virus incidence. Kaveri vegetable seeds have always given us good yield enabling us to improve our livelihood.

Partnering at every step

Alopi Chand
Village - Jorwa Banbhar
Dist. - Santkabirnagar (UP)

Being a farmer, generally I try to grow promising varieties of Field and Vegetables seeds from different companies. I also follow required practices viz., agronomic management, proper irrigation, fertilizers, inter-cultivation operations and judicious plant protection measures. I started with Chintu rice variety in Kharif season 2018, developed by the Kaveri Seed, it was found promising. The variety possesses excellent plant type, good numbers of tillers and more number of grains in each panicle and less incidence of pest and diseases. Most of the farmers of our village Jorwa Banbhar visited my field, were impressed with the performance of Chintu. I was able to get on an average 17 q/acre yield with Chintu. Other farmers also received appreciable results from the same variety. By looking at the successful results, majority of the farmers of our village are inclined to take up the cultivation of Chintu during the Kharif 2019 season, which compliments with higher yield and better financial position.

MASTERING SUPPLY CHAIN OPERATIONS

At Kaveri, we have a strategic blueprint that highlights how we work with our partners and suppliers to drive compliance and seamless availability of our seeds to farmers. We have strengthened our in-house procedures to build a strong framework that has resulted in timely supply of seed across our diverse geographies.

Our capabilities

10,00,000
Warehouse Capacity (Sq. ft)

15,000
Cold Storage Capacity (mt)

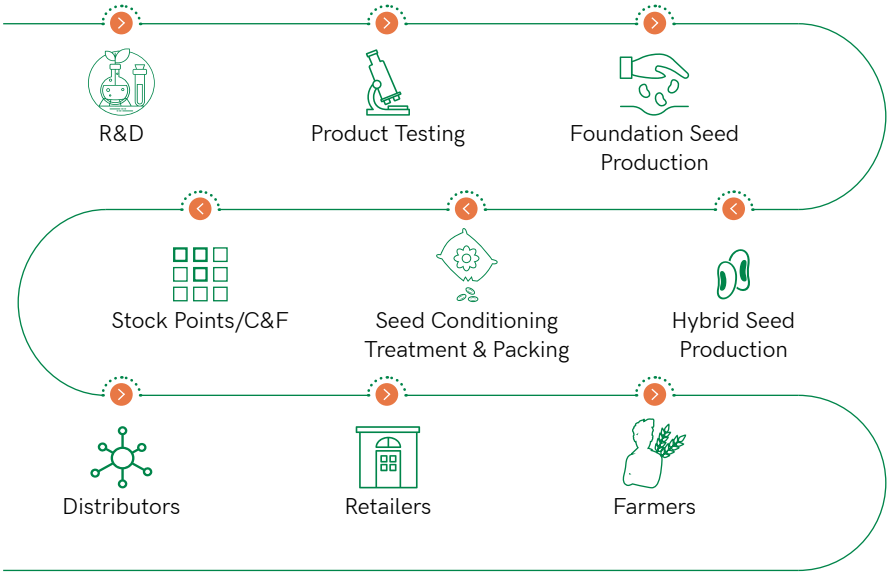
4,500
Maize Cob drying facility (mt/Cycle)

17+
Seed production locations

1,00,000+
Growers engaged in seed production

65,000+
Area (in acres) under seed production across India

Value chain @ Kaveri



Some of the supply chain strategies we undertook during the year were:

- Optimise cost of production
- Technology based production
- Achieve capacity utilization across all locations
- Provide support to growers
- Prepare an inventory management strategy

Key highlights, 2018-19

- Strengthened our state-of-the-art seed testing facility with processing, conditioning and packaging technology with large warehouse facility for seed storage
- Built an elaborate SAP system that integrates production, quality assurance, inventory management, distribution and sales.
- Improved the Kaveri Seed Programmes with a vibrant crop improvement methodology in place
- Upgraded the processing / conditioning techniques of quality enhancement and standards to maintain optimum quality
- Improved seed quality so as to enhance the export sales in different countries
- Implemented advanced seed production planning tools to achieve targeted seed volumes in newer geographies
- Introduced new hybrids in seed production multi-location geographies with trials to test feasibility and assess the seed yield potential to ramp up of hybrids
- Streamlined operational efficiencies, logistics and workforce to ensure delivery of inventory well before the season
- Training programmes held for field staff and seed growers in multiple geographies for improvement in seed production
- Different production strategies employed to improve seed yields forecasting production volumes through scientific estimates

Quality Control and Quality Assurance:

Each day our dedicated team work towards transforming the lives of farmers, meeting their expectations and setting new standards in crop productivity. Our focus on quality seed brings added-value and benefits to the lives of the farmers. At Kaveri, we have setup stringent quality controls and assurance framework with continuous improvement in delivering with excellence.

Key highlights

1. Integrated production and packing processes with field inspections of seed production, quality testing, warehouse audits and in-process quality checks help achieve prescribed quality standards (IMSCS) for the market.
2. State-of-art Seed Physiology and Biotechnology laboratory uses latest methods for checking more than a lakh seed samples to check seed quality and seed health.
3. Perform various seed vigour tests to ensure the satisfactory performance of seed batch under varied and unfavourable climatic conditions.
4. In-built a rigorous system of conducting grow-out tests to complement GoT. We have also developed most advanced methods for genetic purity testing of seed lots through advanced biochemical and molecular marker techniques to provide highest purity seeds to the farming community.
5. We set up ELISA laboratory for checking trait purity of BT cotton seed lots being marketed. We also have compulsory screening of foundation and hybrid seed lots for RRF (HT) protein.
6. We regularly conduct in-house experiments in seed quality testing, seed treatment, scientific seed storage, etc. to meet the market demands.

Outlook

Modern seed technology is essentially an interdisciplinary science that encompasses a broad range of subjects. An effective seed technology comprises techniques of seed production, seed processing, seed storage, seed testing, certification, marketing and distribution and their related research on these aspects.

At Kaveri, by following modern seed production practices we are achieving maximum yield, texture, and quality of the vegetables and crops to drive overall growth of the vegetable seeds market. In addition, there is increasing demand for vegetable seeds owing to rising demand for vegetables. Moreover, increasing health consciousness in consumers is expected to boost demand for healthy and nutritional items, which in turn is expected to support revenue growth in the near future.

Growing production of food grains and increasing thrust by the government in the agriculture sector is expected to augment demand for seeds in India over the near short-term. Moreover, rising disposable income, commercialization of agriculture and growing awareness among the farmers regarding the use of quality seeds is further accelerating demand for seeds, especially hybrid seeds, across the country. We are well-placed to capitalize on these emerging trends with our technologies, processes, distribution network and experienced people.

Arunkumar Chandrashekhar Bali, Proprietor, M/s Bali Krishi Kendra, Karnataka

I am proud to be the first distributor of Kaveri Seeds. Being the second generation of our family to continue our association with Kaveri, I am extremely happy with the company's wide product range, transparent governance, excellent field team and zero quality issues. The farmers of our region swear by Kaveri brand for their vegetable, field and crops.

Gopalam Suryanarayana
Village - Chavali
Mandal - Vemuri
Dist. - Guntur

I, Gopalam Suryanarayana, cultivated Bumper 25 K 45, Maize hybrid of Kaveri Seeds. It has out yielded 52 quintals per acre during rabi season; all the villagers were thrilled to see its performance. Most of the nearby villagers were impressed with the Bumper maize hybrid performance. They have shown interest to cultivate this hybrid next year. The Bumper maize hybrid has really given bumper yield and improved my financial position.

SOCIAL INCLUSIVENESS

We are committed to growing our business responsibly and sustainably by managing the impact of our business to the environment and community, thereby creating value for the respective stakeholders.

At Kaveri, we believe our contribution and efforts towards CSR programs can help make a positive contribution to the lives of the people within the area of our operations. We conduct various programs across different areas to ensure we give back to the society.

Education

Our business success is measured beyond financial performance. Our efforts to build school for the children of poor farmers of the village of GN Poor have resulted in more than 360 students being admitted to primary section and 340 students in the high school section. The impressive quality of education is visible in the results, where 97% of the students passed the class 10th standard with one of the students topping with a GPA score of 9.8 score. The strength of the teaching staff and the administrative staff was also increased during the year.

We also helped in infrastructure development of the school with financial assistance in buying computers, laptops and air-conditioners, building dining hall, construction of compound wall and new school building, purchasing software, installing furniture and CC tv cameras and investing in providing transport facilities with two buses.

700+

Students studying at the school

Rural infrastructure development

As part of our community development activities, we contributed in installing CC tv cameras, cement benches, construction of borewell and roads with other miscellaneous repair work in the villages and urban districts. We also provided safe drinking and sanitation facilities, mineral water tank and drilled for 22 bore wells in the farmers field.

FOSTERING A POSITIVE WORK CULTURE

The diverse, talented and motivated people are key to our business success. Our employees underline the successful implementation of our strategies backed by our commitment to health and safety standards.

Promoting leadership qualities

Our team consists of functional heads with more than 20+ years of experience in the relevant fields. Based on their experience and intellectual capabilities, they were inducted to leadership roles across functions. We strongly believe that fostering an open and inclusive culture has helped develop leadership roles within the organization.

Engaging work culture

Our focus is to create a congenial work atmosphere that allows our team to excel in their performance under challenging situations. The employees are invited to participate in annual day celebrations and other activities. In addition, we organise fun events and sports meet to strengthen our engagement culture within the organisation.

Our Human Resource (HR) team ensures that the employee benefits form an integral part of our work culture. Group insurance schemes, Mediclaim benefits and gratuity (linked to life insurance) schemes were in vogue. We have developed a process to enable our seniors to give a feedback to their team members in areas of improvement and build to connect with the long-term strategies of the Company.

Improving the technology landscape

Over a period of 30+ years, Kaveri Seed has seen transformation that has brought the Company to the helm of market leadership. Our investment in information and technology is to keep pace with the dynamic operational environment. We have capitalized on the Information Technology revolution by implementing SAP S/4 Hana applications. An ERP system is also in vogue for ease and smooth administration of the Company.

Building Capabilities

As a part of our team building culture, we identify high-potential personnel, rewarding them every year. Along with several development programmes to enhance managerial skills, we organise training programmes to improve the behavioural and communication skills of our people. We are also participating in several national and international symposium, where our scientists and marketing personnel participate to get exposure and knowledge.

Rewarding efforts

Evolving business environment demand a strong culture of integrity among the employees. Our employees having long-term association with us, were recognised and presented with a token of appreciation during the year under review. Our 'Utkrista Puraskar' award programme continues to incentivise employees to achieve sustainability objectives, recognising top performers from various departments such as R&D, Seed production and Sales and Marketing, among others.

PROFILE OF BOARD OF DIRECTORS

1 Mr. G. V. Bhaskar Rao
Chairman and Managing Director

Mr. Rao is the Company's founder promoter and has built step by step to become one of the premier seed companies in India. He has been the Chairman and Managing Director (CMD) of the Company since its inception, guiding the team to explore new horizons. His foresight to uplift farming communities by developing promising high-yielding varieties of hybrid seeds in crops like cotton, corn, sunflower, paddy, sorghum, bajra and vegetable seeds has positively influenced millions of farmers and generated employment opportunities. Under his leadership, Kaveri Seeds has become a pioneer and trendsetter in India's seed industry. He is actively involved in giving back to the rural community through various development initiatives. He has a bachelor's degree in Science (Agriculture) from Andhra Pradesh Agriculture University.

2 Dr. G. Pawan
Vice-Chairman - Non-Executive

Dr. Pawan has contributed immensely to the organisation's growth. He has served as a Director for more than a decade and was appointed Vice-Chairman (Non-Executive) of the Company during 2016-17. He has been instrumental in formulating strategic and long-term business plans, assisting the CMD to do justice to his role and take vital decisions for sustainable value creation of the Company and stakeholders. His consistent focus on strategic issues and long-term business plans and operations will help elevate Kaveri Seeds to a new orbit of competitiveness. He is an MBBS from Jawaharlal Nehru Medical College, Karnataka, and holds Doctor of Medicine degree from Illinois State University, USA.

3 Mrs. G. Vanaja Devi
Whole-Time Director

Mrs. Vanaja Devi has been associated with the Company since its inception. She is the founder Director of the Company, regularly assisting the CMD on various aspects of the business. With her instinct to bring innovative ideas to the table, she is the ideal foil and support to the CMD in managing the Company.

She is a guiding force for the Company's Corporate Social Responsibility (CSR) initiatives in the areas of rural infrastructure development and children education. These initiatives broadly include improvement of existing irrigation facilities in the rural areas, so as to improve the area under irrigation to reap good harvest, thereby improve farm yields. Providing infrastructure facilities like construction of school buildings, books, furniture and computers etc., to various schools to improve student's soft skills. Providing scholarships to the economically backward students to pursue higher studies. The mineral water plants provided for safe drinking water. Under her able management number of social welfare activities were under taken in rural areas to improve the agriculture, education and human health etc

4 Mr. C. Vamsheedhar
Whole-Time Director

Mr. Vamsheedhar has been part of the Company for more than two decades. He is a dynamic influence, bringing in numerous reforms and creating a valuable brand image of Kaveri Seeds' products in the market. He has a rich experience in marketing and his vision and skills have been instrumental in the exceptional growth in the Company's sales and marketing. He oversees the organisation's overall marketing activities, segment-wise product development and pan-India promotional activities

5 Mr. C. Mithun Chand
Whole Time Director

Mr. Mithun has been associated with Kaveri Seeds for over a decade as an Executive Director. He monitors the day-to-day operational aspects of administration, finance and accounts departments. He possesses a wealth of experience in marketing and finance and advises the management about financial issues of the Company. While his innovation drives new business platforms, he has contributed significantly in sales and marketing of Kaveri Microteck and other subsidiaries of the Company.

6 Dr. V Bhaskar
Independent Director

Dr. Bhaskar Venkataramany, IAS (Rtd.) appointed as an Independent Director of the Company w.e.f.14.11.2018. Dr. V Bhaskar retired from the Indian Administrative Service with international, national and state level experience of issues relating to finance, taxation, regulation and governance.

He has worked as the Chairman, Andhra Pradesh Electricity Regulatory Commission. Prior to that assignment, he worked as the Special Chief Secretary Finance to the Government of Andhra Pradesh. He has earlier worked in the International Monetary Fund at Washington DC. He also worked in Ministry of Finance, New Delhi and the Ministry of Commerce & Industry in the Government of India at New Delhi and in the Thirteenth Finance Commission at New Delhi. He has worked as Collector and District Magistrate of Anantapur and Visakhapatnam districts in Andhra Pradesh. Prior to joining the IAS, he worked in the management cadre of the State Bank of India specializing in credit to industries.

Dr. V. Bhaskar obtained his PhD in Economics from the University of Hyderabad. He obtained his Masters in Public Administration from Harvard University and Masters in Science from St Stephen's College Delhi. He is also a Certificated Associate of the Indian Institute of Bankers Mumbai.

7 Dr. S. Raghuvardhan Reddy
Independent Director

Dr. Reddy is the former Vice-Chancellor of Acharya N. G. Ranga Agricultural University, with a vast experience in scientific research. He has won several awards, including the prestigious Jawaharlal Nehru Birth Centenary Award for lifetime contribution towards the development of science and technology, especially in the field of agricultural research. His valuable guidance and suggestions are immensely useful in developing frontier research capabilities to carve the hybrids according to farmers' expectations and consumers' preferences. He has a doctorate degree in Agriculture.

8 Mr. K. Purushotham
Independent Director

Mr. Purushotham has 36 years of experience in the banking and finance sector. He has held several prominent positions in the sector, including General Manager of Indian Overseas Bank (IOB). He is actively involved in Company meetings, advising the management on the subjects of finance, accounting and taxation, among others. He is a graduate in Science (Agriculture).

9 Dr. S. M. Ilyas
Independent Director

Dr. Ilyas retired as a Director of National Academy of Agricultural Research Management (NAARM), Hyderabad. With a vast experience in agriculture and research activities as well as other international assignments, he was reemployed as Project Director (Distance Education) of National Institute of Rural Development (NIRD), Hyderabad. He has held several eminent professional positions including the Vice-Chancellor of Narendra Deva University of Agriculture and Technology, Uttar Pradesh. He has been awarded several gold medals, including Indian Society of Agricultural Engineers Award, Institution of Engineers (I) in 1997 and 2002 and Fellowship and Commendation Medal for Outstanding Contribution by the Indian Society of Agricultural Engineers (ISAE). He holds a master's degree in Science (Agricultural Engineering) from Indian Agricultural Research Institute, New Delhi, and a doctorate degree in the same subject from the University of Novi Sad, Yugoslavia.

10 Mrs. M. Chaya Ratan
Independent Director

Mrs. Ratan is a retired IAS officer (1977 batch). She was an able administrator, implementing several reforms to bring about change in various departments such as health, college and school education, family welfare and tribal welfare, among others. She worked to uplift poor and marginal sections (including the differently abled members) of society, facilitating their access to basic services. Her efforts helped establish 45 Public Healthcare Centres (PHCs) in tribal areas. She holds a master's degree in Eco-Social Policy and Planning from London School of Economics, England.

FIVE-YEAR PERFORMANCE HIGHLIGHTS

(₹ in Lakhs)

Statement of Profit and Loss	2014-15	2015-16	2016-17	2017-18	2018-19
Total revenue	1,00,101.75	72,819.78	70,424.00	79,609.76	81,185.67
EBIDTA	32,220.56	20,250.90	17,222.57	24,170.11	24,843.22
Depreciation	1,227.89	2,498.29	2,849.21	2,335.19	2,117.65
Finance costs	15.42	16.90	12.27	39.96	12.52
Profit before exceptional items and tax	30,977.25	17,735.71	14,361.09	21,794.96	22,713.05
Exceptional items	33.25	-	5,923.80	-	
Profit before tax	30,944.00	17,735.71	8,437.29	21,794.96	22,713.05
Tax	759.69	507.75	590.17	760.75	1,240.19
Profit after tax	**30,184.31**	**17,227.96**	**7,847.12**	**21,034.21**	**21,472.86**
EBIDTA / Revenue	32.19%	27.81%	24.46%	30.36%	30.60%
PBT / Revenue	30.91%	24.36%	11.98%	27.38%	27.98%
PAT / Revenue	30.15%	23.66%	11.14%	26.42%	26.45%

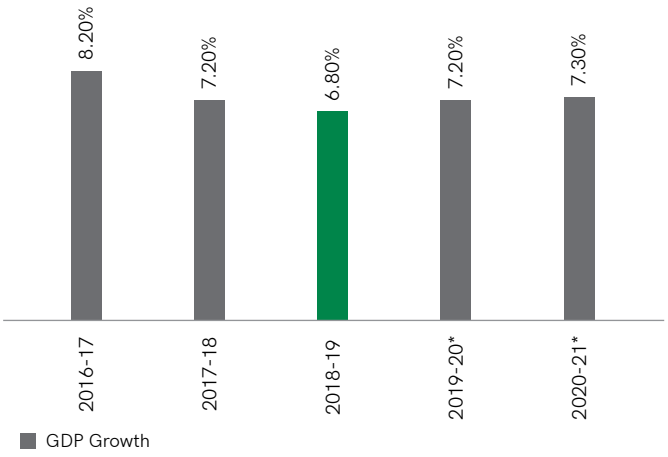
Balance sheet	2014-15	2015-16	2016-17	2017-18	2018-19
Share capital	1,377.92	1,381.10	1,381.10	1,321.84	1,262.58
Reserves and surplus	74,496.27	92,243.41	1,01,020.30	1,00,801.29	1,00,033.37
Share Appln. Money	54.03				
Networth	75,928.22	93,624.51	1,02,401.40	1,02,123.13	1,01,295.95
Non-current liabilities					
Long-term liabilities and provisions	599.87	775.75	733.18	1256.24	1178.23
Deferred tax liability	(32.33)		1,088.14	1,675.93	2,015.36
Current liabilities	38,120.58	41,048.71	48569.12	40141.74	49,250.24
	1,14,616.34	**1,35,448.97**	**1,52,791.84**	**1,45,197.04**	**1,53,739.78**
Non-current assets					
Gross fixed assets	21,861.22	28,555.20	31189.82	32160.92	39,181.54
Accumulated depreciation	6,647.09	9,075.96	11784	13859.13	15,827.99
Capital work in progress	6,165.50	1,951.00	2866.58	3159.59	3,292.24
Net fixed assets	21,379.63	21,430.24	22,272.40	21,461.38	26,645.79
Investments	2,222.69	2,272.04	3217.76	5977.54	6,658.59
Other non-current assets	232.88	353.79	1035.51	1097.52	3869.55
Current assets	90,781.14	1,11,392.90	1,26,266.17	1,16,660.60	1,16,565.85
Total assets	**1,14,616.34**	**1,35,448.97**	**1,52,791.84**	**1,45,197.04**	**1,53,739.78**
Return on capital employed	40.52%	18.81%	8.11%	20.78%	21.75%
Return on networth	39.75%	18.40%	7.66%	20.60%	21.20%
Debt/Equity Ratio	0.01	0.01	0.01	0.01	0.01
Current Ratio	2.38	2.71	2.60	2.91	2.37
Per share	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**
Book value per share - ₹	110.21	135.58	148.29	154.52	160.46
Earnings per share - ₹	43.81	24.95	11.36	31.36	33.30
Dividend per share - ₹	7.50	2.50	-	3.00	3.00
No. of shareholders	13,477	32,821	29167	39826	30096

MANAGEMENT DISCUSSION & ANALYSIS (MD&A)

Indian Economy

During the fiscal 2018-19, the Indian economy continued to consolidate on volatile macroeconomic scenarios. Despite the recent sluggishness and increase in petroleum prices, economic growth continued to be robust and inflation remained more or less stable as the fiscal and current account deficits as percentages of the GDP hovered at acceptable levels. The Indian economy, retaining its tag of fastest growing major economy in the world for the second time in a row, registered a growth rate of 6.8% during the 2018-19. The stress laid on fiscal consolidation through expenditure rationalisation, revenue raising efforts, tactical administrative measures for cooperative financial governance and containing inflation have contributed significantly to macroeconomic stability.

India's GDP growth



(Source: https://www.adb.org/countries/india/economy#tabs-0-0) [*Forecasted]

While highlighting the fact that India has the fastest growth amongst G20 economies, with export growth holding up well, it is to be further mentioned that the Indian economy is expected to grow at around 7.20% in 2019, accelerating to somewhere in-between 7.3% - 7.5% by 2020 buoyed by rural consumption and subdued inflation. The Index of Industrial Production (IIP) with base 2011-12 for the April-January period for 2018-19 registered a 4.4% increase over the corresponding period for the previous year.

Growth in the agriculture sector is expected to be moderate as the Gross Value Added (GVA) at basic prices for the sector is estimated at 2.7% for 2018-19 on a high base of 5% in 2017-18. The manufacturing sector is expected to post robust growth with the sector's GVA growth estimated at 8.1% in 2018-19 as compared to 5.9% during 2017-18

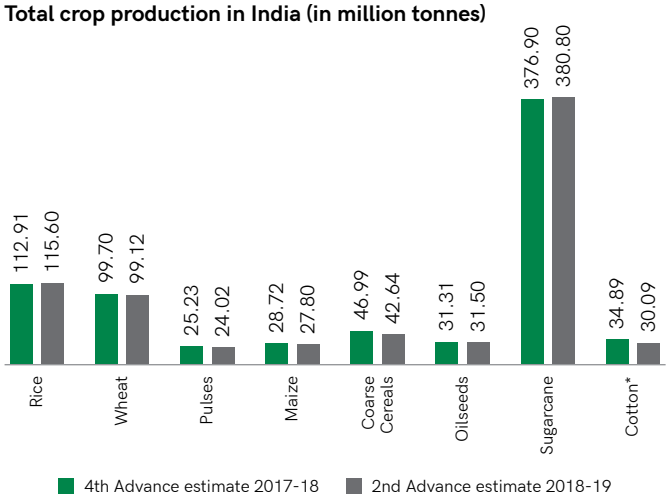
Strengthened by the benefits derived from structural reforms such as the Goods and Services Tax (GST) harmonization and bank recapitalization, uptick in domestic demand gained momentum in 2018. Further impetus was provided by sustained investment growth, which has strengthened as the effects of temporary factors wane. On the trade front, Indian exports grew by 3.74% over January 2018 to reach USD 26.36 billion in January 2019.

Indian agriculture sector overview

Contributing substantially to country's GDP, the Indian agricultural sector is the primary source of livelihood for ~58% of India's population. One of the mainstays of the fastest growing economy of the world, agriculture plays a pivotal role in improving rural incomes and securing India's food and nutritional needs.

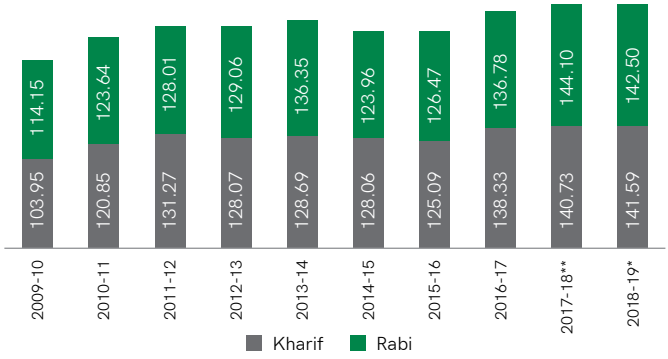
Rewarded richly by nature in terms of varied agro-climatic zones for cultivation of diversified crops, India is the largest producer of spices, pulses, milk, tea, cashew and jute, and the second largest producer of wheat, rice, fruits and vegetables, sugarcane, cotton and oilseeds. Further, with 46 out of the 60 soil types in the world, India is second in the global production of fruits and vegetables along with being the largest producer of mangoes and bananas. According to second advance estimates released by the Department of Agriculture, total food grain production in India is estimated at 281.37 million tonnes during 2018-19 as compared to 277.49 million tonnes in the previous fiscal. The total rice production for 2018-19 is estimated to be around 115.6 million tonnes, 4.59 million tonnes higher than the production of 111.01 million tonnes in 2017-18. Wheat production in 2018-19 is estimated to be around 99.12 million tonnes, compared to 97.11 million tonnes in the previous year. Availability of food grains per person increased from 452 gm/capita/day to over 476 gm/capita/day, even as the country's population almost doubled, swelling from 548 million to nearly 1250 million.

Total crop production in India (in million tonnes)



(Source: https://www.thehindubusinessline.com/markets/commodities/foodgrain-output-in-2018-19-maybe-28137-mt-second-advance-estimate/article26399212.ece) [*million bales of 170 kg each]

Production of food grains in India during Kharif and Rabi seasons (in million tonnes)



(Source: http://agricoop.gov.in/sites/default/files/1stadvest_201819E.pdf)
[**4th Advance estimate, *1st Advance estimate]

Highlights of Union Budget 2018-19

In line with the Government's mission to strengthen the country's agricultural sector, the Union Budget of 2018-19 saw the following initiatives announced by the government to provide the required impetus to strengthen the agricultural sector:

- The Government stated its position in committing to doubling farmers' incomes by 2022.
- A total of ₹ 14.34 lakh crore (USD 225.43 billion) would be spent for creation of livelihood and infrastructure in rural areas.
- Minimum Support Price (MSP) for all announced Kharif Crops and Majority of Rabi Crops would be at least one half times.
- Institutional credit to the agricultural sector would be targeted at ₹ 11 lakh crores (USD 172.93 billion) for 2018-19 compared to ₹ 10 lakh crores in 2017-18
- An Agri-Market Infrastructure Fund set up with a corpus of ₹ 2,000 crores (USD 314.41 million) would be aimed at developing and upgrading agricultural marketing infrastructure in the 22,000 Grameen Agricultural Markets (GrAMs) and 585 Agricultural Produce Market Committee (APMCs)
- Allocation for the National Livelihood Mission was increased to ₹ 5,750 crores (USD 903.93 million) for 2018-19
- Allocation of Ministry of Food Processing was being doubled from ₹ 715 crores in Revised Estimate 2017-18 to ₹ 1400 crores in Budget Estimate 2018-19
- A proposal was floated for the setting up of state-of-the-art testing facilities in all the forty two Mega Food Parks
- Another propose was floated to launch a re-structured National Bamboo Mission with an outlay of ₹ 1,290 crores to promote the bamboo sector in a holistic manner

Highlights of Interim Union Budget 2019-20

Considered as one of the key drivers of the economy, the Interim Budget 2019-20 took some decisive steps aimed at further strengthening the country's agricultural sector:

- A historic programme named Pradhan Mantri Kisan Samman Nidhi (PM-KISAN) was being launched to provide assured income support to vulnerable farmers in the country, effective from 2 December 2018; under the scheme, families with cultivable land up to two hectares would get direct income support of ₹ 6000 (USD 84.38) per year in three equal instalments. Around 120 million small and marginal farmer families would benefit from this programme.
- Under the Agricultural Marketing Infrastructure (AMI) scheme, creation of 40 lakh MT of storage capacity & 400 other marketing Infrastructure projects would be targeted by 2019-20.
- An amount of ₹ 8078.76 crores (USD 1.12 billion) was allocated to the Department of Agricultural Research and Education.
- Further, an amount of ₹ 1.41 billion (USD 19.54 million) was allocated to the Ministry of Agriculture and Farmers' Welfare.
- A fund of ₹ 60,000 crore (USD 8.32 billion) was also allocated to the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA)

Major issues faced by the Indian agricultural industry

- Population pressure and demographic transition
- Resource base degradation, water scarcity and lack of irrigation facilities
- Restricted usage of modern science and technology and reduced support of research and technology development; and
- Inadequate storage facilities
- Quality seed through SRR needs acceleration
- Rapid urbanization

Export scenario

India is the ninth largest exporter of agricultural products in the world. Total agricultural exports from India grew at a CAGR of 16.45% over FY10-18 to reach USD 38.21 billion in FY18 and the total agriculture exports from India stood at US$ 34.36 billion between April 2018 – February 2019.

Despite the strong y-o-y growth, India's exports of agricultural commodities plunged by a staggering 46% in terms of volume in FY2019 (from April 2018 to December 2018). This is largely on account of a supply glut in the international market, which prompted stockists to defer their purchase plans amid expectations of a further price fall.

In December 2018, the Government of India approved the Agriculture Export Policy, 2018, which aims to increase India's agricultural exports to USD 60 billion by 2022 and USD 100 billion in the years following 2022 with a stable trade policy regime.

Favourable export policies

- To double agricultural exports from present ~US$ 30+ Billion to ~US$ 60+ Billion by 2022 and reach US$ 100 Billion in the next few years thereafter, with a stable trade policy regime
- To diversify the nation's export basket, destinations and boost high value and value added agricultural exports including focus on perishables
- To promote novel, indigenous, organic, ethnic, traditional and non-traditional Agri products exports
- To provide an institutional mechanism for pursuing market access, tackling barriers and deal with sanitary and phyto-sanitary issues
- To strive to double India's share in world Agri exports by integrating with global value chain at the earliest
- Enable farmers to get benefit of export opportunities in overseas market

Growth drivers

Changing consumer tastes

Indian farmers are shifting production towards horticultural crops to cash in order to cater to growing demand of vegetables and fruits by the consumers. Fresh fruit exports from India reached USD 736.1 million in FY18 while fresh vegetable exports reached USD 775.5 million. As of February 2019, fresh fruit exports from India were at USD 593.9 million while fresh vegetable exports reached USD 688.8 million.

Increasing demand

India is the second most populated country accounting for 18% of the total world population. With an increase in the population, the need for various agricultural products has increased significantly. This rise has prompted farmers to adopt enhanced technologies to meet the diversified food needs of the people. Additionally, more than 50% of India's population is dependent on agricultural products. Rising incomes, rapid urbanisation, a young population and the emergence of nuclear families is expected to further propel the demand.

Newer farming methods

The introduction of biotechnology in seeds and fertilisers and growing acceptance towards hybrid seeds is driving farmer income as well sustain crop productivity. In addition, government subsidies for farm losses, better irrigation facilities and newer technologies to have a better understanding of soil and weather conditions are expected to drive the growth of the sector in the near future.

Outlook

India has made impressive strides on the agricultural front over the last three decades. Government support across different areas, like improving irrigation facilities, storage facilities and improved cold storage structures, is likely to play a vital role in the future of the Indian agriculture sector. The Indian government's provision of subsidies to farmers across different input factors such as water, power, agricultural equipment, fertilizers and hybrid seeds is likely to provide the required impetus for growth to the sector.

Seed industry insight

Seeds are embryonic plants covered in a protective coating which function as the unit of reproduction for the parent plant. They provide food for a number of animal species, and form a basic part of the agricultural process. Over the past several decades, the significance of seeds in the agricultural industry has increased rapidly on account of advancements in technology and the subsequent introduction of enhanced seed varieties. Growing at a CAGR of 7%, the global seed market reached USD 66.9 Billion in 2018.

With a significant shift in farming patterns and practices over the last few years, and owing to increased demand for agricultural products, more and more farmers are now buying commercially produced enhanced seed varieties as opposed to using seeds from the last harvest. The reason for this choice is the innate advantages offered by enhanced varieties of seeds such as higher yields, improved nutritional quality, reduced crop damage and tolerant to pest and diseases. Moreover, the increasing global population and the consequent rise in demand for food, coupled with expanding biofuel production, have also stimulated the demand for enhanced seed varieties worldwide. Owing to these factors, the global seeds market is further expected to grow at a CAGR of 6.6% during 2019 - 2024, reaching a value of USD 98.1 Billion by 2024. (Source: globe news wire)

Seed Sector in India

Over the years, the Indian seed industry has grown in importance, especially given its role within the agricultural sector of a nation seeking food-security for a rapidly increasing population and given the global shift in food consumption patterns. The seed industry is poised for rapid growth in the next few decades, subject to the presence of a conducive business environment and supporting regulatory framework.

Given that seeds or planting materials are the primary input in agriculture, holding the genetic potential of the plant that emerges from it, quality of the same is of utmost importance. It would not, in fact, be an exaggeration to state that the health and progress of the agricultural sector in a nation state is critically linked to the quality of seeds used by its farmers. Better seeds with improved genetics and seed security will eventually lead to food and nutrition security in India. It would build an agricultural future that would be able to withstand challenges posed by increasing population numbers and climate change.

In 2017 the Indian seed market was valued at ~USD 3.6 billion dollars, exhibiting a CAGR of around 17% during 2010-17. The overall goal of GoI for food grain production in FY 2018-19 was 285.2 million tonnes, which is slightly more than the goal of 284.83 tonnes in the previous financial year. Globally, India ranks fifth in seed market size but 27th in the seed trade market. This incongruence can be explained by the fact that its top producing crops are not on its export list owing to restrictions imposed by either India or destination countries. For instance, its vegetable export portfolio is dominated by Solanaceous crops, okra and cucurbits. It has, however, the potential to be a competitive export hub owing to the presence of necessary talent and favourable agro-climatic conditions for seed production. It could, for instance, capitalise on growing tropical crops for export to European and US markets. (Source: IMARC Group report Seed Industry in India)

India is already the destination to several seed multinational companies that have established R&D bases in the country. With Indian public and private sector both increasing their focus on R&D and application of advanced biological tools to traditional means of seed development and propagation, the industry can progress rapidly. India is in the advantageous position of having at its disposal an enormous cache of diverse indigenous germplasm; with the right effort and focus it could capitalise on this natural asset and help produce a diverse variety of field and vegetable crops. In order to increase the quality and quantity of said produce and agricultural sector output, efforts need to be made to introduce improved varieties of seeds with the help of advanced breeding technologies and modern agricultural methods.

Telegana – the seed hub of India

Producing nearly 60% of the nation's seed requirement, the state has transformed itself into a seed hub of India. Gifted with excellent weather conditions, the state has excelled in the production of seeds of different crops like cotton, sorghum, maize, pearl millet, sunflower, forage sorghum, selection rice and hybrid rice and varieties of pulses, oilseeds and vegetables. Further the pervasiveness of necessary temperature conditions and qualified humidity levels in Telengana, the state also has the perfect weather condition to make it a seed storage hub for 9 – 12 months under ambient situations. The state boosts the presence of several companies of various sizes related to seed industry, also being one of the largest state exporter of seeds in India.

Seed Replacement Rate (SRR)

Generally referred to as how much of the total cropped area was sown with the quality seeds in comparison to farm saved seeds. Seed has to be produced in the field and it is not a one time affair, it's a year on year mechanism requiring careful planning coupled with proper and timely pre- and post-seed production practices, it can only bear fruitful results only with time. Different proactive efforts and various seed related programmes on the part of the government has resulted to an increase in India's SRR over the last couple of years. The Indian farming community is finally realising the importance of quality seeds and are therefore tasked with making relentless efforts to bridge the gap in quality seed replacement (almost 60%).

Company Overview

Knowing Kaveri Seeds

Starting as a small seed producing Company in 1976 at Gatla Narsingapur, Telengana, the Company has grown over the years to make a name for itself within the industry and has emerged as one of the premier multi-crop producing Company in India. Guided by one of the doyens of the industry, the Company has built a strong distribution network spread across the length and breadth of the nation, which has enabled the Company to widen its reach.

With more than three decades in the industry, the Company today is one of the top three seed companies in India and is also a symbol of trust for nearly 3 million farmers across India. Over the years, Kaveri Seeds has enhanced farmer trust by providing a complete seeds basket, comprising of field crop seeds and vegetable seeds. The Company provides a complete seeds solution - across crops, seasons and terrains, enabling farmers to generate a larger return from their given land area. Supported by a strong R&D base, the Company has not only been successful in developing an innovative product range which has helped to meet previously unmet needs of the nation's farmer community, but has also helped the Company in capitalising on emerging opportunities. The Company's success speaks for itself in being listed as a Forbes' Top 200 Company in the Asia-Pacific regions from 2010 to 2013 and then again in 2015.

SWOT Analysis

Strength:

- Company developed different duration hybrids in each crop so that it can fit well under different situations
- Company has concentrated its business on multicrop so as to make seed business in all crops.
- Experienced and Qualified top Management team
- Long lasting relationship with customers
- Established brand and distribution network with more than 35000 dealers/ distributors.
- Strong R&D capabilities with fully equipped research stations
- Variety of seeds produced during the year
- High and good quality products in field and vegetable crops
- Unrivalled farmer loyalty: Nurturing farmer relationships since decades
- Developed strong multi crop product portfolio

Weakness

- Irregular Monsoon and late arrival of monsoon affects the seed sale
- Most of the seed business is generally in the rainy season (Kharif)
- Cropping pattern shifts due to late reciept of monsoon.
- Adapting to changing and unpredictable agro-climactic conditions

Opportunity:

- Maintaining efficient supply chain and strong relationship with farmers for long term earning visibility.
- Introduction of new hybrid seeds for major products can help to boost revenue of the Company.
- Expansion outside the country can help to capture domestic as well as international market.
- New products being highly accepted in the market giving the Company a confidence to achieve new targets with futuristic innovation.

Threat:

- Unfavourable environmental risks such as excess/deficit/ erratic rainfall and fluctuations in climatic conditions temperature and Relative Humidity may hamper the productivity of crops.
- Impact on production due to pest and diseases.
- Regulatory threat from government on issues of distribution, price and policies.

Strong distribution network

As one of the most respected and responsible seed producing Company within India, with more than three decades of experience, the Company is well positioned to meet the changing needs of the nation's farming community. To deliver on this purpose, the Company continues to improve and evolve its distribution network in terms of how quickly and efficiently it is able to make available its products to end users. In line with this strategy, over the years, Kaveri has focused on building a strong and deep-rooted distribution network necessary for delivering innovative and excellent products in a safe, timely and responsible way to the grower community of 35000 dealers across India engaged in distribution of seeds to reach the farmers.

35000+

Dealer network size as on 31st March, 2019

30 lakhs+

Farmers who endorse brand Kaveri as on 31st March 2019

Research and Development

Being in a unique seed producing and marketing business, the Company's strength is cutting-edge research and development, enabling higher yield for the farmer community and improved seed quality. Over the years, the R&D team developed superior seeds which are tolerant to diseases and pests and the vagaries of the climate; the result is that its products like BT Cotton hybrids, maize hybrids, rice hybrids and selection rice varieties are one of the bestselling of its type.

The Company has over 600 acres of dedicated research farms in and around Hyderabad. Its strong R&D base has resulted in new hybrids in cotton, maize, rice, bajra and vegetables that have made significant impact on farm yield. Kaveri also has a strong line-up of hybrids ready to be launched which are tailored to yield in different environmental conditions.

The state-of-the-art biotechnological interventions ensure efficient quality check measures coupled with biotechnology lab (enabling smart breeding) have made the Company the most productive and innovative Company in the industry. Kaveri strives to go from strength to strength, continuing to improve returns while accelerating the pace of innovation. Towards R&D, the Company has been collaborating on research with several national and international institutions, developing products that meet farmers' needs, insure crops against the threat of climate change and make them tolerant to biotic and abiotic stresses.

Participatory plant breeding: Essential to Company's process is farmer involvement. It makes a point to work together with farmers in the selection process of breeding material and advance testing trials and demonstrations. The Company also takes their suggestions and critical views into consideration while designing products for present and future situations.

Focus on germplasm: Germplasm is critically important as it acts as a reservoir for further breeding programmes in cutting-edge research that allows the Company to carve, augment and design plant types according to the changing needs of farmers across crop segments. Through international collaborations it has also enriched germplasm bank with exotic germplasm that can be blended with indigenous types in order to make it most suitable for Indian conditions.

Biotechnology: Kaveri is one amongst the top biotechnology companies with scientific expertise to use biotechnological tools with the conjunct use of advanced plant breeding keeping in view with the 'futuristic products' which will play a significant role in the farmers' field and it is showing new trends in farming prosperity. The use of molecular markers increases crop yields through heterosis, accelerates breeding cycle.

Collaborations

Kaveri Seed Company has national & International collaborations in the frontier line of science to design the products in field and vegetable crops as per the need of the hour.

Crop focus

Over the years, Kaveri has innovated continuously to be farmer-centric and have developed high quality hybrid seeds that has significantly improved yield for farmers. Its diverse portfolio caters to key crop segments and mitigates the risk of unanticipated shifts in crop rotation. The Company's products are gaining acceptance among India's farmers and in countries where it exports seeds. Kaveri is proud to be the only Company to have a footprint across cotton, rice, maize, pearl millets, sunflower, sorghum, pulses and vegetables clubbed with the largest pipeline in hybrids across categories.

Cotton

Cotton is one of the best gifts that nature bestowed on mankind. It is also known as 'white gold', Cotton plays a dominant role in India's agricultural and industrial economy. Based on segment-wise research for south, central and north zones, the Company's efforts are focused on developing early- and medium-type hybrids.

Generally the research efforts are focused towards developing ideal plant type by accumulating desired genes so as to fit well for rainfed, support irrigated situations. In cotton Pink boll worm incidence was noticed in certain agro-climatic pockets of India, the farmers were advised to follow IPM practises to raise a healthy and eco-friendly crop. We bank on our valuable germplasm to design & develop plant type, for the specific needs of the zone(s) and as per the need of farmer and cotton industry. Our main thrust of research is developing pest and disease tolerant hybrids so as to minimise cultivation expenditure and improve the farm income. Further we maintain acceptable cotton fibre quality standards in our products, so as to fetch good market price to the farmers.

In this endeavour we have succeeded to release our promising products namely Jaadoo and ATM previously, still they are very popular among the farmers and ploughing lion share of revenue to the Company. The popular hybrids were converted into GMS base so as to avoid manual emasculation of flowers, thereby minimising cost of seed production and increase the profitability.

In recent years, Kaveri intensified its research efforts to develop early and medium maturity hybrids that are suitable for North Zone. The genotypes developed possess high heat tolerance in early growth period while showing high CLCuV disease tolerance at middle and late growth stages.

Significant achievements were recorded for designing, developing cotton hybrids by changing the genetic architecture and received approval for Money Maker BGII and KCH-111 BGII. We have focussed target breeding in cotton by establishing satellite cetres in South, Central and NorthIndia. Each region of the plant ideotype, pest, disease and environmental conditions differ throughout the country. According to the situation(s) , we are augumenting our research efforts to design the plant as per need of the tract, so that our products can penetrate more vibrantly.

Maize

Maize, the world's primary coarse grain, is also known as king of cereals. It has the ability to grow in diverse climatic conditions. Its

production is concentrated in North America, especially the USA, South America and China. In India, Maize ranks as the most important food & feed crop next to rice and wheat. It is used for multiple purposes like for poultry and cattle feed, human consumption and industry. Maize is expected to grow further due to its wide spectrum of industrial usage through the breeding of specific types of hybrids. Thus most of the Multinational and National seed companies are concentrating their research efforts on Maize.

Maize breeding

Kaveri Seeds has market presence in all segments across India and has approximately 10% market share. To be one of the top three seed companies for maize in India, it has streamlined its breeding strategies. The Company's rich treasure of maize germplasm can support frontier line research to augment tailor made products. By employing molecular breeding and MAS tools, it has classified germplasm to incorporate specific biotic and abiotic traits in the pipeline products. The Company developed segment-wise research hybrids that cater to the needs of core geographies, such as seeds that are resistant to the Post -Flowering Stalk Rot (PFSR) disease and Northern Leaf Blight (NLB). The developed hybrids are compared with benchmark in-house hybrids as well as competitor hybrids. To meet the requirements of farmers, consumers and industry the Company has established strategic locations satellite breeding centres across India so as deliver the right product at the right place.

Rice research

Rice alone consists of 8% of the national GDP and 50% of the agricultural GDP. Rice is potentially of considerable interest to the private sector in the seed and agri-biotech industries. More than half of rice seed planted in India was purchased (rather than saved) by farmers suggesting that farmers are willing to pay for quality seed. This opens the door for the growth in the market for hybrid rice seed even though only 7-8 % of the rice area planted consisted of hybrid rice during the year 2018-19.

Kaveri Seeds is giving equal importance to Hybrid rice and Selection rice, since the Indian market has a huge potential for both. It has accelerated its research efforts at main centre in Hyderabad and in satellite research stations to develop promising hybrids/ varieties segment wise suitable to different regions for biotic and abiotic stress. Generally in selection rice early, mid-early, mid-late, and late varieties will play a significant role while in hybrids mid-early and medium types are more important. High grain yield coupled with good grain quality plays an important role. Towards this end, the Company focuses on research attention towards developing genotypes having short, medium, long and slender grains with high milling percentage, high head recovery, better cooking quality and better taste. The frontier science, biotechnological tools were employed for trait integration through MAS, for important rice diseases, BLB, Blast/NBL and BPH. Rigorous testing is carried out in-house for MLTs, HAT, pre-commercial and commercial prior to release of the product(s) commercially. Further the Company nominated its pipe line products for ICAR network, SAU testing and International SE Asian countries.

Pearl millet

Bajra is a hardy crop, suitable under semi-arid and arid zones and sustain well under stressful situations useful for dual purpose, grain & fodder. It is generally grown in Kharif and summer situations due to its wide adaptability. The major pearl millet growing states are Rajasthan, Maharashtra, Gujarat, Uttar Pradesh and Haryana. As grain it is a good source of nutrition for human consumption because of high Iron & Zinc content. It is predominantly grown in Rajasthan, Maharashtra, Gujarat, Uttar Pradesh and Haryana. Since it is a hardy crop it fits well under moisture regime soils, and small and marginal holders can grow it under rain fed situations.

Kaveri Seeds aims to identify a superior germplasm that is intrinsically resistant to various biotic & abiotic stresses. Induction of new germplasm and genetic improvement of indigenous breeds through comprehensive breeding for wider adaptability, increased productivity, enhanced nutritional qualities and tolerance to biotic and abiotic stresses are important focus areas for the Company. Keeping in view agro-climatic situations and small and marginal farmers requirement of dual purpose hybrids, Kaveri has focussed its research attention and successfully delivered superior products like 'Super Boss' and 'Boss 65'. Since climate change and global warming effects are leading to erratic rainfall, drought and incidents of downy mildew,blast disease, it has streamlined breeding strategies of pearl millet to combat these new challenges and to come out successfully with new products to meet the aspirations of farmers.

Mustard & Wheat

By looking the importance of these crops further research efforts were intensified for product development to suit under Northern belt of India.

Sorghum

Sorghum is a principle cereal crop of the world. It is the world`s fifth major cereals in terms of production and acreage. It is grown under semi-arid monsoonal tropical regions of the world and is generally grown in Kharif rain-fed situations as well as irrigated situations.

Pulses

Pulses are an important constituent in local food crops in developing countries. They are the key source of protein in the diets of world's poorest countries. In India, the commodity forms an important staple in vegetable based diet. In crop production system, pulses represent an input saving and resource conserving technology through biologically fixing nitrogen.

Sunflower

Sunflower seeds are a recent introduction to India and shortly occupied as a prime oil seed crop, due to high heterosis. It has a wider adaptability. It is a photo-insensitive crop thus it can be grown round the year. Generally it is grown under late Kharif and Rabi situations.

Vegetables focus

Vegetables are vital to the general good health of human beings, providing essential vitamins and minerals, dietary fibre, and phytochemicals. The area of world land devoted to vegetables has been increasing due to the potential income value from vegetables. India is the second largest producer of vegetables in the world after China, and improving on production can be best achieved through the development of improved hybrids /varieties and advanced technologies in combination with superior management skills. It is important for the seed industry to understand consumer needs and requirements and the value chain that have all become more complex over time.

Tomato

Tomato is one of the major horticultural crops of the country. India is one of the largest producers of tomatoes in the world and around 11 % of the total world produce of tomatoes is cultivated in India.

Kaveri's focused research efforts has resulted in commercial cultivation promising hybrids- 'The hybrids are unique for their shape, colour, firmness and tolerance to Early Leaf Blight as well as to the Tomato Yellow Leaf Curl Virus (TYLCV) and other important viral diseases. The Company is proud to have 'KTH 304' released and notified by the Central Variety Release Committee (CVRC), Government of India, for respective zones of adaptation.

Hot pepper

Hot pepper is another important commercial crop in India. The country is its largest producer, consumer and exporter. In order to penetrate different segments for green and red chillies, the Company has enhanced its vegetable research activities. To further reduce the cost of seed production, the Company is shifting towards developing of Cytoplasmic Male Sterility (CMS) which is an alternative to manual emasculation process.

Okra

Okra is colloquially known as 'Ladies Finger', or 'Bhindi' in Hindi. It is a vegetable crop which can be grown in tropical and sub-tropical areas. Okra is grown for its young tender structure and is used in curries and soups in Asian cooking. In India the major okra growing states are Uttar Pradesh, Bihar and West Bengal amongst others. Kaveri's research efforts catering to the needs of the market were focused on developing lines resistant to the Yellow Vein Mosaic Virus (YVMV) and Okra Leaf Curl Virus (OLCV). Two hybrids 'KOH 54 and KOKH 1107' have found promising.

Gourds

Bitter gourd is an important vegetable crop and is grown for its immature tuberculate fruits which have a unique bitter taste. Bitter gourds have medicinal value and are used for curing diabetes, asthma, blood diseases and rheumatism. The important bitter gourd growing states in India are Maharashtra, Gujarat, Rajasthan, Punjab, Tamil Nadu, Kerala, Karnataka, Andhra Pradesh, West Bengal, Odisha, Assam, Uttar Pradesh and Bihar.

Kaveri has international collaboration with the World Vegetable Centre for the exotic germplasm so as to design and develop suitable genotypes for Indian situations. Bottle gourd and Ridge gourd in particular, from the vegetable group, were the subjects of intensive research efforts to develop suitable hybrids segment-wise and promising lines are on the pipe line.

Watermelon

Watermelon, a popular summer fruit, is widely grown in the tropical and sub-tropical regions of the country. The Company has started R&D activity to develop suitable hybrids of the fruit to meet the increasing demand and changing customer preference.

Product Evaluation

We follow the stringent procedure to evaluate our pipeline products. Since India is a diversified agro-climatic country, the adaptability of crops to various zones, pest & diseases differ and also the choice of farmers and consumers vary. To design plant type according to the situation, robust method of evaluation is utmost important. In this endeavour we conduct approximately 100 evaluation trials for each season against the best commercial products available as checks for both field and vegetable crops. We record the USP's of each product along with their tolerance level towards both biotic and abiotic stress. We invite the local farmers and our sales team to our demo plots to compare our products against the leading commercial products in each crop and record their feedback on our pipeline products. All the observations recorded across locations towards yield potential, stability, reactions towards biotic and abiotic stress and the feedback of both sales team and farmers are thoroughly analysed, discussed and debated before launching the new product.

Kaveri's satellite breeding stations

Based on the research gaps identified in the farmer's field for each crop, the R&D strategy is prepared. To meet the respective crop breeding objectives, different satellite stations were established in India. Keeping in view region specific problems.

Biotech lab

The Company invests in the blending of traditional breeding with cutting-edge biotechnology. It has adopted candidate gene strategy, association mapping, and other such procedures to develop superior hybrids and inbred varieties that are high-yielding under optimum input use and stress environments. Some of the new technologies the Company has deployed include Doubled Haploid Breeding, MAS (Marker Aided Selection), MARS (Marker Assisted Recurrent Selection), RGA (Rapid Generation Advance), Inbred pool-heterotic bins, MPS (Multi-parent synthetics) and MAGIC (Multi-parent Advanced Generation Inter-cross populations).

Risk management

Regulatory challenges: Unfavourable policy and regulatory changes on the part of the government can adversely impact the performance of Kaveri Seed. Reduction in subsidies, withdrawal of agriculture support schemes, marginal increase in the support price, reduction in seed sale price are few of the adversely impacting policies adopted by the government. However, the government has introduced several reforms that are favourable for the agriculture sector that position the Company well.

Competition risk: Increased competition from peers may impact the Company's trade. Being a proactive, the Company constantly invests in research and development to innovate new products keeping in mind new geographies and climate conditions. The Company also invests in different quality control measures to successfully sustain its product quality and also focus aggressively towards product penetration.

Product risk: Excessive dependency of the Company on a single crop or a few products may impact the Company's profitability. The Company has therefore over the years has built up a diversified product portfolio covering different field crops and vegetables which has helped it to reduce dependency on any one single crop. A sustainable research-based approach has helped the Company build a strong portfolio to meet the unmet needs of the nation's farmer community and help build a sustainable entity.

Marketing risk: Inability of the Company to market its product could lead to inventory accumulation. The Company has over the years built a strong distribution network across India. The Company's distribution network today is supported by a network of 35000 dealers, coupled with the effort of an efficient marketing team, the Company's products are today available in the remotest village of India.

Outlook

Despite of slowdown in the agricultural sector in FY 2018-19, Kaveri Seeds is optimistic of delivering strong growth across all crops. The recently presented Budget 2019-20 further reinforces the government's focus on empowering the agriculture sector to create a better output. The specific suggestion to form more than 10,000 farmer producer organisations (FPOs) in next five years is another bold move that will help marginal cultivators to have better rates for inputs and outputs. The budget also proposed plans to promote 'zero-budget farming', an environment friendly and remunerative alternative to the prevalent chemical heavy and costly agricultural practices that degrade the soil, contaminate water and leave pesticides residues.

The farmers also stand to gain from the revamped efforts of 'ease of doing business' by the government. Introduction of e-NAM will help farmers benefit from the nationwide market agricultural produce.

These benefits will compliment the Company's range of initiatives including introduction of new technologies to enhance the overall productivity and efficiency. Going forward, it plans to carry forward the growth momentum with increased focus on R&D, promotion and creating awareness of hybrid seeds and diversify into newer geographies and offer innovative products for sale. The Company even plans to further strengthen its supply chain by improving quality assurance capabilities and ensuring delivery of products according to climatic zone across the country. With introduction of new and improved products, the Company plans to strengthen its market share in many regions including Punjab, Rajasthan and UP.

Human resource management

Kaveri Seeds is home to exceptional talent that drives its success and growth, and the Company feels proud to acknowledge them. The Company focus on improving its talent pool by hiring a diverse mix of scientists and technocrats. The Company seek to provide a supportive and enabling work environment which encourages employees to embrace challenges and realise their full potential. Employee engagement is nurtured and enhances through communication meetings and creation of cross-functional teams. The Company brings in eminent individuals and professionals to conduct training programmes in management and technical skills. To encourage talent and incentivise employees it has also introduced the quarterly 'Utkrista Puraskar' awards that recognises the top performers across all departments.

In the reporting year the Company underwent restructuring to manage the span of control. Every employee was assigned a reporting authority, while the superiors were given the responsibility of conducting periodical performance reviews.

Financial analysis

Particulars	FY 2019	FY 2018	YoY growth (%)
Revenue (₹ in crore)	768.99	772.40	(0.44)
EBITDA (₹ in crore)	248.43	241.70	2.78
PAT (₹ in crore)	214.73	210.34	2.09
Earnings per share (in ₹)	33.30	31.36	6.18
Key ratios			
Debt equity Ratio (in times)	0.01	0.01	-
Current Ratio (in times)	2.37	2.91	(18.55)
Inventory Turnover (in times)	0.76	0.82	(7.32)
EBITDA Margin (in %)	32.30	31.29	101 bps
Net Profit Margin (in %)	27.92	27.23	69 bps

During the year, the Company registered revenue from operations of ₹ 768.99 crore. The profitability of the Company showed healthy growth of 2.78% and 2.09% in EBITDA and PAT respectively. Further, the Debt Equity Ratio remained same at 0.01 times demonstrating healthy balance sheet. In addition, the current ratio was posted at 2.37 times, the inventory turnover reduced by 7.32%.

Internal control systems and their adequacy

The Company has put in place a set of standards which enables it to implement internal financial control across the organization and ensures that the same are adequate and operating effectively. The findings and recommendations of the statutory and internal auditors are periodically reviewed by the Board, which suggests corrective actions based on them when required. The Audit Committee of the Board of Directors also actively review in the system of checks and balances that ensures the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and Finance Heads are periodically apprised of the internal audit findings and corrective actions are taken where required. Further, the Internal Audit team prepares annual audit plans based on risk assessment and conducts extensive reviews covering financial, operational and compliance controls. The Audit process plays a crucial role in keeping the Board of Directors informed of the functioning of the Company. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

The Internal Audit team is reviewed by the Audit Committee of the Board which monitors its performance on a periodic basis through review of audit plans, audit findings and speed of issue resolution through follow-ups. Through at least four meetings every year, the audit committee reviews internal audit findings assurance and advisory function, which is responsible for evaluating and improving the overall effectiveness of risk management, control and government processes. This entire process helps enhance and protect organizational value by providing risk-based objective assurance, advice and insight.

NOTICE

Notice is hereby given that the 32nd Annual General Meeting of the members of Kaveri Seed Company Limited will be held on **Tuesday the 17th day of September 2019 at 3.00 PM** at FTCCI Auditorium, Federation of Telangana Chambers of Commerce and Industry, Federation House, 11-6-841, FAPCCI Marg, Red Hills, Hyderabad – 500 004, Telangana, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Balance Sheet, Profit & Loss and Cash Flow Statement for the year ended on 31st March 2019 along with the reports of the Board of Directors and Auditors thereon.

2. To confirm the payment of Interim Dividend on equity shares of the Company for the financial year ended 31st March, 2019.

3. To appoint a Director in place of Dr. G. Pawan (DIN: 00768751) who retires by rotation and being eligible offers himself for reappointment.

SPECIAL BUSINESS

4. **Appointment of Dr. Bhaskar Venkataramany (IAS Retired) (DIN: 03558571) as an Independent Director and in this regard to consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:**

   "RESOLVED THAT Dr. Bhaskar Venkataramany (IAS Rtd.) (DIN: 03558571), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 14th November 2018 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ("Act") and Article 112 of the Articles of Association of the Company but who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions, if any, of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014, read with Schedule IV to the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the appointment of Dr. Bhaskar Venkataramany (IAS Rtd.) (DIN: 03558571) who meets the criteria for independence as provided in Section 149(6) of the Companies Act 2013 along with the rules framed thereunder, and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect, and who is eligible for appointment as an Independent Director of the Company, not liable to retire by rotation, for a term of five years commencing with effect from 14th November, 2018 to 13th November 2023, be and is hereby approved.

   RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time".

5. **Re-appointment of Dr. Raghuvardhan Reddy Suravaram (DIN: 01992206) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013;**

   To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution:

   "RESOLVED THAT pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 ('the Act') read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Dr. Raghuvardhan Reddy Suravaram (DIN: 01992206), who was appointed as an Independent Director of the Company for a period of five years up to the conclusion of 32nd Annual General Meeting by the Shareholders at 27th Annual general meeting of the Company and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Companies Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years from 18th September, 2019 up to 17th September, 2024.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time".

6. **Re-appointment of Dr. Syed Mohammed Ilyas (DIN: 03542011) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013;**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 ('the Act') read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Dr. Syed Mohammed Ilyas (DIN: 03542011), who was appointed as an Independent Director of the Company for a period of five years up to the conclusion of 32nd Annual General Meeting by the Shareholders at 27th Annual general meeting of the Company and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Companies Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years from 18th September, 2019 up to 17th September, 2024.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time".

7. **Re-appointment of Mr. Purushotam Kalakala (DIN: 01540645) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013;**

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a Special Resolution.

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 of the Companies Act, 2013 ('the Act') read with Schedule IV of the Act, the Companies (Appointment and Qualifications of Directors) Rules, 2014 and other applicable provisions of the Act [including any statutory modification(s) or re-enactment(s) thereof] and Regulation 17 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended from time to time, Mr. Purushotam Kalakala (DIN: 01540645), who was appointed as an Independent Director of the Company for a period of five years up to the conclusion of 32nd Annual General Meeting by the Shareholders at 27th Annual general meeting of the Company and who is eligible for re-appointment and who meets the criteria for independence as provided in Section 149(6) of the Act along with the rules framed there under and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a Notice in writing from a Member under Section 160(1) of the Companies Act proposing his candidature for the office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation, to hold office for a second term of 5 (five) consecutive years from 18th September, 2019 up to 17th September, 2024.

RESOLVED FURTHER THAT the Board of Directors, be and is hereby authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, matters, deeds and things as may be necessary, expedient and desirable for the purpose of giving effect to this resolution and to issue the terms of appointment letter as per the Companies Act, 2013 and the rules made thereof and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time".

By Order of the Board of Directors
For **KAVERI SEED COMPANY LIMITED**

Sd/-
V.R.S.Murti
Company Secretary

Date: 13.08.2019
Place: Secunderabad

NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') in respect of the business under item nos. 4 to 7 set out above and the relevant details of the Directors seeking re-appointment/appointment at this Annual General Meeting in respect of business under item nos. 3 and 4 as required under Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India ('Secretarial Standard') are annexed hereto.

2. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy/ proxies to attend and vote on a poll instead of himself / herself and such a proxy/proxies need not be a member of the company.**

   A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than ten percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies, etc., must be supported by an appropriate resolution/authority as applicable. In order to become valid, the proxy forms should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.

3. The Register of Members and Share Transfer Books of the Company will remain closed from **16th September 2019 to 17th September 2019 (both days inclusive)**.

4. The requirement to place the matter relating to appointment of statutory auditors for ratification by members at every Annual General Meeting is omitted vide notification dated 7th May 2018 issued by the Ministry of Corporate Affairs, New Delhi. Accordingly, resolution for ratification of the appointment of Statutory Auditors who were appointed for a period of five years at the 30th Annual General Meeting held on 25th September 2017, is not proposed at this Annual General Meeting.

5. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in form no.SH-13, to the RTA of the company. Further, members desirous cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in form no. SH-14, to the RTA of the company. These forms will be made available on request.

6. Shareholders who have not claimed their dividend for the years 2011-12 are requested to claim before the due date otherwise the same has been transfer to the Investor Education and Protection Fund Pursuant to Section 124 and 125 of the Companies Act, 2013. The Company has uploaded the details of the unpaid and unclaimed dividend amounts of the previous years' on the website of the Company (www.kaveriseeds.in) and also on the website of Ministry of Corporate Affairs. The unpaid/unclaimed dividend for the year 2011-12 will be transferred to the Investor Education and Protection Fund of the Central Government on the due date. The shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124(6) of the Companies Act, 2013, and the applicable rules. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

7. Pursuant to the provisions of Investor Education and Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed dividend amounts lying with the Company as on date, at the website of the Company (www.kaveriseeds.in) and also on the website of Ministry of Corporate Affairs.

8. Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection fund (IEPF) are given below:

Sl. No.	Dividend for the financial year	Date of Declaration	Due date for transfer to the IEPF Authority
1	Dividend Account 2011-12	25.09.2012	31.10.2019
2	Interim Dividend 2012-13	14.02.2013	22.03.2020
3	Final Dividend 2012-13	24.09.2013	30.10.2020
4	Interim Dividend 2013-14	04.02.2014	12.03.2021
5	Final Dividend 2013-14	18.09.2014	24.10.2021
6	1st Interim Dividend 2014-15	21.10.2014	26.11.2021
7	2nd Interim Dividend 2014-15	03.02.2015	11.03.2022
8	Final Dividend 2014-15	29.09.2015	04.11.2022
9	Interim Dividend 2015-16	13.08.2015	18.09.2022
10	Interim Dividend 2017-18	08.08.2017	13.09.2024
11	Interim Dividend 2018-19	14.11.2018	19.12.2025

The Shareholders who have not encashed the aforesaid dividend are requested to make their claim to the Secretarial Department, Kaveri Seed Company Ltd., 513 B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500003, Telangana State, India, email: cs@kaveriseeds.in.

9. The annual report for the financial year 2018-19 has been sent through email to those members who have opted to receive electronic communication or who have registered their email addresses with the Company/depository participants. The annual report is also available on our website, i.e. www.kaveriseeds.in. The physical copy of the annual report has been sent to those members who have either opted for the same or have not registered their email addresses with the Company/depository participant. The members will be entitled to a physical copy of the annual report for the financial year 2018-19, free of cost, upon sending a request to the Company Secretary at 513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad – 500 003.

10. The company is concerned about the environment and utilizes natural resources in a sustainable way. We request you to update your email address with your Depository Participant to enable us to send you the financials and other communication via email.

11. Members are requested to kindly bring their copy of the Annual Report with them at the Annual General Meeting, as no extra copy of Annual Report would be made available at the Annual General Meeting. Members/proxies should also bring the attached Attendance Slip, duly filled and hand it over at the entrance to the venue.

12. Members are requested to intimate immediately, any change in their address or bank mandates to their depository participants with whom they are maintaining their demat accounts or to the Company's Registrar & Share Transfer Agent, M/s. Bigshare Services Private Limited, if the shares are held by them in certificate form.

13. In terms of the Circular No. CIR/MRD/DP/10/2013 dated 21 March 2013 issued by the Securities and Exchange Board of India, listed companies are required to use the Reserve Bank of India's approved electronic mode of payment such as Electronic Clearance Service (ECS), LECS (Local ECS)/ RECS (Regional ECS)/NECS (National ECS), NEFT, etc. for making cash payments like dividend etc., to the members. Accordingly, members holding securities in demat mode are requested to update their bank details with their depository participants. Members holding securities in physical form may send a request updating their bank details, to the Company Secretary at 513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad – 500 003.

14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or arrangements in which directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

15. Brief resume of Director(s) of those proposed to be appointed/ re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and membership/chairmanships of Board Committees and shareholding in the Company as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the stock Exchanges, are provided in separate sheet forming part of this notice.

16. As per Regulation 40 of the SEBI Listing Regulations and various notifications issued by SEBI in this regard, transfer of securities would be carried out in dematerialized form only with effect from April 1, 2019, except in case of transmission or transposition of securities. However, members can continue to hold shares in physical form. Accordingly, members holding securities in physical form were separately communicated by the RTA vide four letters sent on 27.06.2018, 03.08.2018, 07.09.2018 and 16.10.2018 at their registered address. In view of the same and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company's RTA for assistance in this regard.

17. Pursuant to Section 108 of the Companies Act, 2013 and the rules framed there under and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is provided the facility to its members holding shares in physical or dematerialized form as on the cut-off date, i.e., 10th September 2019, to exercise their right to vote by electronic means on any or all of the agenda items specified in the accompanying Notice of Annual General Meeting. The E-voting period commences on **Saturday the 14th day of September 2019 at 9.00 A.M. and ends on Monday the 16th day of September 2019 at 5.00 P.M.** The detailed instructions for E-voting are given as a separate attachment to this notice.

18. Attendance Slip, Proxy Form and the Route Map showing directions to reach the venue of the AGM are annexed hereto.

By Order of the Board of Directors
For **KAVERI SEED COMPANY LIMITED**

Sd/-
V.R.S.Murti
Company Secretary

Date: 13.08.2019
Place: Secunderabad

EXPLANATORY STATEMENT

Pursuant to Section 102(1) of the Companies Act, 2013

Item No.4

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee at its meeting held on November 14, 2018 appointed Dr. Bhaskar Venkataramany, IAS (Rtd.) (DIN: 03558571) as an Additional Director categorized as an Independent Director, not liable to retire by rotation, for a term of 5 years i.e. from 14th November 2018 to 13th November 2023, subject to approval of the members. Pursuant to the provisions of Section 161(1) of the Act and Article 112 of the Articles of Association of the Company Dr. Bhaskar Venkataramany (IAS, Rtd.) shall hold office up to the date of this AGM and is eligible to be appointed as Director. The Company has received in writing a notice under section 160(1) of the Companies Act, 2013 from a member of the company proposing his candidature for the office of Director.

The Company has received: i) consent in writing to act as a Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; ii) Intimation in Form DIR-8 pursuant to terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Dr. Bhaskar Venkataramany (IAS, Rtd.) to the effect that he is not disqualified as per Section 164(2) of the Companies Act, 2013; and iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149 of the Companies Act, 2013.

In the opinion of the Board, Dr. Bhaskar Venkataramany fulfills the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the members at the Registered office of the company during the normal business hours on any working day and will also be kept open at the venue of the AGM.

The Resolution set out at Item No.4 of the Notice is put forth for consideration of the members as an ordinary resolution pursuant to Section 149 read with Schedule IV of the Companies Act, 2013 for appointment of Dr. Bhaskar Venkataramany (IAS Rtd.) as an Independent Director of the Company.

Brief Profile of Dr. Bhaskar Venkataramany (IAS Retired)

Dr. Bhaskar Venkataramany retired from the Indian Administrative Service (IAS) with International, National and State level experience of issues relating to Finance, Taxation, Regulation and Governance.

He has worked as the Chairman of Andhra Pradesh Electricity Regulatory Commission. Prior to that assignment, he worked as the Special Chief Secretary Finance to the Government of Andhra Pradesh. He has earlier worked in the International Monetary Fund (IMF) at Washington DC; in the Ministry of Finance and in the Ministry of Commerce and Industry in the Government of India at New Delhi and in the Thirteenth Finance Commission at New Delhi. He has worked as Collector and District Magistrate of Anantapur and Visakhapatnam Districts in Andhra Pradesh. Prior to joining the IAS, he also worked in the management cadre of the State Bank of India specializing in credit to industries.

Dr. Bhaskar Venkataramany, obtained his PhD in Economics from the University of Hyderabad. He obtained his Masters in Public Administration from Harvard University and Masters in Science from St. Stephen's College Delhi. He is also a Certificated Associate of the Indian Institute of Bankers Mumbai.

He is not a Director of any other companies/ bodies corporates.

He is not holding any equity shares of the Company and he is not related to any Director of the Company.

Except Dr. Bhaskar Venkataramany, none of the Directors and key managerial personnel of the Company or their relatives are in anyway concerned or interested, in the Resolution set out at Item No. 4 of this notice.

Your Directors recommend the resolution for your approval.

Item No.5

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Dr. S.Raghuvardhan Reddy (DIN: 01992206) as Independent Director for a second consecutive term of five years from 18th September, 2019 to 17th September, 2024 not liable to retire by rotation. Dr. S.Raghuvardhan Reddy was appointed as Independent Director at the 27th Annual General Meeting of the Company and holds office up to 17th September 2019. The Company has in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Nomination & Remuneration Committee and the Board evaluated the performance of Dr. S.Raghuvardhan Reddy, rated him satisfactory on all parameters and recommended his re-appointment, would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director of the Company.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act,2013 and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company.

Brief Profile of Dr. S.Raghuvardhan Reddy.

Dr. S.Raghuvardhan Reddy is a Ph.D (Agriculture) and Ex-Vice-Chancellor of Acharya N.G.Ranga Agricultural University having vast experience in the Agriculture & Research activities. He has held several eminent professional positions including that Vice Chancellor of ANGRAU. He is also affiliating as Chairman, Agri Biotech Foundation, a non-governmental organization. He has been awarded several gold medals including "Jawaharlal Nehru Birth Centenary Award" for significant and life time contribution to the development of Science and Technology specially in Agricultural Sciences.

Dr. S.Raghuvardhan Reddy does not hold any shares of the Company and he not related to any other Directors/KMPs of the Company.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Dr. S.Raghuvardhan Reddy as an Independent Director is now being placed before the Members for their approval by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Dr. S.Raghuvardhan Reddy, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution at Item No. 5 of this Notice for approval of the Members.

Item No.6

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Dr. Syed Mohammed Ilyas (DIN: 03542011) as Independent Director for a second consecutive term of five years from 18th September, 2019 to 17th September, 2024 not liable to retire by rotation. Dr. Syed Mohammed Ilyas was appointed as Independent Director at the 27th Annual General Meeting of the Company and holds office up to 17th September 2019. The Company has in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Nomination & Remuneration Committee and the Board evaluated the performance of Dr. Syed Mohammed Ilyas, rated him satisfactory on all parameters and recommended his re-appointment, would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director of the Company.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act,2013 and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company.

Brief Profile of Dr. Syed Mohammed Ilyas.

Dr. Syed Mohammed Ilyas is an M.Sc., Agricultural Engineering from Indian Agricultural Research Institute, New Delhi and D.Sc. Agricultural Engineering from University of Novi Sad (Yugoslavia). He was retired as a Director of National Academy of Agricultural Research Management (NAARM), Hyderabad and he was been reemployed as Project Director (Distance Education) National Institute of Rural Development (NIRD), Hyderabad. He has having vast experience in the Agriculture & Research and research management and other International Assignments. He has held several eminent professional positions including that Vice Chancellor of Narendra Deva Univerysity of Agriculture and Technology, Faizabad (U.P). Dr. Ilyas had international assignment for four years as Director Agro Asian Rural Development Organization. Dr. Ilyas has been awarded gold medal from "Indian Society of Agricultural Engineers Award" & "Institution of Engineers (I) in 1997 & 2002" "Fellowship and Commendation Medal for Outstanding Contribution by the Indian Society of Agricultural Engineers (ISAE)".

Dr. Syed Mohammed Ilyas does not hold any shares of the Company and he not related to any other Directors/KMPs of the Company.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Dr. Syed Mohammed Ilyas as an Independent Director is now being placed before the Members for their approval by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Dr. Syed Mohammed Ilyas, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution at Item No. 6 of this Notice for approval of the Members.

Item No.7

Based on recommendation of Nomination and Remuneration Committee, the Board of Directors proposes the re-appointment of Mr. Purushotam Kalakala (DIN: 01540645) as Independent Director for a second consecutive term of five years from 18th September, 2019 to 17th September, 2024 not liable to retire by rotation. Mr. Purushotam Kalakala was appointed as Independent Director at the 27th Annual General Meeting of the Company and holds office up to 17th September 2019. The Company has in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director.

The Nomination & Remuneration Committee and the Board evaluated the performance of Mr. Purushotam Kalakala, rated him satisfactory on all parameters and recommended his re-appointment, would be beneficial to the Company and it is desirable to continue to avail his services as an Independent Director of the Company.

The Company has received a declaration from him to the effect that he meets the criteria of independence as provided in Section 149(6) of the Companies Act,2013 and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, he fulfils the conditions specified in the Companies Act and SEBI Listing Regulations for appointment as an Independent Director and is independent of the management of the Company. The terms and conditions of his appointment shall be open for inspection by the Members at the Registered Office of the Company.

Brief Profile of Mr. Purushotam Kalakala.

Mr. Purushotam Kalakala is a B.Sc., (Agricultural) from A.P. Agricultural University and passed Banking examinations (CAIIB Part I) conducted by the Institute of bankers, Mumbai, retired as General Manager in the top executive cadre of Indian Overseas Bank (IOB). He has held several eminent professional positions including that General Manager of IOB and having vast experience of 36 years in the Banking Sector. He was deputed by IOB to Bradford University, London for specialized Programme on Agricultural Development.

Mr. Purushotam Kalakala does not hold any shares of the Company and he not related to any other Directors/KMPs of the Company.

In compliance with the provisions of Section 149 read with Schedule IV to the Act and Regulation 17 of SEBI Listing Regulations and other applicable Regulations, the re-appointment of Mr. Purushotam Kalakala as an Independent Director is now being placed before the Members for their approval by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives except Mr. Purushotam Kalakala, to whom the resolution relates, is in any way, concerned or interested, financially or otherwise, in the resolution.

The Board recommends the Special Resolution at Item No. 7 of this Notice for approval of the Members.

By Order of the Board of Directors
For **KAVERI SEED COMPANY LIMITED**

Sd/-
V.R.S.Murti
Company Secretary

Date: 13.08.2019
Place: Secunderabad

Details of Directors seeking appointment/re-appointment at the Annual General Meeting;

Name of the Director	Dr. G.Pawan	Dr. V.Bhaskar	Dr. S.Raghuvardhan Reddy	Dr. S.M.Ilyas	Mr. K.Purushotham
DIN No.	00768751	03558571	01992206	03542011	01540645
Date of Birth	21.08.1979	13.09.1953	09.03.1947	25.07.1947	05.07.1946
Qualifications	MBBS - Doctor of Medicine	IAS & Ph.D in Economics	Ph.D - Agriculture	M.Sc., Agriculture	B.Sc., Agriculture
Type of appointment	Non-Executive Director – retire by rotation	Independent Director	Independent Director	Independent Director	Independent Director
Date of Appointment/ Reappointment	18.09.2006	14.11.2018	18.09.2014	18.09.2014	18.09.2014
Areas of Specialization	Medical Practice and Senior Oncologist based at USA.	IAS with International, National and State level experience of issues relating to Finance, Taxation, Regulation and Governance.	Vast experience in Agriculture and Research activities	Vast experience in Agriculture and Research activities and other International assignments.	Wide experience in Banking and Financial markets
No. of Shares Held in the Company	23,19,505	0	0	0	0
Directorship held in outside Public Limited Companies	Nil	Nil	Nil	Nil	Nil
Chairman/member of the Committee of the Board of Directors of this Company	Nil	Audit Committee – Member	Audit Committee – Member Nomination and Remuneration Committee – Member Shareholders Relationship Committee – Chairman CSR Committee – Member Risk Management Committee - Chairman	Nil	Audit Committee – Chairman Nomination and Remuneration Committee – Chairman
The number of meetings of the Board attended during the year	2	2	5	4	3
Chairman/member of the Committee of the Board of Directors of other Companies	Nil	Nil	Nil	Nil	Nil
Relation with Key Managerial Personnel and Directors	Promoter Group and related with promoter	Nil	Nil	Nil	Nil

SHAREHOLDER INSTRUCTIONS FOR E-VOTING

Pursuant to provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of SEBI (LODR) Regulations 2015, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 32nd Annual General Meeting to be held on 17th September, 2019. The Company has engaged the services of Central Depository Services Limited (CDSL) to provide the E-Voting facility.

The E-Voting facility is available at the link :

EVEN (E-VOTING EVENT NUMBER)	COMMENCEMENT OF E-VOTING	END OF E-VOTING
190816007	14.09.2019	16.09.2019

These details and instructions form an integral part of the notice for the Annual General Meeting to be held on 17th September 2019.

The instructions for shareholders voting electronically are as under:

(i) The voting period begins from **Saturday the 14th day of September 2019 at 9.00 A.M. and ends on Monday the 16th day of September 2019 at 5.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date 10.09.2019**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the **folio/client id** number in the PAN field. • In case the **folio** number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with **folio** number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Kaveri Seed Company Limited > on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

(xxi) You are advised to cast your vote only through E-voting or through Poll at the AGM. In case you cast your votes through both the modes, votes cast through e-voting shall only be considered and votes cast at the meeting through Poll would be rejected.

(xxii) **GENERAL INSTRUCTIONS**

a. The e-voting period commences on **Saturday the 14th day of September 2019 at 9.00 A.M. and ends on Monday the 16th day of September 2019 at 5.00 P.M** During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 10.09.2019, may cast their votes electronically. The E-Voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

b. Shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 10.09.2019 they not casting their vote electronically, may only cast their vote at the Annual General Meeting.

c. Mr. L.Dhanamjaya Reddy, Practicing Company Secretary, Hyderabad (Membership No.13104), has been appointed as the Scrutinizer to scrutinize the E-Voting process in a fair and transparent manner.

d. The Scrutinizer shall, within a period of not exceeding three days from the conclusion of the E-Voting period, unlock the votes in the presence of at least two witnesses, not in employment of the Company and make a Scrutinizer's Report of the votes cast in favour of or against, if any, forthwith to the Chairman of the Company.

e. The voting rights of the shareholders shall be in proportion to the shares held by them, of the paid-up equity share capital of the company as on the cut-off date of 10.09.2019.

f. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.kaveriseeds.in and on the website of CDSL within two days of passing of the resolutions at the 32nd Annual General Meeting of the Company on 17th September 2019 and shall be communicated to BSE Ltd., and National Stock Exchange of India Ltd.

All documents referred to in the accompanying Notice and Statement pursuant to Schedule IV and Section 102(1) of the Companies Act 2013 will be available for inspection at the Registered Office of the Company during business hours on all working days up to the date of declaration of the results of the 32nd Annual General Meeting of the Company.

By Order of the Board of Directors
For **KAVERI SEED COMPANY LIMITED**

Sd/-
V.R.S.Murti
Company Secretary

Date: 13.08.2019
Place: Secunderabad

DIRECTORS' REPORT

Dear Members,
Kaveri Seed Company Limited

The Directors have pleasure to present their 32nd Annual Report and the audited Annual Accounts for the year ended 31st March 2019.

PERFORMANCE REVIEW

Your Company's performance during the year as compared with that during the previous year is summarized below:

(In ₹ Lakhs)

S. No.	Particulars	Standalone		Consolidated	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
1	Revenue from operations	76,898.90	77,240.30	80,941.81	81,937.48
2	Profit before finance cost, depreciation and tax expense	248,43.22	24,170.11	25,463.78	24,548.73
3	Finance Cost	12.52	39.96	54.69	60.41
4	Profit before depreciation and tax expense	248,30.70	24,130.15	25409.09	24,488.32
5	Depreciation	2,117.65	2,335.19	2,295.20	2,507.73
6	Profit before exceptional items and tax	22,713.05	21,794.96	23,113.89	21,980.59
7	Exceptional items	-	-	-	-
8	Profit before Tax Expense	22,713.05	21,794.96	23,113.89	21,980.59
9	Tax Expense	1240.19	760.75	1373.43	839.54
10	Profit after Tax Expense	21,472.86	21,034.21	21,740.46	21,141.05
11	Non-controlling interests			(4.61)	17.27
12	Profit after tax expense after non-controlling interests	21,472.86	21,034.21	21,745.07	21,123.78
13	Add: Surplus at the beginning of the year	96,492.00	84,230.30	95610.16	83,258.89
14	Total Available for appropriation	117964.86	1,05,264.51	117355.23	1,04,382.67
	Appropriations				
15	Dividend including taxes	2283.17	2,386.41	2283.17	2,386.41
16	Transfer to general reserve	1,000.00	1,000.00	1,000.00	1,000.00
17	Utilized for Buyback	18940.99	5,326.85	18940.99	5,326.85
18	Transferred to Capital Redemption Reserve	59.26	59.26	59.26	59.26
	Total Appropriations	**22283.43**	**8,772.51**	**22283.43**	**8,772.51**
19	Surplus carried to Balance Sheet	95681.44	96,492.00	95071.80	95,610.16

STATE OF THE COMPANY'S AFFAIRS

During the year, the Company has achieved revenue of ₹ 76,898.90 lakhs and net profit of ₹ 21,472.86 Lakhs on a standalone basis. During the same period, the consolidated revenue was ₹ 80,941.81 Lakhs and net profit after non-controlling interests was ₹ 21,745.07 Lakhs.dividend dis

FUTURE PROSPECTS AND OUTLOOK

Indian Agriculture and our role:

India is agrarian country, vegetarian diet in habit. It is richly rewarded by nature with wealth of varied 12 agro-climatic zones for cultivation of diversified crops. Therefore enormous indigenous germ plasm is available , it will helped to produce a large variety of field and vegetable crops. Indian Seed industry has been an important partner in the growth of Indian agriculture in the past 3-4 decades. The agricultural sector is highly dependent on the availability and quality of seed in time for a productive harvest. Therefore, in order to increase the quantity and quality of produce, efforts are made to introduce enhanced varieties of seeds with the help of advance breeding technologies and modern agricultural methods. The overall out comes of agriculture of a nation is therefore dependent on the seeds the farmers of the nation use.

Kavery's research focus on applying usage of advanced biotechnological tools in combination with conventional breeding to fast track the breeding procedures. So as deliver the right product for right place. We are also planning to work on phonemics

so as to target to design the right plant ideotype to meet the future resilient climatic change and to combat any eventuality of global warming impacting agricultural productivity. So as to improve the farm yields and their by significantly improve the economic position of the farmers.

Indian farmers are small farm holders. To supply the seed necessary for five hundred thousand Indian villages is a big problem. We try to reach the farmers of nook and corner of villages and impart the knowledge on our products and various methods for disseminating the information on agriculture.

Kaveri Seeds is focusing its research efforts in field and vegetable crops by developing promising hybrids and varieties that are suitable for cultivation under different environmental situations. Our research collaborations with several national and international organizations help us design products that suit the needs of the market, while also being tolerant to biotic and abiotic stress factors. We are also equipped with modern R&D facilities in the advance science of biotechnology, plant breeding, quality control and seed technology innovations. We will focus our efforts to enhance sales across multiple crops and continue to improve our presence in the market, expanding our footprint into new geographies.

RESEARCH AND DEVELOPMENT (R&D)

Your Company's relentless pursuit of seed innovation has helped significantly improve the yield of farmers. We have developed a committed grower network are different agro-climatic zones of India. We focus on designing suitable hybrids, keeping in mind the farmers' needs and consumers' preferences. Our diverse portfolio caters to key crop segments and mitigates the risk of unanticipated shifts in crop rotation. Our products are gaining acceptance among Indian farmers and in countries where we export our seeds.

Your Company possess a strong in-house R&D base, recognised since 2001 by the Government of India's Department of Scientific and Industrial Research (DSIR). Company consistently invest in R&D as part of our sustainable growth strategy. To harness the potential of biotechnology in fostering and fortifying traditional breeding methods the Company has formulated an integrated programme for molecular breeding. Company's state-of-the-art biotechnology laboratory and state - of – the - art seed technology is well-equipped with sophisticated equipment and is supported by highly qualified personnel.

Innovation is The Engine of our Progress: Your Company focus on achieving higher profitability and outperforming the market, based on the strength of innovation. Company also engage with farmers to integrate their insights into the products that we make. Company objective is to create value for our customers through higher yields and optimal use of resources.

Your Company has a reliable track record of launching many new products and have a strong pipeline tailored promising products to meet the specific needs of the farming community. Kaveri is well placed in the emerging markets, having completed a period of extensive investments; and our long experience of managing risk is enabling us to navigate the current volatility. We look at each crop through the eyes of the grower, and we understand the grower's concerns and grievances.

Kaveri's best-in-class infrastructure and scientists are driving a breeding strategy for the development of variety of crops, especially in cotton, maize, rice and bajra, in different agronomic conditions of our country. A clear road map has been prepared for the strategic breeding to accelerate the breeding process and to achieve the targeted goal in field and vegetable crops.

R&D developments

Kavery's new hybrids in cotton, maize, rice, bajra and vegetables made significant impact on the farm yield. Besides, a strong pipeline of hybrids is ready to be launched, which are tailored to yield in different environmental conditions. Your Company developed over 600 acres of dedicated research farms with varying agro-climatic conditions in and around Hyderabad. Company has invested in state-of-the-art biotechnological interventions to enable efficient quality check measures. Besides, our biotechnology lab (enabling smart breeding) has made us the most productive and innovative in the industry; and we continue to strengthen returns, while accelerating the pace of innovation.

Focus on germplasm:

Germplasm acts as a reservoir for further breeding programmes in frontier line of research to carve, augment and design the plant types according to the changing needs of different farmers across various crop segments. We have also enthused our germ plasm bank through international collaboration and acquired exotic germ plasm to blend with indigenous types so as to fit well under Indian situations.

Introduction for Our Product Sections

Over the years, your Company has innovated continually to be farmer centric and developed high quality hybrid seeds with a focus on better harvest. Our relentless pursuit of seed innovation has helped significantly improve the yield of farmers. Our diverse portfolio caters to key crop segments and mitigates the risk of unanticipated shifts in crop rotation. Our products are gaining acceptance among India's farmers and in countries where we export our seeds. We are the only company to have a footprint across multi crop products.

Quality seed is the order of the day. Your Company's honest endeavour is to inculcate the highest level of quality management across functional domains. We will devote promotional efforts for promising products in the growth stage. We will add more sales locations to improve our visibility in the market, in tandem with our strategy to explore new geographies. We are continually receiving positive reviews from our hybrids in various countries. In the years to come, we expect to expand our export presence in the focused countries.

DIVIDEND

The Board of Directors at their meeting held on 14h November 2018 declared an Interim Dividend @ 150% on the paid-up Equity Share Capital i.e., ₹ 3.00/- per equity share for the financial year 31st March 2019 and same was paid to the shareholders.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's website viz. www.kaveriseeds.in

BUYBACK OF EQUITY SHARES

In line with the practice of returning free cash flow to the shareholders, during the year the Company has completed its second buy-back of 29,63,000 Equity Shares at a price of ₹ 675/- per Equity Share for an aggregate consideration of ₹ 20000.25 Lakhs. The offer size of the Buyback was 20.24% of the aggregate paid up equity share capital and free reserves of the Company and represented 4.48% of the total issued and paid up equity share capital of the Company. The buyback process was completed and the shares were extinguished on 21st September 2018. The Company's first buy-back was completed in Financial Year 2017-18.

TRANSFER OF AMOUNT TO RESERVE

The Company has transferred ₹ 10.00 Crores to the general reserve for the financial year ended 31st March 2019 under the provisions of Companies Act, 2013 and Rules there under.

STATUTORY AUDITORS & AUDITORS' REPORT

The statutory auditors report is annexed to this annual report. There are no adverse remarks on disclosure by the statutory auditors in their report. They have not reported any incident of fraud to the Audit Committee of the Company during the year under review. Pursuant to Section 139(2) of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014, the Company at its 30th Annual General Meeting (AGM) held on 25th September 2017, had appointed M/s. M. Bhaskar Rao & Co., Chartered Accountants as Statutory Auditors to hold office from the conclusion of 30th AGM until the conclusion of 35th AGM of the Company, subject to ratification by shareholders every year, as may be applicable. However, the Ministry of Corporate Affairs (MCA) vide its notification dated 7th May 2018 has omitted the requirement under first proviso to section 139 of the Companies Act, 2013 and rule 3(7) of the Companies (Audit and Auditors) Rules, 2014, regarding ratification of appointment of statutory auditors by shareholders at every subsequent AGM.

Consequently, M/s. M. Bhaskar Rao & Co., Chartered Accountants, continues to be the Statutory Auditors of the Company till the conclusion of 35th AGM, as approved by shareholders at 30th AGM held on 25th September 2017.

INTERNAL AUDITORS

The Board of Directors of the Company has re-appointed M/s. M. Anandam & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the financial year ended 31st March 2020. The Internal Audit reports are being reviewed by the Audit Committee of the Company.

SUBSIDIARY COMPANIES

The Company has 5 subsidiaries as of March 31, 2019. There was no material change in the nature of the business carried on by the subsidiaries. As per the provisions of Section 129 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the financial statements of the subsidiary Companies is prepared in Form AOC-1 and is attached to the Financial Statements of the Company.

In accordance with the provisions of the Companies Act, 2013, the Balance Sheet, Statement of Profit and Loss and other documents of the subsidiary companies are being made available on the website of the Company. The Company will make available the Annual Accounts of the subsidiary companies and the related information to any member of the Company who may be interested in obtaining the same. The annual accounts of the subsidiary companies will also be kept open for inspection by any member at the Registered Office of the Company and that of the respective subsidiary companies.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel falls under the scope of Section 188(1) of the Companies Act 2013. The information on transactions for the year under review were on arm's length basis and in the ordinary course of business with the related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Form No. AOC-2 and the same forms part of this report. The company has developed a Related Party Transactions frame work through standard operation procedures for the purpose of identification and monitoring of such transactions.

EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in Form MGT – 9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure – A** and forms on integral part of this report.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. L.D.Reddy & Co., a firm of Company Secretaries in Practice (C.P.No.3725) as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year ended 31st March 2019. The Secretarial Audit Report issued by M/s. L.D.Reddy & Co, Practicing Company Secretaries in Form MR-3 is annexed to this Board's Report as **Annexure – B**.

The Secretarial auditors Report does not contain any qualifications, reservation or adverse remarks.

BOARD'S RESPONSE ON AUDITOR'S QUALIFICATION, RESERVATION OR ADVERSE REMARKS OR DISCLAIMER MADE

There are no qualifications, reservation or adverse remarks made by the statutory auditors in their report or by the Practicing Company Secretary in the Secretarial Audit Report for the year ended 31st March 2019. During the year, there were no instances of frauds reported by auditors under Section 143(12) of the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors consists Mr. K. Purushotham (Chairman), Dr. S. Raghuvardhan Reddy, Dr. Bhaskar venkataramany and Mr. C. Mithunchand. Dr. Bhaskar venkataramany was appointed as member of Audit Committee on 14th November, 2018. Mr. P. Varaprasad Rao resigned on 14th November, 2018. The Board has accepted all recommendations made by the audit committee during the year. Further details can be seen in the chapter on Corporate Governance report.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the relevant provisions of Section 133 of the Companies Act, 2013 and the Accounting Standards AS-21 and AS-27 on consolidated financial statements, read with the Accounting Standard AS-23 on Accounting for Investments in Associates, your Directors have pleasure in attaching the consolidated financial statements for the financial year ended March 31, 2019, which forms part of the Annual Report. The company has placed separately, the audited accounts of its subsidiaries on its website www.kaveriseeds.in in compliance with the provisions of Section 136 of the Companies Act, 2013.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has laid down set of standards which enables to implement internal financial control across the organization and ensure that the same are adequate and operating effectively. The Board periodically reviews the findings and recommendations of the statutory auditors, internal & secretarial auditors and suggests corrective actions whenever necessary. The Audit Committee of the Board of Directors is also actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and Finance heads are periodically appraised of the internal audit findings and corrective actions taken.

The Internal Audit team prepares annual audit plans based on risk assessment and conducts extensive reviews covering financial, operational and compliance controls. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board.

The Audit Committee of the Board monitors the performance of Internal Audit team on a periodic basis through review of audit plans, audit findings and speed of issue resolution through follow-ups. Each year, there are at least four meetings in which the audit committee reviews internal audit findings assurance and advisory function, responsible for evaluating and improving the effectiveness of risk management, control and governance processes. The internal audit team helps to enhance and protect organizational value by providing risk-based objective assurance, advice, and insight.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The internal financial controls (IFC) framework at Kaveri Seeds encompasses internal controls over financial reporting (ICOFR) as well as operational controls that have been put in place across all key business processes of the Company. The internal controls are designed to facilitate and support the achievement of the Company's business objectives and such controls do enable the Company to adapt to changing and operating environment, to mitigate risks to acceptable levels and to support right decision making and good governance. Details in respect of adequacy of internal financial controls with reference to the financial statements are briefly iterated below:

a. The Company maintains all its major records in ERP System.

b. The Company has appointed internal auditors to examine the internal controls, whether the workflow of the organisation is being done through the approved policies of the Company. In every quarter, during the approval of financial statements, internal auditors present the internal audit report and the management comments on the internal audit observations; and

c. The Board of Directors of the Company has adopted various policies such as Related Party Transactions Policy, Whistle Blower Policy, Policy to Determine Material Subsidiaries, Corporate Social Responsibility Policy, Dissemination of

Material Events Policy, Documents Preservation Policy, Sexual Harassment Policy, Code of Conduct under Insider Trading Regulations, Code of Conduct for Senior Management, Nomination and Remuneration Policy, Board Diversity Policy, Dividend Distribution Policy, Risk Management Policy and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

INDIAN ACCOUNTING STANDARDS – IFRS CONVERGE STANDARDS

The Ministry of Corporate Affairs vide its notification dated 16th February 2015 notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification your Company has prepared the financial statements to comply in all material respects in accordance with the applicability of Indian Accounting Standards.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to the Directors' Responsibility Statement, the Board of Directors of the Company hereby confirms:

i) that the applicable accounting standards have been followed in the preparation of the Annual Accounts.

ii) that the Directors have selected such Accounting policies and applied consistently and judgments and estimates made when required that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2019 and of the profit of the Company for that period.

iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

iv) that the Directors have prepared the annual accounts on a going concern basis.

v) that the Directors have laid down Internal Financial Controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively and

vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Changes in Directors and Key Managerial Personnel:

Resignation of Director:

Mr. P. Varaprasad Rao, tendered the resignation from the office of Independent Director of the Company with effect from 20th December 2018, due to his pre occupations, there is no other material reason, other than those provided by him. The Board members of the company profound thanks to Mr. P. Varaprasad Rao for valuable services and significant contribution to the organization in different aspects of the company is highly appreciable the services rendered by him and the Board be instructed to convey its gratitude for the services rendered during his tenure.

Appointment/re-appointment of Independent Directors :

On recommendation of the Nomination and Remuneration Committee, the Board of Directors have appointed Dr. Bhaskar Venkataramany (IAS Rtd.) (DIN: 03558571) was appointed as an Additional Director (Independent) with effect from 14th November 2018 for a term of 5 years, subject to the approval of the shareholders at the ensuing Annual General Meeting.

Your Directors on the recommendation of the Nomination and Remuneration Committee have re-appointed Dr. Raghuvardhan Reddy Suravaram (DIN: 01992206), Dr. Syed Mohammed Ilyas (DIN: 03542011) and Mr. Purushotam Kalakala (DIN: 01540645) as Independent Directors of the Company w.e.f. 18th September 2019 for second term of five consecutive years is proposed at the ensuing AGM for the approval of the members by way of special resolution(s).

Pursuant to the provisions of Section 149 of the Companies Act, 2013, the independent directors have submitted declarations that each of them meet the criteria of independence as provided in Section 149(6) of the Companies Act along with Rules framed thereunder and Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive independent directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committees of the Company.

Director(s) retiring by rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Company's Articles of Association, Dr. G. Pawan (DIN : 00768751), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Brief Profile of Dr. Raghuvardhan Reddy Suravaram, Dr. Syed Mohammed Ilyas and Mr. Purushotam Kalakala and Dr. G.Pawan

are given in the Corporate Governance and the Notice convening the 32nd AGM for reference of the shareholders.

Appointment/Resignation of Chief Financial Officer and Key Managerial Personnel:

Mr. G.Vijaya Kumar tendered resignation as the Chief Financial Officer of the Company with effect from 14th February 2019 due to his personal reasons.

Mr. K.V.Chalapathi Reddy has been appointed as Chief Financial Officer of the Company effective from 14th February 2019. Mr. K.V.Chalapathi Reddy, a Chartered Accountant (Membership No.29364) with over 3 decades of varied experience in all areas of Financial Management, Accounts, Auditing, Taxation, and Treasury functions of the Company and in the past associated with reputed companies in senior positions.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel (KMP) of the Company as on March 31, 2019 are: Mr. G.V.Bhaskar Rao, Chairman & Managing Director, Mrs. G.Vanaja Devi, Mr. C. Vamsheedhar and Mr. C. Mithunchand, Whole time Directors, Mr. K.V. Chalapathi Reddy, Chief Financial Officer & Mr. V.R.S.Murti, Company Secretary.

COMMITTEES OF THE BOARD

The details pertaining to the re-constitution of all Board Committees are included in the Corporate Governance Report, which is a part of this report.

DECLARATION FROM INDEPENDENT DIRECTORS

The independent Directors have submitted the declaration of independence, as required pursuant to section 149 (7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in sub section (6) of Section 149.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held under the Chairmanship of Mr. K. Purushotham, Independent Director on 14th February 2019, inter-alia, to discuss evaluation of the performance of Non- Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

Familiarization Programme for Independent Directors

The details of the familiarization programme for the Independent Directors is reported in the Report on Corporate Governance, which is attached to the Board's Report.

NUMBER OF MEETINGS OF THE BOARD

Five meetings of the Board were held during the year. The dates on which the Board meetings were held are 24th May 2018, 09th August 2018, 14th November 2018, 20th December, 2018 and 14th February 2019. The details of attendance of Board meetings and Committee meetings held during the Financial Year 2018-19 forms part of the Corporate Governance Report.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

There was no change in the nature of business of the company or any of its subsidiaries.

FIXED DEPOSITS

Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013. Accordingly, no disclosure or reporting is required in respect of details relating to deposits.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidance Note on Board Evaluation issued by the SEBI on 5th January 2017, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.,

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.,

In a separate meeting of independent directors, performance of non-independent directors, the chairman of the company and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the nomination and remuneration committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and valuable inputs in meetings etc.,

In the board meeting that followed the meeting of the independent directors and meeting of nomination and remuneration committee, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance

evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversify of the Board of Directors. The Board Diversity Policy is available on the Company's website www.kaveriseeds.in

APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The assessment and appointment of board members is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualifications required for the position. A potential board member is also assessed on the basis of independent criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations. In accordance with Section 178(3) of the Companies Act, 2013, Regulation 19(4) of SEBI (LODR) Regulations and on recommendations of the company's Nomination and Remuneration Committee, the Board adopted a remuneration policy for directors, KMP, senior management and other employees. The Policy is placed on the Company's website: www.kaveriseeds.in and further details are set out in the Corporate Governance Report forming part of this annual report.

CORPORATE GOVERNANCE

A detailed Report on Corporate Governance systems and practices of the company is given in the separate section forming part of this annual report.

The Certificate issued by M/s. L.D.Reddy & Co., Practicing Company Secretaries, Hyderabad, with regard to compliance with the conditions of Corporate Governance is attached to the chapter on Corporate Governance.

MANAGEMENT DISCUSSION AND ANALYSIS

Management's Discussion and Analysis report for the year under review, as stipulated under Regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with Section 135 of the Companies Act, 2013, read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the Company has established Corporate Social Responsibility (CSR) committee composed of Mr. G.V.Bhaskar Rao as Chairman, Mrs. G.Vanaja Devi and Dr. S. Raghuvardhan Reddy as members. The Committee is responsible for formulating and monitoring the CSR Policy of the Company, the Report on CSR Activities forms part of this Report as "**Annexure - C**."

Dr. S. Raghuvardhan Reddy appointed as a member of the CSR Committee on 14th November, 2018 and Mr. P. Varaprasad Rao resigned on 14th November, 2018.

The Company has incorporated a separate company in the name of 'Kaveri Bhaskar Rao Charitable Trust' under Section 8 of the Companies Act, 2013 to undertake CSR and other charitable activities. For other details regarding the CSR Committee, please refer to the Corporate governance Report, which is a part of this report. The CSR Policy is available on www.kaveriseeds.in

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The Information on conservation of energy, technology absorption, foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, forms part of this report as **Annexure D**.

EMPLOYEE STOCK OPTION SCHEME

The Board of Directors of the Company at its meeting held on 24th May 2018, formulated the Kaveri Employee Stock Option Plan 2018 (ESOP 2018) to be implemented through the Kaveri Employees Trust (Trust) both are approved by the shareholders through Postal Ballot on 19th July 2018 with an objective of enabling the company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company, which will reflect their efforts in building the growth and the profitability of the Company. The ESOP Plan involves acquisition of shares from the secondary market through Barclays Wealth Trustees (India) Private Limited as Trustees of Kaveri Employees Trust for implementation and administration the Trust. A total 6,55,250 (Six Lakhs Fifty Five Thousand Two Hundred Fifty Fifty) options were available for grant to the eligible employees of the Company under the ESOP Plan. The ESOP Plan is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014. Details are available on the company's website.

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

Details in respect of remuneration paid to employees as required under Section 197 (12) of the Companies Act, 2013 , read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered

Office of the Company. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure – E** and forms part of this Report.

INSURANCE

All properties and insurable interests of the Company have been fully insured.

BUSINESS RESPONSIBILITY REPORT

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is available as a separate section in this Annual Report.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, requires that the top 500 listed Companies based on the market capitalization to formulate Dividend Distribution Policy. In compliance with the said requirement, the Company has formulated the Dividend Distribution Policy, the details of which are available on the Company's website at www.kaveriseeds.in and is also provided as **Annexure - 1**

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2019 to the date of signing of the Director's Report.

PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS

The Company makes investments or extends advances to its subsidiaries for the business purposes. The details of investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements provided in this annual report.

WHISTLE BLOWER POLICY

The Board of Directors has adopted the Whistle Blower Policy, which is in compliance with Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations 2015 to report genuine concerns or grievances. The audit committee chairperson is the chief ombudsperson. The policy also provides access to the chairperson of the audit committee for raising concerns. The Whistle Blower Policy has been posted on the website of the company. (www.kaveriseeds.in)

RISK MANAGEMENT

Pursuant to the requirement of SEBI (LODR) Regulations 2015, the company has a risk management committee of the Board consisting the Directors of Mr. Dr. S.Raghuvardhan Reddy, Independent Director and Chairman of the Committee Mr. C.Vamsheedhar and Mr. C. Mithunchand, members of the Committee. Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS/REGULATORS OR TRIBUNALS

There are no significant and material orders passed by the Regulators/Courts or tribunals that would impact the going concern status of the company and its future operations.

TRANSFER OF UN-PAID AND UN-CLAIMED AMOUNT TO IEPF

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, declared dividends which remained unpaid or unclaimed for a period of seven years have been transferred by the company to the IEPF, which has been established by the Central Government.

The above-referred rules also mandate transfer of shares on which dividend are lying unpaid or unclaimed for a period of seven consecutive years to IEPF. The company has issued individual notices to the shareholders whose equity shares are liable to be transferred to IEPF on due dates, advising them to claim their dividend within the time.

ENVIRONMENTAND SAFETY

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances environmental regulations and preservation of natural resources.

HUMAN RESOURCES

Kaveri Seeds is home for the diverse, talented and motivated people are key to our business success. Our employees underline the successful implementation of our strategies backed by our commitment. Our team consists of functional heads with more

than 15+ years of experience in the relevant fields. Based on their experience and intellectual capabilities, they were inducted to leadership roles across functions. Our thrust is creating a congenial work atmosphere that will allow team to excel in their performance under challenging situations. Over a period of 30+ years, Kaveri Seed has seen transformation that has brought the Company to the helm of market leadership. Our investment in information and technology is to keep pace with the dynamic operational environment.

Our Human Resource (HR) team ensures that the employee benefits form an integral part of our work culture. Group insurance schemes, Mediclaim benefits and gratuity (linked to life insurance) schemes were in vouge.

As a part of our team building culture, we identify high-potential personnel, rewarding them every year. Along with several development programmes to enhance managerial skills, we organize training programmes to improve the behavioral and communication skills of our people. We are also participating in several national and international workshops, where our scientists and marketing personnel participate to exposure and knowledge.

Our 'Utkrista Puraskar' award programme continues to incentivize employees to achieve sustainability objectives, recognizing top performers from various departments such as R&D, Seed production and Sales and Marketing, among others.

POLICY ON SEXUAL HARASSMENT

Your Company has constituted an internal committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules there under. The Company has a policy on prevention of Sexual Harassment at work place with a mechanism of lodging complaints. The policy provides for protection against sexual harassment of women at workplace and for prevention and redressal of such complaints. During the year under review, no complaints have been received under the policy.

SHARE CAPITAL

During the year, there was change in the Paid-up Share Capital of your Company due to Buy-back issue of the Company.

During the year under review the Company bought back an aggregate of 29,63,000 Equity Shares out of 6,60,92,133 Equity Shares from the Shareholders of the Company. After successful Completion of Buy-back the Paid-up Share Capital of the Company was decreased from 6,60,92,133 Equity Shares to 6,31,29,133 Equity Shares of ₹ 2/- each.

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

In terms of Section 118(10) of the Companies Act, 2013, the Company complies with Secretarial Standards 1 and 2 relating to the Board Meetings and General Meetings respectively as specified by the Institute of Company Secretaries of India and approved by the Central Government. The Company has also voluntarily adopted the recommendatory Secretarial Standard 3 on dividend and Secretarial Standard 4 on Report of the Board of Directors' issued by the Institute of Company Secretaries of India.

INSIDER TRADING CODE

In compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ('the PIT Regulations') on prevention of insider trading, your Company has revised its Code of Conduct for regulating, monitoring and reporting of trading by Designated Persons in line with the recent amendments brought by SEBI in the PIT Regulations. The said Code lays down guidelines, which advise Designated Persons on the procedures to be followed and disclosures to be made in dealing with the shares of the Company and cautions them on consequences of non-compliances. Your Company has also updated its Code of practices and procedures of fair disclosures of unpublished price sensitive information by including a policy for determination of legitimate purposes.

INDUSTRIAL RELATIONS:

The Company enjoyed cordial relations with its employees at all levels. Your Directors record their appreciation of the support and co-operation of all employees and counts on them for the accelerated growth of the Company.

ACKNOWLEDGEMENTS:

Your Directors place on record their sincere appreciation for the dedication, hard work and commitment of the employees at all levels and their significant contribution to your Company's growth. Your Company is grateful to the Distributors, Dealers, and Customers for their support and encouragement. Your Directors thank the Banks, Financial Institutions, Government Departments and Shareholders and look forward to having the same support in all our future endeavors.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

Annexure – 1

DIVIDEND DISTRIBUTION POLICY

This Policy will regulate the process of dividend declaration and its pay-out by the Company in accordance with the provisions of the Companies Act, 2013 read with the applicable Rules framed thereunder, as may be in force for the time being ("Companies Act") and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company will also comply with Secretarial Standards as and when the secretarial standards are notified by the Ministry of Corporate Affairs.

Preamble:

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

The dividend pay-out of a Company is driven by several factors. Some Companies pay a lower dividend. The idea is to retain profits and invest it for further expansion and modernization of the business. On the other hand, there are Companies which prefer to pay higher dividend. These Companies may not necessarily be growth oriented companies with greater emphasis on retaining their shareholder base.

The objective of this policy is to ensure a regular dividend income for the shareholders and long term capital appreciation for all stakeholders of the Company. The Company would ensure to strike the right balance between the quantum of dividend paid and amount of profits retained in the business for various purposes. The Board of Directors will refer to the Policy while declaring/ recommending/skipping regular dividends on behalf of the Company. Through this policy, the Company would endeavor to maintain a consistent approach to dividend pay-out plans.

The Company operates in the high potential and fast growing Agriculture segment. This segment offers huge investment opportunities. Therefore, the retention of surplus funds for future growth will over-ride considerations of returning cash to the shareholders. However, considering the consistent and impressive generation of profits year on year, there is a need to provide greater clarity on the dividend pay-out philosophy of the Company.

Category of Dividends

The Companies Act provides for two forms of dividend payments - Final & Interim. The Board of Directors shall have the power to recommend final dividend to the shareholders for their approval in the general meeting of the Company. The Board of Directors shall have the absolute power to declare interim dividend during the financial year, as and when they consider it fit.

Final Dividend

The Final dividend is paid once for the financial year after the annual accounts are prepared. The Board of Directors of the Company has the power to recommend the payment of Final Dividend to the shareholders in a general meeting. The declaration of Final dividend shall be included in the ordinary business items that are required to be transacted at the Annual General Meeting of the Company.

Process for approval of Payment of Final Dividend:

- Board to recommend quantum of final dividend payable to shareholders in its meeting in line with this Policy;
- Based on the profits arrived at as per the audited financial statements;
- Shareholders to approve in Annual General Meeting;
- Once in a financial year;

Interim Dividend

This form of dividend can be declared by the Board of Directors one or more times in a financial year as may be deemed fit by the Board. The Board of Directors of the Company would declare an interim dividend, as and when considered appropriate, in line with this Policy. Normally, the Board could consider declaring an interim dividend after finalization of quarterly (or half yearly) financial accounts.

Process for approval of Payment of Interim Dividend:

- Board may declare Interim Dividend at its complete discretion in line with this Policy;
- Based on profits arrived at as per quarterly (or half- yearly) financial statements including exceptional items;
- One or more times in a financial year.

Declaration of Dividend

Subject to the provisions of the Companies Act, Dividend shall be declared or paid only out of

i) **Current financial year's profits:**

a) after providing for depreciation in accordance with law;

b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.

ii) **The profits for any previous financial year(s):**

a) after providing for depreciation in accordance with law;

b) remaining undistributed; or

iii) **out of i) & ii) both.**

In computing the above, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) one off charges on account of change in law or rules or accounting policies or accounting standards (iv) provisions or write offs on account of impairment in investments (long term or short term) (v) non-cash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards.

The Board may, at its discretion, declare a Special Dividend under certain circumstances such as extraordinary profits from sale of investments, etc.

Factors to be considered while declaring Dividend

The decision regarding dividend pay-out is a crucial decision as it determines the amount of profit to be distributed among shareholders and amount of profit to be retained in business. The Board of Directors will endeavor to take a decision with an objective to enhance shareholders wealth and market value of the shares.

The Board recommends dividend considering the factors but not limited to following viz. future expansion plans, profit earned during the financial year, overall financial conditions, cost of raising funds from alternative sources, applicable taxes (including tax on dividend), money market conditions, etc.

The Dividend pay-out decision of any company depends upon certain external and internal factors-

External Factors:-

State of Economy- in case of uncertain or recessionary economic and business conditions, Board will endeavor to retain larger part of profits to build up reserves to absorb future shocks.

Capital Markets- when the markets are favorable, dividend pay-out can be liberal. However, in case of unfavorable market conditions, Board may resort to a conservative dividend pay-out in order to conserve cash outflows.

Statutory Restrictions- The Board will keep in mind the restrictions imposed by Companies Act with regard to declaration of dividend.

Internal Factors:-

Apart from the various external factors aforementioned, the Board will take into account various internal factors while declaring Dividend, which inter alia will include

i) Profits earned during the year;

ii) Present & future Capital requirements of the existing businesses;

iii) Brand/ Business Acquisitions;

iv) Expansion/ Modernization of existing businesses;

v) Additional investments in subsidiaries/associates of the Company;

vi) Fresh investments into external businesses;

vii) Any other factor as deemed fit by the Board.

Dividend Range

The Company stands committed to deliver sustainable value to all its stakeholders. The Company will strive to distribute an optimal and appropriate level of the profits earned by it in its business and investing activity, with the shareholders, in the form of dividend. As explained in the earlier part of this Policy, determining the dividend pay-out is dependent upon several factors, both internal to a business and external to it. Taking into consideration the aforementioned factors, the Board will endeavour to maintain a Dividend pay-out within a reasonable range of profits after tax (PAT) on standalone financials.

As mentioned above, for computing the PAT for purposes of determining the Dividend, the Board may at its discretion, subject to provisions of the law, exclude any or all of (i) extraordinary charges (ii) exceptional charges (iii) one off charges on account of change in law or rules or accounting policies or accounting standards (iv) provisions or write offs on account of impairment in investments (long term or short term) (v) non-cash charges pertaining to amortization or ESOP or resulting from change in accounting policies or accounting standards.

Further, the Board may amend the pay-out range, whenever considered appropriate by it, keeping in mind the aforesaid factors having a bearing on the dividend pay-out decision including declaring a special dividend under certain circumstances such as extraordinary profits from sale of investments.

Review & Amendments

This Policy will be reviewed periodically by the Board. To the extent any change/amendment is required in terms of any applicable law, the Managing Director of the Company shall be authorised to review and amend the Policy, to give effect to any such changes/ amendments. Such amended Policy shall be periodically placed before the Board for noting and necessary ratification immediately after such changes.

FORM NO. AOC –1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of the companies (Accounts) Rules, 2014)

Sl No.	Particulars	Details	Details	Details	Details	Details
1	Name of the subsidiary	Kaveri Microteck Private Limited	Kexveg India Private Limited	Aditya Agritech Private Limited	Genome Agritech Private Limited	Genomix Agri Genetics Private Limited
2	Reporting Period for the Subsidiary concerned	31-03-2019	31-03-2019	31-03-2019	31-03-2019	31-03-2019
3	Reporting currency	INR	INR	INR	INR	INR
4	Share capital	1,453.64	1,415.00	110.00	18.00	10.00
5	Reserves & surplus	653.57	(1,331.46)	493.60	(511.53)	(22.35)
6	Total assets	3,389.88	222.44	6,010.26	99.17	325.09
7	Total Liabilities	1,282.68	138.92	5,406.66	592.70	337.44
8	Investments	-	0.01	-	0.06	-
9	Turnover	2,760.84	25.29	5,857.81	0.18	495.55
10	Profit / (loss) before taxation	394.68	(92.16)	258.33	(137.53)	(22.49)
11	Provision for taxation	74.17	-	75.21	(16.00)	(0.14)
12	Profit /(loss) after taxation	320.51	(92.16)	183.12	(121.53)	(22.35)
13	Other Comprehensive Income	0.55		1.09		
14	Total Comprehensive Income	321.06	(92.16)	184.21	(121.53)	(22.35)
15	Proposed Dividend	-	-	-	-	-
16	% of shareholding	100%	100%	70%	51%	100%

Note:

i) There are no subsidiaries which are yet to commence operations

ii) There are no subsidiaries which have been liquidated or sold during the year

iii) There are no material subsidiaries of the Company under SEBI (LODR) Regulations, 2015.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

FORM NO. AOC –2

Particulars of contracts/arrangements entered into by the Company with Related Parties

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

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

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

   All contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 are at arm's length basis and in the ordinary course of business.

2. Details of contracts or arrangements or transactions at Arm's length basis:

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G.V.BhaskarRao (Ind.) Chairman & MD of the Company
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f. 01.04.2017 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1.20 Acres Land on Lease for a period of 2 years at ₹ 0.60 Lakhs p.a.,

Note: Appropriate approvals have been taken for related party transactions. No amount was paid as advance.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G.Vanaja Devi Whole time Director of the Company
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f. 01.04.2017 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	37.30 Acres Land on Lease for a period of 2 years at ₹ 8.49 Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G.Pawan Director of the Company
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f. 01.04.2017 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	43.12 Acres Land on Lease for a period of 2 years at ₹ 10.51Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G.V.BhaskarRao (HUF) Chairman & MD of the Company
b)	Nature of contracts/ arrangements/ transaction	Land and Godown Lease Paid
c)	Duration of the contracts/arrangements/ transaction	a. Land lease Agreement for Two years w.e.f. 01. 04.2017. b. Godown Lease Agreement for 5years w.e.f.01.04.2017
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a. 26.19 Acres Land on Lease for a period of 2 years at ₹ 4.81Lakhs p.a., b. 33171Sft Godown on Lease for a period of 5 years at ₹ 38.31 Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Infra Partnership firm where our MD is partner.
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f. 01.04.2017 respective agreements.

Sl. No.	Particulars	Details
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	49.36Acres Land on Lease for a period of 2 years at ₹ 10.87 Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Bhaskara Investments Partnership firm where our directors are partners
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f. 01.04.2017 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	5.00Acres Land on Lease for a period of 2 years at ₹ 2.90 Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kexveg India Private Limited Subsidiary of the Company
b)	Nature of contracts/ arrangements/ transaction	Land Lease Received & Rent Paid for Agriculture Infrastructure facilities
c)	Duration of the contracts/arrangements/ transaction	a) Two Agreements each for a period of Twenty years w.e.f. 01.04.2012 & 01.04.2014 respective agreements. b) Rent paid for Agriculture Infrastructure facilities at Pamulaparthy & Gadwal for a period of one year w.e.f 01.04.2018.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a) Leased 76.11 Acres for a period of 20 years at ₹ 14.23 Lakhs p.a., b) Rent paid for Agriculture Infrastructure Facilities ₹ 24.00 Lakhs during the year 2018-19

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Microteck Private Limited Subsidiary of the Company
b)	Nature of contracts/ arrangements/ transaction	Godown Lease Received
c)	Duration of the contracts/ arrangements/ transaction	Godown Lease Agreements at Kandlakioi and Gundlapocham Pally a) Godown Lease Agreement for 20 years w.e.f.01.01.2012 to 31.12.2031 at Kandlakoi b) Godown Lease Agreement for 20years w.e.f.01.01.2012 to 31.12.2031 at Gundlapocham Pally
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a) 39480 Sft Godown on Lease for a period of 20 years at ₹ 44.72 Lakhs p.a., b) 39618 Sft Godown on Lease for a period of 20 years at ₹ 44.88 Lakhs p.a.,

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. AdityaAgriteckPvt. Ltd Subsidary of the Company
b)	Nature of contracts/ arrangements/transaction	Sale of Hybrid Seed
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Hybrid Seeds worth ₹ 4683.28 Lakhs during the financial year 2018-19.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Genomix Agri Genetics Pvt. Ltd Subsidary of the Company
b)	Nature of contracts/ arrangements/transaction	Sale of Hybrid Seed

Sl. No.	Particulars	Details
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Hybrid Seeds worth ₹ 413.07 Lakhs during the financial year 2018-19.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kexveg India Pvt Ltd Subsidary of the Company
b)	Nature of contracts/ arrangements/transaction	Sale of Hybrid Seed
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Hybrid Seeds worth ₹ 0.41 Lakhs during the financial year 2018-19.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Microteck Pvt Ltd Subsidiary of the Company
b)	Nature of contracts/ arrangements/transaction	Advancespaid
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Advances paid worth of ₹ (682.14) Lakhs during the year 2018-19

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kexveg India Pvt Ltd Subsidiary of the Company
b)	Nature of contracts/ arrangements/transaction	Advancespaid
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Advancespaid worth of ₹ (13.52) Lakhs during the year 2018-19

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Employee Trust
b)	Nature of contracts/ arrangements/transaction	Advances paid
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Advances paid worth of ₹ 3000.01 Lakhs during the year 2018-19

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Bhaskar Rao Charitable Foundation
b)	Nature of contracts/ arrangements/transaction	Contribution to Charitable Foundation
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Contribution made for CSR Expenditure worth of ₹ 250.00 Lakhs during the year 2018-19.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

ANNEXURE – A

EXTRACTS OF ANNUAL RETURN

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2019

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	:	**L01120TG1986PLC006728**
ii)	Registration Date	:	**27/08/1986**
iii)	Name of the Company	:	**KAVERI SEED COMPANY LIMITED**
iv)	Category / Sub-Category of the Company	:	**Company Limited by shares/Public Company**
v)	Address of the Registered office and contact details	:	**513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad, Telangana, 500003, Tel. Ph. No.040-27842398/27842405**
vi)	Whether listed company	:	**Yes**
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	**Bigshare Services Pvt Ltd., 306, Right Wing, III Floor, Amrutha Ville, Opp. Yashodha Hospital, Rajbhavan Road, Somajiguda, Hyderabad – 500 082, Tele No. : 040 – 23374967 Tele Fax : 040 – 23370295 Contact Person : Mr. Prabhakar/Mr. R.Amerendranadh**

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ ervices	NIC Code of the Product/ service	% to total turnover of the company
1	Production, Processing and marketing of Hybrid Seeds	6810	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –N.A

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Kaveri Microteck Pvt. Ltd.,	U01403TG2013PTC088536	Subsidiary	100%	2(87)
2.	Genomix Agri Genetics Pvt Ltd	U01110TG2017PTC120071	Subsidiary	100%	2(87)
3.	Kexveg India Pvt. Ltd.,	U01210TG2011PTC077738	Subsidiary	100%	2(87)
4.	Aditya Agri Tech Pvt. Ltd.,	U01119TG2013PTC087066	Subsidiary	70%	2(87)
5.	Genome Agritech Pvt. Ltd.,	U74999TG2004PTC044959	Subsidiary	51%	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters	36209966	Nil	36209966	54.79	34779721	Nil	34779721	55.09	0.30
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks/FI									
f) Any Other.									
Sub-total (A) (1):-									
(2) Foreign									
a) NRIs - Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	Nil
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other...									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**36209966**	**Nil**	**36209966**	**54.79**	**34779721**	**Nil**	**34779721**	**55.09**	**0.30**
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	4581060	Nil	4581060	6.93	28868	Nil	28868	0.04	(6.89)
b) Banks/FI	1500024	Nil	1500024	2.27	1493257	Nil	1493257	2.37	0.10
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds	NA	NA	NA	NA	NA	NA	NA	NA	NA
f) Insurance Companies									
g) FIIs	10230783	Nil	10230783	15.48	12637039	Nil	12636587	20.02	4.54
h) Foreign Venture Capital Funds									
i) Alternate Investment Fund	409103	Nil	409103	0.62	2696750	Nil	2696750	4.27	3.65
j) Others (specify)	1856142	Nil	1856142	2.81	1148330	Nil	1148330	1.82	(0.99)
Sub-total (B)(1):-	**18577112**	**Nil**	**18577112**	**28.11**	**18003792**	**Nil**	**18003792**	**28.52**	**0.41**
2. Non-Institutions									
a) Bodies Corp.	2276718	Nil	2276718	3.44	2647419	Nil	2647419	4.19	0.75
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 2 lakh	8209990	25021	8209990	12.42	6728223	21	6728223	10.66	(1.76)
ii) Individual shareholders holding nominal share capital in excess of ₹ 2 lakh	184880	Nil	184880	0.28	208703	Nil	208703	0.33	0.05
c) Others (specify)									
NRIs.									
Clearing members (other Foreign Portfolio Investor)	0	Nil	0	0	0	Nil	452	0.00	0.00

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trusts	56317	Nil	56317	0.09	44786	Nil	44786	0.07	(0.02)
OCBs.	0	Nil	0	0	0	Nil	0	0	0
IEPF	390	Nil	390	0	390	Nil	390	0	0
Sub-total (B)(2):-	**11304665**	**25021**	**11304665**	**17.10**	**10345620**	**21**	**10345620**	**16.39**	**(0.71)**
Total Public Shareholding (B) = (B)(1) + (B)(2)	**29882167**	**25021**	**29882167**	**45.21**	**28349412**	**21**	**28349412**	**44.91**	**(0.30)**
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	Nil
Grand Total (A+B+C)	**66067112**	**25021**	**66092133**	**100**	**63129133**	**21**	**63129133**	**100**	

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
1	G.V.BHASKAR RAO	5805735	8.79	0	5576416	8.83	0	0.04
2	G.V.BHASKAR RAO (HUF)	10819018	16.37	0	10391682	16.46	0	0.09
3	G.VANAJA DEVI	15183341	22.97	0	14583618	23.10	0	0.13
4	G.PAWAN	2414890	3.65	0	2319505	3.68	0	0.03
5	C VAMSHEEDHAR	1058087	1.60	0	1016295	1.61	0	0.01
6	C MITHUN CHAND	928895	1.41	0	892205	1.41	0	0.00
	Total	**36209966**	**54.79**	**0**	**34779721**	**55.09**	**0**	**0.30**

* Reduction in Equity Shares of the Promoters is due to Buy-back of Equity Shares of the Company. Promoters were participated in Buy-back issue and their Equity shares accepted by the company in proportionate basis.

(iii) Change in Promoters' Shareholding (please specify, if there is no change):

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1	**G.V.BHASKAR RAO**				
	At the beginning of the year	5805735	9.19	-	-
	Increase/decrease in Promoters shareholding during the year	(229319)	(0.36)	-	-
	At the end of the year	5576416	8.83	5576416	8.83
2	**G.V.BHASKAR RAO(HUF)**				
	At the beginning of the year	10819018	17.14	-	-
	Increase/decrease in Promoters shareholding during the year	(427336)	(0.68)	-	-
	At the end of the year	10391682	16.46	10391682	16.46
3	**G.VANAJA DEVI**				
	At the beginning of the year	15183341	24.05	-	-
	Increase/decrease in Promoters shareholding during the year	(599723)	(0.95)	-	-
	At the end of the year	14583618	23.10	14583618	23.10
4	**G.PAWAN**				
	At the beginning of the year	2414890	3.83	-	-
	Increase/decrease in Promoters shareholding during the year	(95385)	(0.15)	-	-

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
	At the end of the year	2319505	3.68	2319505	3.67
5	**C. VAMSHEEDHAR**				
	At the beginning of the year	1058087	1.68	-	-
	Increase/decrease in Promoters shareholding during the year	(41792)	(0.07)	-	-
	At the end of the year	1016295	1.61	1016295	1.61
6	**C. MITHUNCHAND**				
	At the beginning of the year	928895	1.47	-	-
	Increase/decrease in Promoters shareholding during the year	(36690)	(0.06)	-	-
	At the end of the year	892205	1.41	892205	1.41

* Reduction in Equity Shares of the Promoters is due to Buy-back of Equity Shares of the Company. Promoters were participated in Buy-back issue and their Equity shares accepted by the company in proportionate basis.

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

Sr.No	Name of the Share Holder	Shareholding at the begining/End of the year		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
1	THE PABRAI INVESTMENT FUND IV, LP	308484	0.49	01-Apr -18			308484	0.49
					254127	Buy	562611	0.89
					150000	Buy	712611	1.13
					213742	Buy	926353	1.47
					91459	Buy	1017812	1.61
					83475	Buy	1101287	1.74
					125	Buy	1101412	1.74
					82486	Buy	1183898	1.88
					308543	Buy	1492441	2.36
					220550	Buy	1712991	2.71
					76	Buy	1713067	2.71
					34555	Buy	1747622	2.77
					319764	Buy	2067386	3.27
					448133	Buy	2515519	3.98
		2515519	3.98	31-Mar-19			2515519	3.98
2	THE PABRAI INVESTMENT FUND II, LP	305017	0.48	01-Apr -18	305017		305017	0.48
					26500	Buy	331517	0.53
					5780	Buy	337297	0.53
					24418	Buy	361715	0.57
					1342135	Buy	1703850	2.70
					2833	Buy	1706683	2.70
					7111	Buy	1713794	2.71
					36369	Buy	1750163	2.77
					36105	Buy	1786268	2.83
					70416	Buy	1856684	2.94
					524455	Buy	2381139	3.77
					-107929	Sell	2273210	3.60
					6000	Buy	2279210	3.61
		2279210	3.61	31-Mar-19			2279210	3.61

Sr.No	Name of the Share Holder	Shareholding at the begining/End of the year		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
3	VANTAGE EQUITY FUND	171000	0.27	01-Apr -18			171000	0.27
					131000	Buy	302000	0.48
					234000	Buy	536000	0.85
					134000	Buy	670000	1.06
					100000	Buy	770000	1.22
					15000	Buy	785000	1.24
					15000	Buy	800000	1.27
					200000	Buy	1000000	1.58
					200000	Buy	1200000	1.90
					250000	Buy	1450000	2.30
					30000	Buy	1480000	2.34
					100000	Buy	1580000	2.50
					-125794	Sell	1454206	2.30
					23000	Buy	1477206	2.34
					37794	Buy	1515000	2.40
					17250	Buy	1532250	2.43
					167750	Buy	1700000	2.69
		1700000	2.69	31-Mar-19			1700000	2.69
4	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND	1658769	2.63	01-Apr-18			1658769	2.63
					18922	Buy	1677691	2.66
					-350581	Sell	1327110	2.10
					-22302	Sell	1304808	2.07
					-29702	Sell	1275106	2.02
					22241	Buy	1297347	2.06
		1297347	2.06	31-Mar-19			1297347	2.06
5	LIFE INSURANCE CORPORATION OF INDIA	1476216	2.34	01-Apr-18			1476216	2.34
		1476216	2.34	31-Mar-19			1476216	2.34
6	MASSACHUSETTS INSTITUTE OF TECHNOLOGY	0	0	01-Apr -18			0	0
					81085	Buy	81085	0.13
					42915	Buy	124000	0.20
					10299	Buy	134299	0.21
					39566	Buy	173865	0.28
					182702	Buy	356567	0.56
					343433	Buy	700000	1.11
					50000	Buy	750000	1.19
					100000	Buy	850000	1.35
		850000	1.35	31-Mar-19			850000	1.35
7	PABRAI INVESTMENT FUND 3, LTD	70129	0.11	01-Apr-18			70129	0.11
					113436	Buy	183565	0.29
					151000	Buy	334565	0.53
					992	Buy	335557	0.53
					5610	Buy	341167	0.54
					11990	Buy	353157	0.56
					15622	Buy	368779	0.58
					24135	Buy	392914	0.62
					76	Buy	392990	0.62
					384579	Buy	777569	1.23
					19685	Buy	797254	1.26
		797254	1.26	31-Mar-19			797254	1.26

Sr.No	Name of the Share Holder	Shareholding at the begining/End of the year		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
8	GOVERNMENT PENSION FUND GLOBAL	0	0	01-Apr-18			0	0
					59682	Buy	59682	0.09
					130019	Buy	189701	0.30
					78559	Buy	268260	0.42
					53251	Buy	321511	0.51
					94134	Buy	415645	0.66
					68271	Buy	483916	0.77
					34526	Buy	518442	0.82
					265027	Buy	783469	1.24
		783469	1.24	31-Mar-19			783469	1.24
9	BARCLAYS WEALTH TRUSTEES INDIA PRIVATE LIMITED holding in capacity as Trustees to Kaveri Employees Trust (Beneficial Owner)	0	0	01-Apr-18			0	0
					300000	Buy	300000	0.48
					280250	Buy	580250	0.92
					75000	Buy	655250	1.04
		655250	1.04	31-Mar-19			655250	1.04
10	SURYATEJ ADVISORS LLP	570000	0.90	01-Apr-18			570000	0.90
					-25000	Sell	545000	0.86
					-21552	Sell	523448	0.83
					-8448	Sell	515000	0.82
					-1933	Sell	513067	0.81
					-6933	Sell	506134	0.80
		506134	0.80	31-Mar-19			506134	0.80

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
1	**G.V.BHASKAR RAO, Managing Director**				
	At the beginning of the year	5805735	9.19	-	-
	Increase/decrease in Promoters shareholding during the year	(229319)	(0.36)	-	-
	At the end of the year	5576416	8.83	5576416	8.83
2	**G.V.BHASKAR RAO(HUF)**				
	At the beginning of the year	10819018	17.14	-	-
	Increase/decrease in Promoters shareholding during the year	(427336)	(0.68)	-	-
	At the end of the year	10391682	16.46	10391682	16.46
3	**G.VANAJA DEVI, Whole time Director**				
	At the beginning of the year	15183341	24.05	-	-
	Increase/decrease in Promoters shareholding during the year	(599723)	(0.95)	-	-
	At the end of the year	14583618	23.10	14583618	23.10
4	**G.PAWAN, Director**				
	At the beginning of the year	2414890	3.82	-	-

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
	Increase/decrease in Promoters shareholding during the year	(95385)	(0.15)	-	-
	At the end of the year	2319505	3.67	2319505	3.67
5	**C. VAMSHEEDHAR, Whole time Director**				
	At the beginning of the year	1058087	1.68	-	-
	Increase/decrease in Promoters shareholding during the year	(41792)	(0.07)	-	-
	At the end of the year	1016295	1.61	1016295	1.61
6	**C MITHUN CHAND, Whole time Director**				
	At the beginning of the year	928895	1.47	-	-
	Increase/decrease in Promoters shareholding during the year	(36690)	(0.06)	-	-
	At the end of the year	892205	1.41	892205	1.41
7	**Dr. S. RAGHUVARDHAN REDDY, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	**Dr. S.M.ILYAS, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
9	**K.PURUSHOTHAM, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
10	**Dr. BHASKAR VENKATARAMANY, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
11	**CHAYA RATAN MUSINIPALLY, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
12*	**MUPPIDI SRIKANTH REDDY, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
13**	**PUSKAR VARAPRASADA RAO, Independent Director**				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

Sl. No.	For Each of the Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of Shares	% of total shares of the company	No.of Shares	% of total shares of the company
14* **	**VENKATA CHALAPATHI REDDY KUPPAM, Chief Financial Officer**				
	At the beginning of the year	20000	0.03	-	-
	Increase/decrease in Promoters shareholding during the year	8000	(0.01)	-	-
	At the end of the year	12000	0.02	12000	0.02
15	**V.R.S.MURTI, Company Secretary**	**-**	**-**	**-**	**-**
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-

* Mr. Muppidi Srikanth Reddy resigned on 24.05.2018

** Mr. Puskar Varaprasada Rao resigned on 20.12.2018

*** Mr. Venkata Chalapathi Reddy Kuppam appointed on 14.02.2019 as Chief Financial Officer of the Company and reported his shareholding of 12000 as on date of joining.

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	187.82	-	-	187.82
ii) Interest due but not paid				
iii) Interest accrued but not due	15.44	-	-	15.44
Total (i+ii+iii)	**203.26**	**--**		**203.26**
Change in Indebtedness during the financial year				
• Addition	32.00	-	-	32.00
• Reduction	-			-
Net Change	32.00	--		32.00
Indebtedness at the end of the financial year				
i) Principal Amount	219.82	-	-	219.82
ii) Interest due but not paid				
iii) Interest accrued but not due	19.53	-	-	19.53
Total (i+ii+iii)	**239.35**	**--**		**239.35**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		G.V.Bhaskar Rao	G.Vanaja Devi	C.Vamsheedhar	C.Mithun Chand	
1.	Gross salary	2,45,46,602	1,52,11,186	74,77,192	62,19,770	5,34,54,750
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961					
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961					
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil	Nil
	- as % of profit					
	- others, specify...					
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	**2,45,46,602**	**1,52,11,186**	**74,77,192**	**62,19,770**	**5,34,54,750**
	Ceiling as per the Act					*Refer Note*

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to MD & WTD shall not exceed 10% of the net profit of the Company. The remuneration paid to MD & WTD is well within the said limit.

B. Remuneration to other Directors:

Sl. no.	Particulars of Remuneration	Name of MD/WTD/ Manager						Total Amount
		.....	.....	.....	.....	.....	.....	
	Independent Directors	Dr. S. Raghuvardhan Reddy	Dr. S.M.Ilyas	Mr. K. Purushotham	Mrs. M. Chaya Ratan	Dr. V. Bhaskar	Mr. P.Varaprasad Rao	Total Amount
	• Fee for attending board committee meetings	1,50,000	1,20,000	90,000	90,000	60,000	60,000	5,70,000
	• Commission							
	• Others, please specify							
	Total (1)	**1,50,000**	**1,20,000**	**90,000**	**90,000**	**60,000**	**60,000**	**5,70,000**
	4. Other Non-Executive Directors							
	• Fee for attending board committee meetings	-	-	-	-	-	-	-
	• Commission							
	• Others, please specify							
	Total (2)	**-**	**-**		**-**	**-**	**-**	**-**
	Total (B) = (1 + 2)	**1,50,000**	**1,20,000**	**90,000**	**90,000**	**60,000**	**60,000**	**5,70,000**
	Total Managerial Remuneration	**1,50,000**	**1,20,000**	**90,000**	**90,000**	**60,000**	**60,000**	**5,70,000**
	Overall Ceiling as per the Act							*Refer Note*

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Independent Directors shall not exceed 1% of the net profit of the Company. The company is paying only sitting fee to all Independent Directors for attending Board/Committee meetings.

C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTD.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		G. Vijay Kumar, CFO (Resigned)	K.V. Chalapathi Reddy, CFO	V.R.S. Murti, CS	
1.	Gross salary	90,21,280	11,94,192	4,00,000	1,06,15,472
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	- as % of profit				
	- others, specify...				
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	**90,21,280**	**11,94,192**	**4,00,000**	**1,06,15,472**

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

NO PENALITIES PAID BY THE COMPAY DURING THE FIANCIAL YEAR 2018-2019

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
C. OTHER OFFICERS IN DEFAULT-NOT APPLICABLE					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

ANNEXURE – B

Form No. MR-3

Secretarial Audit Report

For the Period from 01.04.2018 to 31.03.2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (LODR) Regulations, 2015]

To
The Board of Directors
M/s. Kaveri Seed Company Ltd.
Address: #513B, 5th Floor, Minerva Complex,
Sarojini Devi Road, Secunderabad,
Telangana-500003

We have conducted the Secretarial Audit on the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Kaveri Seed Company Ltd. (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the Company has, during the audit period from 1st April, 2018 to 31st March, 2019 complied with the statutory provisions listed hereunder and also that the company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the Period from 1st April, 2018 to 31st March, 2019 according to the provisions of:

    i. The Companies Act, 2013 (the Act) and the Rules made thereunder;

    ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

    iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

    iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;

    v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

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

    b. The SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

    c. The SEBI (Prohibition of Insider Trading) Regulations, 2015

    d. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

    e. The SEBI (Share Based Employee Benefits) Regulations, 2014

    f. The SEBI (Issue and Listing of Debt Securities) Regulations, 2008

    g. The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

    h. The SEBI (Delisting of Equity Shares) Regulations, 2009

    i. The SEBI (Buyback of Securities) Regulations, 1998

    vi. The Payment of Wages Act, 1936

    vii. Minimum Wages Act, 1948

    viii. Employees Provident Fund And Misc. Provisions Act, 1952

    ix. Employees State Insurance Act,1948

    x. Payment of Gratuity Act,1972

    xi. Workmen's Compensation Act,1923

    xii. The Payment of Bonus Act, 1965

    xiii. Contract Labour (Regulation & Abolition) Act 1970

    xiv. Employment Exchange (Compulsory Notification of Vacancies) Act, 1959

    xv. Income Tax Act, 1961

    xvi. Goods and Services Tax Laws

xvii. The Insurance Act, 1938 [as amended by insurance (amendment) act, 2002]

xviii. The Factories Act, 1948 and rules made thereunder.

xix. Water (Prevention & Control of Pollution) Act 1974 and rules there under.

xx. Air (Prevention & Control of Pollution) Act 1981 and rules there under.

xxi. The Environment (Protection) Act, 1986

xxii. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.

xxiii. Customs Act, 1962

xxiv. HMC Act, 1955

xxv. Trade Mark Act, 1999

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India and the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 as amended entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.

2. We further report that the company has, in my opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act as notified by Ministry of Corporate Affairs from time to time and the Memorandum and Articles of Association of the Company, with regard to:

- Closure of the Register of Members.
- Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- Service of documents by the Company to its Members, Auditors and the Registrar of Companies;
- Adequate notice is given to all directors to schedule the Board Meetings and agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were some changes during the year in composition of Board.
- Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
- Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
- Appointment and remuneration of Statutory Auditor, Cost Auditor and Secretarial Auditors.
- Declaration and payment of dividends;
- Borrowings and registration, modification and satisfaction of charges wherever applicable;
- Investment of the Company's funds including investments and loans to others;
- Format of balance sheet and statement of profit and loss is as per Schedule III of Companies Act, 2013 read with Companies (Indian Accounting Standard (Ind AS) Rules 2015;
- Report of the Board of Directors as per sec 134 of the Companies Act 2013
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Conduct for Directors and Management Personnel;

3. We further report that:

- The Company has complied with the requirements under the equity listing agreements entered into with BSE Limited, National Stock Exchange of India Limited;
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) (Amendment) Regulations, 2013; including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- The Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;

- The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding;
- There was no prosecution initiated and no fines or penalties were imposed during the period under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

4. We Further Report That:

- The Company is paying wages to all employees as per the provisions of Minimum Wages Act, 1948 and The Payment of Wages Act, 1936.
- The Company is paying bonus to all employees as per the provisions of The Payment of Bonus Act,1965
- The Company is regular in payment of gratuity as per the rules of the Payment of Gratuity Act,1972.
- The Company has delayed in paying and filing of few statutory dues and returns.
- The Company is regular in publishing Audited and Unaudited Financial Result.
- The Company has renewed the Policy with LIC for Gratuity under Payment of Gratuity Act,1972
- The Company Website is well acquainted with all statutory required information.

5. We further report that based on the information received and records maintained there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

6. We further Report that during the audit period the Company has:

- No Public /Right/Preferential Issue of Shares/Debentures/ Sweat Equity etc.,
- Buy-back of 29,63,000 fully paid up equity shares of ₹ 2/- each
- No major Decision taken by the members in pursuance of Section 180 of the companies Act, 2013;
- No Merger/Amalgamation/Reconstruction, etc.,
- No Foreign Technical Collaborations;

Date: 13.08.2019
Place: Secunderabad

For L.D.Reddy& Co.,
Company Secretaries

Sd/-
Lebaka Dhanamjaya Reddy
(Proprietor)
M No.: 13104
CP. No.3752

ANNEXURE

To
The Board of Directors
M/s. Kaveri Seed Company Ltd.
Address: #513B, 5th Floor, Minerva Complex,
Sarojini Devi Road, Secunderabad,
Telangana-500003

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records on our audit.
2. We have followed the audit practices and processes as appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the information and relevant documents including representation given by the management about the compliance of laws, rules and regulation and happening of events etc.
5. The compliances of the provisions of corporate and other applicable laws. Rules, regulations, standards are the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the company efficiency of effectiveness with which the management has conducted the affairs of the company.

Date: 13.08.2019
Place: Secunderabad

For L.D.Reddy& Co.,
Company Secretaries

Sd/-
Lebaka Dhanamjaya Reddy
(Proprietor)
M No.: 13104
CP. No.3752

ANNEXURE – C

Report on Corporate Social Responsibility (CSR) Policy and Activities as per Rule 8 of Companies (Corporate Social Responsibility Policy) Rules, 2014

1. A brief outline of the Company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes are given below.

   Promoting education, promoting preventive healthcare, eradicating hunger, poverty and malnutrition, making available safe drinking water, environmental sustainability, ecological balance and rural development etc.

   The CSR policy has been placed on the company's website at www.kaveriseeds.in

2.	Composition of the CSR Committee	Sri G.V.BhaskarRao, Chairman Smt. G.Vanaja Devi, Member Sri Dr. S.Raghuvardhan Reddy, Member
3.	Average net profit of the Company for last three financial years	₹ 18362.95 Lakhs
4.	Prescribed CSR expenditure 2% of the amount in item no. 3 above	₹ 367.26 Lakhs
5.	Details of CSR Spend for the financial year	
	(a) Unspent Amount at the beginning of the financial year:	₹ 0.85 Lakhs
	(b) Total amount spent during the financial year:	₹ 368.10 Lakhs
	(c) Amount unspent at the end of the year, if any:	₹ 0.01 Lakhs

Manner in which the amount spent during the financial year is detailed below:

Statement of CSR Expenditure for the Period 01.04.2018 to 31.03.2019

S.No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects Sub heads: (I) Direct on projects or programs (II) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2019
I.	**Spent Through Kaveri Seed Company Limited (Direct)**					
A.	**Education and Related Expenditure**					
1	Donation made to Jeeyar Integrative Medical Services (JIMS) Homoeopathic Medical College and Hospital for providing facilities.	Education	Muchintal Village, Shamshabad Mandal, Rangareddy District, Telangana	100.00	100.00	100.00
2	Farmer Education & Training Programme	Skill Development & Training	Gangaram village, Sattupalli Mandal, Khammam District, Telangana	1.50	1.25	1.25
3	Farmer Education & Training Programme	Skill Development & Training	Koppaka village, Pedavegi Mandal, West Godavari District, Andhra pradesh	2.00	1.85	1.85
B.	**Rural Development**					
4	Contribution Made for Construction of Community halls	Socio-Economic Progress	Durki Village, Nasrullabad Mandal, Kamareddy District, Telangana	15.00	15.00	15.00
	Total			**118.50**	**118.10**	**118.10**

S.No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects Sub heads: (I) Direct on projects or programs (II) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2019
II.	**Spent Through Kaveri Bhaskar Rao Charitable Foundation* (CSR Trust)**					
A.	**Education and Related Expenditure**					
1	Construction of MPPS School Compound wall	Education	Paripally Street, Siddipet Town & District. Telangana	25.00	27.68	27.68
2	Providing Windows Software for Computer Lab MPPS School	Education	Paripally Street, Siddipet Town & District. Telangana	1.50	1.38	1.38
3	Construction of MPPS School Building	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	240.00	108.87	230.81
4	Construction of MPPS School Building	Education	Chintamadaka Village, Siddipet Mandal and District, Telangana	70.00	19.24	19.24
5	Providing Solar Power Generation System to the MPPS School Building	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	11.00	10.83	10.83
6	Providing Air Conditioners to the MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.00	1.84	1.84
7	Providing Furniture to MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	30.00	30.47	30.47
8	Construction of Dining hall building for MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	29.00	8.41	15.95
9	Providing Steam Boiler System to MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	4.00	4.10	4.10
10	Providing New Bus to MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	18.00	17.70	17.70
11	Providing Furniture to the MPPS School Dining hall	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	7.00	6.64	6.64
12	Providing Computer Lab & CCTV to MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	30.00	28.90	28.90

S.No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects Sub heads: (I) Direct on projects or programs (II) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2019
13	Providing Books,Bags & Uniform for Students of the ZPHS & MPPS Schools	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	12.00	12.13	12.13
14	Providing Water Coolers to the ZPHS & MPPS Schools	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.00	1.92	1.92
15	Providing Playing Equipment to MPPS School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	7.50	7.52	7.52
16	Salaries to Vidyavalanteers of ZPHS & MPPS Schools	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	30.00	28.52	28.52
17	Scholarships to the Students	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	4.00	3.57	3.57
18	UPS School Maintenance Expenses	Education	Bollonipally Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	0.75	0.70	0.70
19	ZPHS School Maintenance Expenses	Education	Suraram Village, Elkathurthi Mandal, Karimnagar District, Telangana	0.50	0.43	0.43
20	MPPS School Maintenance Expenses	Education	Ankannagudem Village, Pedavegi Mandal, West Godavari District, Andhra Pradesh	1.50	1.33	1.33
21	Donation made to Netra Vidyalaya Junior College for Blind Students	Education	Muchintal Village, Shamshabad Mandal, Rangareddy District, Telangana	100.00	100.00	100.00
22	Donation made to Netra Vidyalaya Degree College for Blind Students	Education	Muchintal Village, Shamshabad Mandal, Rangareddy District, Telangana	100.00	100.00	100.00
23	School Maintenance Expenses, Electricity Charges of School Building, Maintenance of School Canteen and Arranging Sports & Cultural activities of ZPHS & MPPS Schools	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	15.00	14.39	14.39

S.No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects Sub heads: (I) Direct on projects or programs (II) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2019
B.	**Rural Development and Related Expenditure**					
24	Providing CCTV Cameras	Rural Development	Keshavapatnam Village, Shankarapatnam Mandal, Karimnagar District, Telangana	2.50	2.44	2.44
25	Providing CCTV Cameras	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.50	2.47	2.47
26	Providing CCTV Cameras	Rural Development	Mulkanoor Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	2.00	1.90	1.90
27	Providing Cement Benches	Rural Development	Bollonipally Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	0.75	0.63	0.63
28	Digging Borewells and Providing Motor & Pumpset	Rural Development	Bollonipally Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	0.70	0.67	0.67
29	Digging Borewells and Providing Motor & Pumpset	Rural Development	Gopalraopet Village, Ramadugu Mandal, Karimnagar District, Telangana	1.00	0.82	0.82
30	Digging Borewells and Providing Motor & Pumpset	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	0.70	0.68	0.68
31	Development of Roads	Rural Development	Bollonipally Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	4.50	4.75	4.75
32	Repairs & Maintenance works of Gram Panchayat office	Rural Development	Bollonipally Village, Bheemadevarapally Mandal, Warangal Urban District, Telangana	0.75	0.81	0.81
33	Distribution of Sewing Machines	Skill Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	0.30	0.31	0.31
34	Providing Air Conditioners - to Padmanayaka Sankshema Samithi Functional Hall	Socio-Economic Progress	Siddipet Town and District, Telangana	5.50	5.57	5.57
35	Providing 2000 Ltrs RO Water Systems	Safe Drinking Water	Nellore District, Andhra Pradesh	18.00	17.94	17.94

S.No	CSR Project or activity identified	Sector in which the Project is Covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes was undertaken	Amount outlay (budget) project or programmes wise	Amount spent on the projects Sub heads: (I) Direct on projects or programs (II) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2019
C.	**Amount Contributed to Kaveri Bhaskar Rao Charitable Foundation during the year (Net of Actual Amount Contributed during the year and Expenditure made by the Foundation during the year i.e (₹ 250 Lakhs – ₹ 575.56 Lakhs))**				(325.56)	
	Total			779.95	250.00	705.04
	Grand Total			898.45	368.10	823.14

6. Kaveri Bhaskar Rao Charitable Foundation is a company within the meaning of section 8 of the companies act, 2013. We have contributed ₹ 250.00 Lakhs towards CSR activities to the Foundation during the year, along with the current year contribution total amount contributed to the Foundation upto 31.03.2019 is ₹ 1393.00 Lakhs. Out of total 1393.00 Lakhs contributed, the Foundation has spent ₹ 1043.48 Lakhs on various CSR activities. The balance amount of ₹ 349.46 Lakhs will be spent during the financial year 2019-20.

7. We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

ANNEXURE – D

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

(Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 and forming part of Directors Report

(A) CONSERVATION OF ENERGY

(i) The steps taken or impact on conservation of energy.

The Company has taken adequate measures to conserve and reduce the energy consumption.

(ii) The steps taken by the company for utilizing alternate sources of energy.

The company exploring various alternative source of energies. We have established cobdriers where we are using bio-waste like shanks to operate the hot water generators instead of LPG. We have also established one solar plant to reduce power usage.

(iii) The capital investment on energy conservation equipments - Nil

(B) TECHNOLOGY ABSORPTION

(i) The efforts made towards technology absorption

We have not absorbed any Technology recently. The processing of seeds is being developed in house by the company and improvements in existing seed process systems.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

Benefits derived as a result of the above efforts i.e., product development, cost reduction, research development etc., the seed processing was simplified and mechanized and there by reduction in cost and product improvement.

Continuous improvements in seed process mainly resulted in reduction of environmental loads and new technologies brought in new business opportunities.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

a) Technology imported - Nil

b) Year of import - Nil

c) Whether the technology been fully absorbed - NA

d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof - NA

(iv) The expenditure incurred on Research and Development:

(₹ in Lakhs)

Particulars	2018-19	2017-18
Capital	119.66	110.08
Recurring	1716.13	1266.24
Total	1835.79	1376.32
Total R&D expenditure as percentage of total turnover	2.39%	1.78%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

a) Earnings: ₹ 1933.64 (1308.38) Lakhs

b) Outgo : ₹ 684.28 (140.10) Lakhs

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

ANNEXURE – E

Information required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year:

Sl. No.	Name & Designation of the Director	Ratio of the remuneration to the median remuneration of the employees
1.	Mr. G.V.Bhaskar Rao – Chariman & MD	88.56:1
2.	Mrs. G.Vanaja Devi, Whole time Director	54.88:1
3.	Mr. C.Vamsheedhar, Whole time Director	26.98:1
4.	Mr. C.Mithunchand, Whole time Director	22.44:1

Mrs. Chaya Ratan, Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Dr. V.Bhaskar, Mr. P.Varaparasad Rao and Mr. K. Purushotham, Independent Directors were paid only sitting fees for attending the Board Meetings.

(ii) The percentage increase in remuneration of each Director & Chief Financial Officer, in the financial year.

Sl. No.	Name & Designation	% of Increase in Remuneration
1.	Mr. G.V.Bhaskar Rao – Chariman & MD	25.69
2.	Mrs. G.Vanaja Devi, Whole time Director	25.39
3.	Mr. C.Vamsheedhar, Whole time Director	25.27
4.	Mr. C.Mithunchand, Whole time Director	25.08
5.	Mr. G. Vijay Kumar, Chief Financial Officer(outgoing)	11.24

Mrs. Chaya Ratan, Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Dr. V.Bhaskar, Mr. P.Varaparasad Rao and Mr. K. Purushotham, Independent Directors were paid only sitting fees for attending the Board Meetings.

(iii) The percentage increase in the median remuneration of employees in the financial year was (50.57)%.

(iv) The number of permanent employees on the rolls of the Company as on March 31, 2019 was 956.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.

There are Three Whole time Directors and a Managing Director. There was no revision in remuneration paid to the Whole time Directors and Managing Director except marginal incremental changes during the financial year ended 31st March 2019.

(vi) The remuneration paid to Key Managerial Persons is as per the remuneration policy of the Company: Yes.

Top 10 employees in terms of remuneration drawn during the year

Sl. No.	Name	Designation	Remuneration Received Per Annum (₹ in Lakhs)	Qualification & Experience	Date of Comencement of employment	Age	The last employment held by such employee before joining the company
1	Bhaskar Rao GV	Managing Director	2,45,46,602	B.Sc (Ag)	27-Aug-86	69	-
2	Vanaja Devi G	Executive Director	1,52,11,186	B.A	27-Aug-86	66	-
3	Satish Jagannath Patil	Chief Operating Officer	1,11,14,973	MMS & 28 Yrs.	1-Feb-18	54	Syngenta India Limited

Sl. No.	Name	Designation	Remuneration Received Per Annum (₹ in Lakhs)	Qualification & Experience	Date of Comencement of employment	Age	The last employment held by such employee before joining the company
4	Hari Singh Chauhan	President-Sales & Marketing	1,00,10,467	B.Sc (Hort) & 19 Yrs.	10-Feb-15	50	Savannah Seeds, Hyderabad
5	Vijay Kumar G	Chief Financial Officer (Out going)	90,21,280	ICAI, ICWAI & 20.1 Yrs.	21-Mar-16	49	Pitti Lamination Limited, Hyderabad
6	Purnachandra Rao S	President-Supply Chain Operations	82,61,983	MBA & 27.9 Yrs.	12-Dec-17	55	Metahelix Life Sciences Limited, Hyderabad
7	Vamsheedhar C	Executive Director	74,77,192	B.A	1-Apr-00	48	-
8	Verma Yogendra Singh	President - R&D	62,69,826	M.Sc (Ag)-Plant Breeding & 28 Yrs.	10-Oct-18	55	Metahelix Life Sciences Limited, Hyderabad
9	Mithun Chand C	Executive Director	62,19,770	MBA	15-Nov-06	43	-
10	Rajesh Varma	Head-Sales & Marketing	51,84,053	B.Sc (Ag),AGMP & 22 Yrs.	6-Feb-16	49	Nunhems Vetetables Seeds, Hyderabad

Employees drawing a remuneration of ₹ 1.02 crore or above per annum

Sl. No.	Emp. ID No.	Employee Name	Designation	Head Quarter	State	Department	Remuneration received (₹)	Qualification & experience	Date of Commencement of employment	Age	The last employment held by such employee before joining the Company
1.	100001	Bhaskar Rao GV	Managing Director	Secunderabad	Telangana		2,45,46,602	B.Sc(Ag)	27-Aug-86	69	
2.	100002	Vanaja Devi G	Executive Director	Secunderabad	Telangana		1,52,11,186	B.A	27-Aug-86	66	
3.	101825	Satish Jagannath Patil	Chief Operating Officer	Secunderabad	Telangana		1,11,14,973	MMS & 28 Years	01-Feb-18	54	Syngenta India Limited

Employed for part of the year with a average salary of ₹ 8.5 Lakhs per month

Sl. No.	Name	Designation	Remuneration received (₹ In Lakhs)	Qualification & experience	Date of Commencement of employment	Age	The last employment held by such employee before joining the Company
1	Verma Yogendra Singh	President - R&D	62,69,826	M.Sc (Ag)-Plant Breeding & 28 Years	10-Oct-18	55	Metahelix Life Sciences Limited, Hyderabad
2	Vijay Kumar G	Chief Financial Officer	90,21,280	ICAI, ICWAI & 20.1 Yrs.	21-Mar-16	49	Pitti Lamination Limited, Hyderabad

Note:

1. Gross remuneration includes salary, taxable allowances, value of perquisites as per the Income Tax Rules, 1962 and company contribution to provident fund.
2. Nature of employment and duties: Contractual and in accordance with terms and conditions as per company's rules.
3. No employee is a relative of any director or Key Managerial Personnel of the Company except Mr.G.V.Bhaskar Rao, who is relative of Smt. G.Vanaja Devi and Mr. C.Mithunchand who is relative of Mr. C.Vamsheedhar.
4. The percentage of equity shares held by each of the employee in the company within the meaning of clause (iii) of sub-rule (2) of Rule 5 is not applicable.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

BUSINESS RESPONSIBILITY REPORT

(As per Regulation 34 (2) (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

Kaveri Seed Company Limited (www.kaveriseeds.in) headquartered at Secunderabad, Telangana, India. Today Kaveri is among the fastest and leading seed company in India, offering a broad multi crop portfolio of all variety of seeds viz cotton, corn, rice, bajra, sunflower and vegetables. The product innovations are backed by our strong Research & Development capabilities to meet the aspirations of the farmers & consumers. We always continue to focus on new varieties of seed that address the dynamic changes related to climate, natural resources and pest & diseases.

The company R&D activities are recognised by the Department of Scientific and Industrial Research (DSIR) Government of India.

Company remains committed to feeding more than a billion people of India, playing a crucial role in food chain. Our in depth research innovations and research collaboration are helping us to design and develop the products, that complement farmers prosperity towards food and nutritional security of the country.

The company developed modern infrastructure facilities, the state – of - art, biotech lab and seed technology lab. It has a wide dealers and distribution network of PAN India marketing & Distribution network manned by technically and commercially skilled marketing team.

The Business Responsibility Report highlights the approach of the Company towards creating long-term value for all its stakeholders. The Report is aligned with National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGSEE) released by Ministry of Corporate Affairs and is in accordance with Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (SEBI Listing Regulations). This Report provides an overview of the activities carried out by the Company under each of the nine principles outlined.

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L01120TG1986PLC006728
2. Name of the Company	Kaveri Seed Company Limited
3. Registered Office address	#513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad-500003, Telangana, India
4. Website	www.kaveriseeds.in
5. e-mail id	cs@kaveriseeds.in
6. Financial Year reported	1st April 2018 to 31st March 2019
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	NIC code: 011 — Description: Seed production
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Produce the Cotton, Maize and Rice
9. Total number of locations where business activity is undertaken by the Company	
i. Number of International Locations	Nil
ii. Number of National Locations	The Company has 9 Seed Processing, Packing and Cold storage plants including R&D Center
10. Markets served by the Company – Local/State/National/ International	The Company's operations are mainly carried out from Hyderabad with manufacturing divisions at Pamulparthy Plant and exports its seed to Bangladesh.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	₹ 1262.58 Lakhs
2. Total Turnover (INR)	₹ 76898.90 Lakhs (standalone) and ₹ 80941.81 Lakhs (consolidated)
3. Total profit after taxes (INR):	₹ 21472.86 Lakhs (standalone) and ₹ 21740.46 Lakhs (consolidated)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	CSR spent during the financial year 2018-19 was ₹ 368.10 Lakhs (1.71% of standalone profit after tax)
5. List the activities in which expenditure in 4 above has been incurred.	Education Rural Development

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies	Yes. The Kaveri has 5 subsidiary companies located in India
2. Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	The Company positively influences and encourages its subsidiaries to adopt Business Responsibility (BR) initiatives. All the Company's subsidiaries are guided by company's Code of Conduct to conduct their business in an ethical, transparent and accountable manner. It covers suppliers, customers and other stakeholders. It also addresses key BR issues like quality and customer value, environment, human rights and Employee well-being.
3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities?	The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practices and follow the concept of being a responsible business entity.

SECTION D : BR INFORMATION:

1. Details of Director/Directors responsible for BR	a. Details of the Director responsible for implementation of the BR policies: Name : Mr. G.V.Bhaskar Rao Designation: Managing Director DIN Number : 00892232 Tel.No.040-49192344 Email ID: cs@kaveriseeds.in b. Details of the BR head : same as above

2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

Principle 1

Business should conduct and govern themselves with Ethics, Transparency and Accountability

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Principle 3

Businesses should promote the wellbeing of all employees

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

Principle 5

Businesses should respect and promote human rights

Principle 6

Business should respect, protect, and make efforts to restore the environment

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

Principle 8

Businesses should support inclusive growth and equitable development

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Sl. No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards?	Y	Y	Y	Y	Y	Y	Y	Y	Y
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	Policies can be viewed on http:/www.kaveriseeds.in								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the company have in-house structure to implement the policy/policies.	The Company has established in-house structures to implement these policies.								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes, the company provides the redressal mechanism for all kinds of grievances.								
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Maximum policies are evaluated by the internal audit team and some of the policies assessment is done by internally.								

3. Governance related to BR

i. Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:

The Managing Director and top management periodically review the BR performance of the Company through Leadership Meetings.

ii. Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

BR will published annually along with the Annual Report. The Company also publishes the Annual CSR Report to highlight the community engagement strategy and performance. The Company's CSR Report can be viewed at Web link: www.kaveriseeds.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Ethics

1. Does the policy relating to ethics, bribery and corruption cover only the Company?

Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?

The Company is committed to build a strong ethical organization. As a result, the Company has adopted a Code of Conduct policy which is applicable to all the employees of the Company including the board members. The policy lays emphasis on the honesty, integrity and ethical conduct of the employees and has been communicated to the employees time to time, across all the locations.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

During the financial year, the Company has not received any complaint from the stakeholders.

Principle 2 - Product Life Cycle Sustainability

Leading seed companies have made strategic investments in their supply-chain capabilities and set up efficient and effective organizations that overcome cross-functional silos. By outperforming the overall level of maturity in their sectors, they have been able to disrupt them, as Kaveri seeds has done to the seed industry. The Company has been able to redefined the customers' expectations of service and their ability to bring innovation to the market, turning its excellence in supply-chain

execution into a powerful source of competitive advantage. Kaveri considered being the very best company in seed production continues to evolve and reinvent innovative methods in supply chains, even if it has already achieved a leading position in their industry. By doing so, the Company has been able to manage risks; respond to changes in the economic, technological, and competitive environment; and exploit new opportunities more effectively than their competitors. It has been able to innovate and defy on the product lifecycle thereby bring in better seeds.

1. List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.

- Kaveri Plant operations team has installed & commissioned 30 mechanical conveyers to replace manual hand grading which would enhance the quality recovery, ensure the increase of per day output and also pack cotton seed within time bound.
- A centralized & dedicated stores ware house was created for non-seed inventory (primary, secondary packing material & seed treatment chemicals) which helps in systematic stacking of the products, proper tagging of the stacked products & correct physical verification of the inventory on periodical basis.
- A huge cold storage facility has been created to store the seed, safe guard the seed from High temperature and Relative humidity and also to protect the viability of the seed.
- Provided field safety shoes to the entire Breeding, Seed production and field operation personals in order to mitigate the risk of foot injuries & snake bites during the course of their regular field visits. Anti-venom is also at disposal to combat from snake bite.
- Cyclofans, Cyclones, Centrifans and Bag Filters are used at the Seed Processing, Blending, Delinting and Packing machines to avoid dust in the work place and their surroundings. We collect the processing dust in a bag and use it as manure in our R & D Farms.
- We use Dilute Sulfuric acid Delinting Plant (EMKAT) where only 12-16% diluted sulfuric Acid is used for cotton Delinting against conventional Delinting method. Also, we re-circulate excess acid and reuse the same.
- Discard of used germination papers: we do not discard used germination paper. Instead a compost pit is dug and used germination papers are decomposed and the compost used in R & D Farms.
- Rain water Harvesting has been implemented where we use water from constructed percolation tanks and storage tanks wherever possible. The stored rainwater after filtration is being used for plants and Laboratories.
- We have provided cost-free plant protection chemical (Cobalt Chloride) to several hundreds of cotton seed farmers to ward-off the leaf reddening impact which is caused by physiological disorders influenced by the adverse climatic conditions.
- The maize shanks generated during the dry cob shelling are used for heat generation process which helps to heat up the air to a desired critical temperature for drying the harvested wet cobs; delivered from the production field, thus minimizing the huge energy source requirements.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

a. Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

Our strongest desire is to seek potential innovation in core crop and visualise a base that progresses us to become a market leader through our world class seed production.

Kaveri Seeds rightly define its supply chain management by placing delivery as one of the key motion for the trust of our growers and farmers. Delivery standards are highly dictated and audited and we assure that nothing goes a miss in delivery principles. While this is at side, our cost of goods sold (COGS) remains potential throughout.

- Taking up the challenges related to seed production scenario and with meticulous planning and execution, target production volumes were realized.
- Introduction of certain process and matrix changes has enhanced the production volume and quality of the product
- We assure safeguarding of seeds from unforeseen climatic conditions by organizing seed production in multiple geographies.
- Seed's post-production operational practices are top notch while mechanical dryers were used to dry the seeds during seed processing. As a result, there has been an increase in the efficiency of the seeds, along with cost effectiveness.

We have reduced the manpower to over 40% by introducing mechanical grading of delinting &processing cotton seed and sophisticated processing infrastructure which eventually saves enough time to make the seed material available for blending, treating, Labeling & packing.

b. **Reduction during usage by consumer's (energy and water) has been achieved since the previous year?**

Market sales return quantities were reduced by about 25% over previous year through efficient liquidation tracking procedures.

Reduced un-dispatched packed finished goods volume from over 2000 tons to 700 tons through improved sales forecast planning, Liquidation efforts at market places, regular tracking of indents vs. dispatches & focused logistics.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

a. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

We, as an organization have made persistent efforts to retain our sourced seed suppliers by ensuring their continuous engagement in two seasons of seed production & by providing multiple crop seed production opportunities in multiple geographies. Resultantly, the grower base retention & loyalty, production reliability & sustainability have been ensured.

We are recruiting most of the Frontline employees and daily Labor from surrounding villages and providing employment to local people.

Similar procedural efforts were made with respect to sourcing non-seed products from our reliable repeated vendors at a reasonable cost, high quality & timely supply.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The company introduced direct grower procurement model in the proximity of our seed conditioning & drying facilities to effectively engage the small land holders & the neighborhood farming societies to produce quality seed for us. This initiative of ours has yielded in complete retention of these small land holders bringing hundreds of acres under seed production & we becoming their continued & most preferred seed company.

5. **Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The company has established systems to recycle a) the seed treated chemical wash water back in to the treatment process which helps to overcome hazardous waste disposal challenges, b) the maize shanks generated the following dry cob shelling back in to the heat generation process that helps in heating up the air to a desired critical temperature to dry the harvested wet cobs delivered from the production field, minimizing the energy source requirements & c) the used chemical containers to minimize the chemical waste and help protect the environment around.

Principle 3 – Business should promote the well-being of all the Employees

1. **Please indicate the Total number of employees.**

The company has 956 employees as on 31.03.2019

2. **Please indicate the Total number of employees hired on temporary/ contractual/casual basis.**

The company has no contractual employees as on 31.03.2019

3. **Please indicate the Number of permanent women employees.**

The company has 35 women employees as on 31.03.2019

4. **Please indicate the Number of permanent employees with disabilities**

Two

5. **Do you have an employee association that is recognized by management?**

Nil

6. **What percentage of your permanent employees is members of this recognized employee association?**

Not Applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

S. No.	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
Child labour/ forced labour/ involuntary labour	Nil	Nil	Nil
Sexual harassment	Nil	Nil	Nil
Discriminatory employment	Nil	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

- Permanent employees: Employee training is a continuous process in the organization and all the employees are given mandatory safety training at the time of joining the organization.

Particulars	Safety (%)	Skill up-gradation (%)
Permanent Employees	100%	100%
Permanent Women Employees	100%	100%
Casual/Temporary/ Contractual Employees	Nil	Nil
Employees with Disabilities	100%	100%

100% of our employees were given safety & skill upgradation training in the last year.

Principle 4 - Stakeholders Engagement

1. **Has the company mapped its internal and external stakeholders?**

Yes.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

There are no disadvantaged, vulnerable and marginalized stakeholders identified by the Company.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so.**

The Company believes in greater engagement with its stakeholders and being sensitive towards their needs and expectations. This is one of the corporate values that focuses on being responsive, listening to stakeholders, being proactive and transparent.

The Company has a whistle blower policy that provides support to employees, channel partners and vendors to report significant deviations from key management policies and report any noncompliance and wrong practices. The Company also has an investor grievance cell where the investors can raise their concerns and are resolved appropriately.

Principle 5 - Human Rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

The policy covers the employees of the company

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

None was received

Principle 6 - Business should respect, protect and make efforts to restore the Environment.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/ NGOs/others.**

The company is committed to operate all its plants in an environmental friendly manner, while taking all pre cautionary measures and protecting the health and safety of its employees.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc?**

Research initiative was under taken to combat climatic change for developing suitable hybrids in Maize, Pearl millet.

3. **Does the company identify and assess potential environmental risks?**

Yes

4. **Does the company have any project related to Clean Development Mechanism?**

At present the company does not have any project related to clean development mechanism.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc.**

No

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

Yes, all the processing plants comply with the prescribed permissible limits for air emissions, effluent quality and discharge, solid and hazard waste generation and disposal as per their regulatory authorities.

7. **Number of show cause/legal notices received from CPCB/ SPCB which are pending (i.e. not resolved to satisfaction) as on end of financial year.**

No pending notices as on 31.03.2019

Principle 7 - Policy Advocacy

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:

The Company is associated with various trade organizations, chambers etc., as follows:

The Company is a member of various trade bodies and chamber associations in India such as,

1. Seed men Association
2. Confederation of Indian Industry
3. The Federation Telangna Chambers of Commerce & Industry (FTCCI)
4. National Seed Association of India
5. The Asia & Pacific Seed of Association, Bangkok
6. Seed Association of Madhya Pradesh
7. Seed Association of Maharashtra

2. Have you advocated/lobbied through above associations for the advancement or improvement of public good?

Yes, we do from time to time take up issues through the associations on matter of public interest.

Principle 8 - Community Development (CSR)

1. Does the company have specified programmes/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.

Kaveri Seed Company Limited is committed to continuously improving its social responsibilities, environment and economic practices to make positive impact on the society. The CSR Policy focuses on promoting education, promoting preventive healthcare, eradicating hunger, poverty and malnutrition, making available safe drinking water, environmental sustainability, ecological balance and rural development etc.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/ any other organization?

Kaveri Seed Company Limited has a team for the implementation and monitoring of various CSR projects. Wherever required services of external agencies will be utilized based on project requirement. Further, the Company has established a Foundation viz. Kaveri Bhaskar Rao Charitable Foundation primarily for undertaking CSR activities. The company has started CSR activities under the said Foundation. For, projects in villages, the Company engages persons/representatives from Villages/Gram Sabah's / Ward members. This helps in achieving the target as well as participation of the local representatives in formulating the various activities to obtain maximum benefit by community.

3. Have you done any impact assessment of your initiative?

We review our projects time to time. Each project has specific deliverables to be met. The internal teams ensure the implementation of the projects undertaken from time to time. The Company also takes feedback from the local persons/ representatives from Villages/Gram Sabah's / Ward members.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

During the year 2018-19 the company has directly spent an amount of ₹ 118.10 Lakhs on various CSR activities as referred in Point 1 and contributed ₹ 250.00 Lakhs to the Foundation for carrying CSR Activities. The Foundation has spent ₹ 575.66 Lakhs on various CSR activities. Details of the projects under taken are mentioned in a separate section of the annual report.

Principle 9 - Customer value

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

The Company has mechanism to handle customer complaints. As on March 31, 2019 less than 1% of the complaints were pending beyond the acceptable timelines as per the Standard Operating Procedures (SOP).

2. Does the company display product information on the product label, over and above what is mandated as per local laws?

The company has displayed the labels on the packing products as per regulatory requirements; comply with the Seed Act, 1966; Seed Rules, 1968; Legal Metrology Act, 2009 and Legal Metrology (Packaged Commodities) Rules, 2011 and other local laws from time to time.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year.

As on 31st March 2019, there are no pending cases.

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

We regularly undertake survey with farmers by internal team to understand product satisfaction and their intention for coming season. We conduct crop tours by crops functional team with user farmers to understand product performance in farmer field conditions.

For and on behalf of the Board of Directors

Sd/-	Sd/-
G.V.BHASKAR RAO	**G.VANAJA DEVI**
Managing Director	Whole time Director

Date: 13.08.2019
Place: Secunderabad

REPORT ON CORPORATE GOVERNANCE

Report Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the requirements of Corporate Governance is set out below:

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company believes that the Corporate Governance is integral to all the functions and divisions of the organization for creating value for all the stakeholders. In this competitive business environment, both the management and employees vigorously uphold the values of integrity, transparency, responsibility and accountability.

The Company believes that Corporate Governance is about best practices of business to be imbibed into the culture of the organization and complying with value systems, ethical business practices, laws and regulations to achieve the main objectives of the Company.

The Company is committed to optimizing long term value for its stakeholders with a strong emphasis on the transparency of its operations and instilling pride of association. The Company follows the best practices of Corporate Governance and reporting systems in accordance with SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015.

BOARD OF DIRECTORS

As of the date of the Report, the Board of Kaveri Seed had Ten Directors, comprising Four Executive Directors including the Chairman & Women Director, one non-executive non independent Director and Five are the Independent Directors including another Women Director. The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into with the Stock Exchanges. None of the Non-Executive Independent Directors are responsible for the day to day affairs of the Company.

The Directors have expertise in the fields of strategy, management, production, finance, marketing and Research & Development. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. Each Director informs the Company on annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and notified changes during the term of their directorship in the Company. None of the Directors on the Board hold directorships in more than eight listed entities as per 17A of SEBI (LODR) Regulations. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2019 have been made by the Directors.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI (Listing Obligations and disclosure Requirements) Regulations 2015 and Section 149(6) of the Companies Act 2013. The maximum tenure of independent directors is in compliance with the Companies Act. All the independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Section 149(6) of the Companies Act 2013.

The Company is in compliance with the requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable with regard to Corporate Governance as detailed below:

i) **Composition of Board, their positions, other Directorships and memberships of Committees held by each of them as on 31st March 2019:**

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on 21.09.2018	Number of Directorships in other companies	Number of committee positions held in public companies	
					Chairman	Member
Sri G.V. Bhaskar Rao	Chairman cum Managing Director (Promoter)	4	Yes	12	-	-
Smt. G. Vanaja Devi	Executive Director (Promoter)	5	No	5	-	-
Dr. G.Pawan	Non-Executive - Vice Chairman	2	Yes	2	-	-

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on 21.09.2018	Number of Directorships in other companies	Number of committee positions held in public companies	
					Chairman	Member
Sri C.Vamsheedhar	Executive Director	2	Yes	4	-	2
Sri C. Mithun Chand	Executive Director	5	Yes	3	-	2
Dr. S.Raghuvardhan Reddy	Independent Director	5	Yes	1	1	3
Dr. S.M.Ilyas	Independent Director	4	Yes	1	-	-
Sri K.Purushotham	Independent Director	3	No	2	2	2
# Smt. M. Chaya Ratan	Independent Director	3	Yes	1	0	1
# Dr. V. Bhaskar	Independent Director	2	No	1	0	1
*Sri M. Srikanth Reddy	Independent Director	0	No	-	-	-
*Sri P.Varaprasad Rao	Independent Director	2	Yes	-	-	-

Note:

1) The directorships are considered in the companies incorporated under the Companies Act, 1956/2013 including the Kaveri Seed Company Limited.
2) For committee positions, only audit & stakeholders and nomination committees of public limited companies including Kaveri Seed Company Limited are considered as per Regulation 26(1) of SEBI (LODR) Regulations, 2015.
3) None of the Directors of the Company is a Director in other listed entity (ies)
4) Leave of absence was granted on request to those directors who could not attend the meeting(s).
5) *Mr. M. Srikanth Reddy and Mr. P. Varaprasad Rao, Independent Directors are resigned w.e.f. 24th May, 2018 and 20th December, 2018 respectively.
6) #Mrs. M. Chaya Ratan and Dr. V. Bhaskar, Independent Directors of the Company are appointed w.e.f. 24th May, 2018 and 14th November, 2018 respectively.
7) Mr. G.V.Bhaskar Rao, Mrs. G.Vanaja Devi and Dr. G.Pawan are related to each other.
8) Mr. C.Vamsheedhar and Mr. C.Mithun Chand are related to each other.

None of the Directors on the Board is a member in more than ten committees and they do not act as Chairman of more than five committees across all companies in which they are Directors.

The Board meets at regular intervals to discuss and decide on company/ business policy and strategy apart from other Board business. However, in case of special and urgent business need, the Board's approval is taken by passing resolution by circulation, as permitted by law, which is confirmed in the subsequent Board meeting. The Chairman & Managing Director is assisted by the Executive Director/Senior Managerial Personnel in overseeing the functional matters of the Company.

Details of Equity Shares of the Company held by the Directors as on March 31, 2019 are given below:

Name	Category	No. of Shares
Mr. G.V. Bhaskar Rao	MD & Chairman	5576416
Mr. G.V. Bhaskar Rao - HUF	HUF	10391682
Mrs. G. Vanaja Devi	Executive Director	14583618
Dr. G. Pawan	Vice Chairman - Non Executive	2319505
Mr. C. Vamsheedhar	Executive Director	1016295
Mr. C. Mithun Chand	Executive Director	892205
	TOTAL	**34779721**

The company has not issued any convertible instruments.

ii) Board Committees:

The Board has constituted Six Standing committees, namely Audit Committee, Borrowing Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee, Corporate Social Responsibility Committee and Risk Management Committee. The Board constitutes additional functional committees, from time to time, depending on the business needs.

iii) Meetings of the Board:

The Board of Directors must meet at least four times in a year, with a maximum time gap of one hundred twenty days between two Board meetings. Dates for the Board Meetings in the ensuring quarter are decided well in advance and communicated to the Directors. Notices of Board Meetings were sent to the Directors as required under Section 173 of the Companies Act, 2013 well in advance. The Agenda along with the explanatory notes are sent in advance to the Directors. In special and exceptional circumstances, additional or supplementary items(s) on the agenda are permitted. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. The Company's Board met Five times during the financial year under review on 24th May 2018, 09th August 2018, 14th November 2018, 20th December 2018 and 14th February 2019.

Details of Directors and their attendance in Board Meetings are given under:

Date of Meeting	Board Strength	No. of Directors Present
24.05.2018	10	9
09.08.2018	10	7
14.11.2018	10	6
20.12.2018	10	9
14.02.2019	10	6

iv) Independent Directors Meeting

Pursuant to Schedule IV of the companies Act, 2013 and the rules made there under, the Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. During the financial year 2018-19, one separate meeting of the Independent Directors was held on 14th February 2019. The Independent Directors, inter alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors. The Board periodically reviews the compliance reports of all laws applicable to the Company.

v) Information given to the Board:

The Company provides the following information to the Board and the Board Committees as and when required. Such information is submitted either as part of the agenda papers in advance of the meetings or discussion material during the meetings.

- Annual operating plans and budgets, capital budgets, updates and all variances;
- Quarterly, half yearly and annual results of the Company and its business segments;
- Minutes of meetings of Audit Committee and other committees;
- Information on recruitment and remuneration of key executive below the Board level;
- Contracts in which Director(s) are deemed to be interested;
- Significant labour problems and their proposed solutions;
- Materially relevant default in financial obligations to and by the Company or substantial non-payment for goods sold by the Company;
- Non-compliance of any regulatory or statutory nature or listing requirements as well as shareholder services such as shareholder's grievances and transfers etc.,
- Materially important demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences;
- Significant development in the human resources and industrial relations fronts.

The Secretarial Department, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 2013 read with rules issued there under, as applicable and the Secretarial Standards recommended by the Institute of Company Secretaries of India. The company Secretary record minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board committee members for their comments. The minutes are entered in the minutes book within 30 days from the conclusion of the meeting. The Company Secretary/Manager of Secretarial department attends all the meetings of the Board and its Committees, advises/assures the Board on compliance and governance principles and ensures appropriate recording of minutes of the meetings.

vi) Disclosure of relationships between directors inter-se

Dr. G.Pawan – Vice Chairman (Non-Executive) is son of Mr. G.V.Bhaskar Rao, Chairman & Managing Director and Mrs. G.Vanaja Devi - Whole time Director of the Company. Mr. C.Mithunchand is brother of Mr. C.Vamsheedhar both are Whole time Directors of the Company. Other than specified above, none of the Directors are related to any other Director.

vii) Details about familiarization program

Senior management personnel of the Company make presentations to the Board Members on periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, plant visit etc., and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and senior management personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on Material Subsidiaries, Whistle Blower Policy, Corporate Social Responsibility Policy etc.,

The details of the familiarization program are placed on the Company's website at: http://www.kaveriseeds.in

viii) Details of skills / expertise / competence of the Board of Directors

Name	Category	Skills/ Expertise/ Competence
Mr. Venkata Bhaskar Rao Gundavaram	Promoter and Executive - Chairman	He is a graduate in agricultural science and he oversees the production planning and provides guidance in R&D, overall management and business development of the company.
Dr. Pawan Gundavaram	Vice Chairman Non-executive	He is a MBBS - MD in medicine. He is focus on strategic issues and long-term business plans and operations of the Company.
Mrs. Vanaja Devi Gundavaram	Promoter and Executive	She looks after CSR responsibility activities, in addition to assisting the MD in general functioning of the company
Mr. Vamsheedhar Chennamaneni	Executive	He is a key player and growth driver in the `Team Kaveri and oversees the General Management and overall Marketing of the company.
Mr. Mithun Chand Chennamaneni	Executive	He is M.B.A. Apart from general management, he has rich experience in finance, accounts and administration in regulatory affairs of the company.
Dr. Suravaram Raghuvardhan Reddy	Non executive Independent	He is a Ph.D (Agriculture) and Ex-Vice Chancellor of Acharya N.G. Ranga Agricultural University having vast experience in the Agriculture & Research activities.
Dr. Syed Mohammed Ilyas	Non executive Independent	He is M.Sc., Agricultural Engineering. He was retired as a Director of National Academy of Agricultural Research Management (NAARM), Hyderabad and he has held several eminent professional positions from Indian Agricultural Research Institute, New Delhi. He has rich experience in the Agriculture & Research management and other International Assignments.
Mr. Kalakala Purushotam	Non executive Independent	He is a B.Sc., (Agricultural) from A.P. Agricultural University and passed Banking examinations (CAIIB Part I) conducted by the Institute of bankers, Mumbai and retired as General Manager cadre in IOB and has rich experience in finance banking, money markets accounting, management, strategy etc.,
Mrs. Chaya Ratan Musinipally	Non executive Independent	She is IAS (Retired) and M.Sc Eco Social policy & planning from London School of Economics, London. She has rich experience in overall rural management, Rural development and social activities.
Dr. Bhaskar Venkataramany	Non-executive Independent	He is retired from IAS and obtained his PhD in Economics from the University of Hyderabad. He is International, National and State level experience of issues relating to Finance, Taxation, Regulation and Governance. He has earlier worked in the International Monetary Fund (IMF) at Washington DC; in the Ministry of Finance and in the Ministry of Commerce and Industry in the Government of India at New Delhi and in the Thirteenth Finance Commission at New Delhi

ix) Statement on Declaration by Independent Directors

Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Sri K.Purushotham, Smt. M. Chaya Ratan and Dr. Bhaskar Venkataramany are the Independent Directors on the Board of the Company as on March 31, 2019. All the Independent Directors have given their respective declarations under Section 149 (6) and (7) of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, based on the declaration(s) received from the Independent Directors, has verified the veracity of such disclosures and confirms that the Independent Directors fulfill the conditions of independence specified in the Listing Regulations and are independent of the management.

As required by SEBI (LODR) Regulations, 2015, a certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities & Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as **Annexure-A**.

Further, Annual Secretarial Compliance Report issued by the Company Secretary in Practice pursuant to Circular dated February 08, 2019 issued by SEBI is also attached to this Report as **Annexure-B**.

x) Resignation of Independent Directors

During the year Mr. M. Srikanth Reddy and Mr. P. Varaprasad Rao, tendered their resignation before the expire of their tenure from the office of Independent Director of the Company with effect from 24th May 2018 and 20th December, 2018 respectively, due to their pre occupations and they are confirmed there is no other material reason, other than those provided by them. The Board members of the company profound thanks to Mr. M. Srikanth Reddy and Mr. P. Varaprasad Rao for valuable services and significant contribution to the organization in different aspects of the Company is highly appreciable the services rendered by them and the Board be instructed to convey its gratitude for the services rendered during their tenure.

xi) Details of Directors proposed for appointment / re-appointment at the Annual General Meeting

Dr. G. Pawan, Non-Executive & Non-Independent Director of the Company, who retire by rotation at this Annual General Meeting and being eligible, seek reappointment.

Dr. Bhaskar Venkataramany (IAS Rtd.) was appointed by the Board as an Additional Director (Independent) with effect from 14th November 2018 for a term of 5 years, subject to the approval of the shareholders at this ensuing Annual General Meeting of the Company.

Dr. Suravaram Raghuvardhan Reddy, Dr. Syed Mohammed Ilyas and Mr. Kalakala Purushotam are proposed to be re-appointed as Independent Directors of the Company w.e.f. 18th September 2019 for second term of five consecutive years is proposed at the ensuing AGM for the approval of the members by way of special resolution(s).

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committee(s) informs the Board about the summary of the discussions held in the Committees Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board has established the following statutory and non-statutory Committees:

AUDIT COMMITTEE

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's Financial Statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has entrusted the Audit Committee to supervise these process and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the Company comply with the requirements of Regulation 18 of the SEBI (LODR) Regulations, 2015.

The primary objective is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate timely and proper disclosures and transparency integrity and quality financial reporting.

i) Role of Audit Committee:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible information is disclosed.

- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to;
- 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, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified Opinion(s) the draft audit report;
- Review, with the management, the quarterly financial statements before submission to the Board for approval;
- Review, 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 to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review, with the management, performance of statutory and internal auditors, adequacy of the internal financial control systems;
- Review the adequacy of internal audit function, if any, 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;
- Discussion with internal auditors of any significant findings and follow up there on;
- Review 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;
- 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;
- Examine 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;
- Review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc., of the Candidate.
- Carry out any other functions as is mentioned in the terms of reference of the Audit Committee under the SEBI (LODR) Regulations and Companies Act, 2013.
- Management discussion and analysis of financial condition and results of operations;
- Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
- Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
- System for storage, retrieval, security etc. of books of account maintained in the electronic form;
- Review the existing loans / advances and investments.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015

ii) Composition and other details of Audit Committee

The Audit Committee comprises of four members, out of four, three members are Independent Directors.

Mr. K. Purushotham, Chairman of Audit Committee, is an Independent Director having expertise in accounting and financial management. Dr. S. Raghuvardhan Reddy, Dr. V. Bhaskar and Mr. C. Mithun Chand are the members of the Committee.

The Audit Committee Meetings are usually held at the Registered Office of the Company and are usually attended by the Independent Directors, one Executive Director, Chief Financial Officer, Statutory Auditors and Internal Auditor of the Company. The Company Secretary acts as Secretary of the Audit Committee.

The heads of departments of Finance & Accounts, Internal Auditor and the Statutory Auditors are the permanent invitees to the Audit Committee.

During the year under report the Audit Committee has met four times on 24th May 2018, 09th August 2018, 14th November 2018, and 14th February 2019.

The attendance at the Audit Committee meetings during the financial year 2018-19 is as under:

Member	No. of Meetings	Attendance
Mr. K. Purushotham	4	2
#Dr. S. Raghuvardhan Reddy	4	4
#Dr. V. Bhaskar	4	1
Mr. C. Mithun Chand	4	4
*Mr. P. Varaprasad Rao	4	3
*Mr. M. Srikanth Reddy	4	0

* Mr. M. Srikanth Reddy and Mr. P. Varaprasad Rao, Independent Directors of the Company resigned w.e.f.24th May, 2018 and 14th November, 2018 respectively.

Dr. S. Raghuvardhan Reddy and Dr. V. Bhaskar, Independent Directors of the Company are appointed w.e.f. 24th May, 2018 and 14th November, 2018 respectively.

NOMINATION AND REMUNERATION COMMITTEE:

Brief description of terms of reference of Nomination and Remuneration Committee:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the Directors and Key Managerial Personnel;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Grant, issue and allot of options to eligible employees and administering the various Employee Stock Option Scheme(s) from time to time and
- Undertake any other matter as the Board may decide from time to time.

The composition of the Nomination and Remuneration/ Compensation Committee comprises of three Independent Directors. Mr. K. Purushotham, Chairman of the Committee and Dr. S. Raghuvardhan Reddy & Mrs. M. Chaya Ratan are the members of the Committee. During the year, the Nomination and Remuneration Committee met three times on 24.05.2018, 14.11.2018 and 14.02.2019.

The attendance at the Nomination and Remuneration meeting(s) during the financial year 2018-19 is as under:

Member	No. of Meetings	Attendance
Mr. K. Purushotham	3	1
Dr. S.Raghuvardhan Reddy	3	3
# Mrs. M. Chaya Ratan	3	1
* Mr. M. Srikanth Reddy	3	0
* Mr. P. Varaprasad Rao	3	2

* Mr. M. Srikanth Reddy and Mr. P. Varaprasad Rao, Independent Directors of the Company resigned w.e.f. 24th May, 2018 and 14th November, 2018 respectively.

Mrs. M. Chaya Ratan, Independent Director of the Company was appointed on 24th May, 2018.

i) Remuneration Policy:

The remuneration committee of Board of Directors of the Company generally decides and makes recommendations to the Board of Directors about the remuneration to be paid to the Directors and other Key Managerial Persons of the Company. The remuneration recommendations about the remuneration of Directors are subject to the approval of the Members of the company and the remuneration of the Key Managerial Persons is to be recommended by the remuneration committee to the Board. The Non- Executive Directors are paid sitting fees for attending meetings of Board.

The nomination and remuneration policy as adopted by the Board is placed on the Company's website at www.kaveriseeds.in

ii) Performance evaluation of Directors & Formulation of the criteria for evaluation of Independent Directors and the Board;

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the guidance Note on Board Evaluation issued by the SEBI on 5th January 2017, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of criteria such as the board composition and structure, effectiveness of board processes, information and functioning etc.,

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of criteria such as the composition of committees, effectiveness of committee meetings etc.,

In a separate meeting of independent directors, performance of non-independent directors, the chairman of the company and the board as whole was evaluated, taking into account the views of executive directors and non-executive directors.

The Board and the nomination and remuneration committee reviewed the performance of individual directors on the basis of criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.,

In the board meeting that followed the meeting of the independent directors and meeting of nomination and remuneration committee, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

iii) Remuneration of Directors:

a. Executive Directors:

(Amount in ₹)

Name of the Director	Salary per annum	Contribution to PF & Gratuity	Total
Sri G.V. Bhaskar Rao	2,36,80,121	-	2,36,80,121
Smt. G. Vanaja Devi	1,46,43,315	-	1,46,43,315
Sri C. Vamsheedar	70,45,020	4,32,172	74,77,192
Sri C. Mithun Chand	58,27,818	3,91,952	62,19,770
TOTAL	**5,11,96,274**	**2,30,760**	**5,34,54,750**

Sri G.V. Bhaskar Rao, Smt. G. Vanaja Devi, Sri C. Vamsheedar and Sri C. Mithun Chand were re-appointed as executive directors w.e.f 15th November 2016 for a period of 5 years on the terms and conditions contained in the respective resolutions passed by the Members in the 29th Annual General Meeting. The Notice period is as per the rules of the Company. There was no severance fee payable to them for cessation of their executive directorship. During the year, there is no grant to the Directors under ESOP Scheme.

b. Non-Executive Independent Directors:

There were no pecuniary transactions with any non-executive independent directors of the Company

Non-Executive Independent Directors are paid sitting fee for attending the Board meetings. Sitting fee of ₹30,000/- is being paid to Non-Executive Independent Directors for attending each meeting of the Board of Directors. During the year, the sitting fees paid was as follows:

(Amount in ₹)

Name	Designation	Sitting Fee
Sri P.Vara Prasad Rao	Independent Director	60000
Dr. S.Raghuvardhan Reddy	Independent Director	150000
Dr. S.M.Ilyas	Independent Director	120000
Sri K. Purushotham	Independent Director	90000
Smt. M. Chaya Ratan	Independent Director	90000
Dr. V. Bhaskar	Independent Director	60000

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Dr. S. Raghuvardhan Reddy, Non executive Director is the Chairperson of the Committee and Mr. C.Vamsheedhar, Mr. C.Mithun Chand are the other members of the Committee.

The main functions of the Stakeholders Relationship Committee considers and resolves all matters of the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual reports, dividends, issue of duplicate share certificates etc. Specifically look into various aspects of interest of shareholders, debenture holders and other security holders.

Review of measures taken for effective exercise of voting rights by shareholders.

Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports /statutory notices by the shareholders of the Company

The attendance at the Stakeholders Relationship Committee meeting(s) during the financial year 2018-19 held on 22.10.2018 is as under:

Member	No. of Meetings	Attendance
Dr. S. Raghuvardhan Reddy	1	1
Mr. C.Vamsheedhar	1	1
Mr. C.Mithun Chand	1	1

Name and designation of Compliance Officer:

Mr. V.R.S.Murti, Company Secretary & Compliance Officer
Email ID for investor grievances: cs@kaveriseeds.in

During the year the Company has not received any grievances from the investors, except the request from the shareholder for issue of duplicate share certificate, the same was resolved. As on 31st March 2019 there were no investor grievances pending and no transfers were pending for approval.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, requires that the top 500 listed Companies based on the market capitalization to formulate Dividend Distribution Policy. In compliance with the said requirement, the Company has formulated the Dividend Distribution Policy, the details of which are available on the Company's website at www.kaveriseeds.in and is also provided an attachment of Directors Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As per the Companies Act, 2013, the Company is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors, at least one of whom will be an independent director. The constitution of CSR Committee is as under:

Mr. G.V. Bhaskar Rao, Chairman
Mrs. G. Vanaja Devi, Member
Dr. S. Raghuvardhan Reddy, Member

The purpose of the Committee is to formulate CSR Policy of the Company and monitor its implementation. In this regard, the Company has incorporated a separate Company on 24th May 2018 under Section 8 of the Companies Act, 2013 in the name and style of "Kaveri Bhaskar Rao Charitable Foundation" to undertake CSR and other charitable activities. The CSR Policy has been placed on the Company's website at: http://www.kaveriseeds.in

GENERAL BODY MEETINGS:

Details of the last three AGMs are given as follows:

Year	Date of Meeting	Time of Meeting	Venue of Meeting	No. of Special Resolutions passed
29th Annual General Meeting 2015-16	September 27, 2016	11.15 AM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	5
30th Annual General Meeting 2016-17	September 25, 2017	12.15 PM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	Nil
31st Annual General Meeting 2017-18	September 21, 2018	12.00 Noon	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	1

i. Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2018-19.

ii. Details of special resolution passed through Postal Ballot:

During the financial year 2018-19, the Company has conducted Postal Ballot and Special Resolution(s) was passed, the details are given below:

The Company had sought the approval of the shareholders by way of a Special Resolution(s) through notice of Postal Ballot dated 24th May 2018 for the following items:

a) Buy-back of 29,63,000 Equity Shares of ₹ 2/- each at a price of ₹ 675 /- per Equity Share

b) Approval of Kaveri Seed Employee Stock Option Plan - 2018 (ESOP 2018), Grant of Stock Options to the Employees of Subsidiary Companies under ESOP 2018 and

c) Authorization to ESOP Trust for Secondary Market Acquisition of Equity Shares through trust route.

Mr. L.Dhanamjaya Reddy (Mem. No.13104) of L.D.Reddy & Co., Practicing Company Secretaries, appointed as the Scrutinizer to scrutinize the Postal Ballot and e-voting and ballot process in a fair and transparent manner.

The procedure for Postal Ballot as prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014

has been followed. The scrutinizer submitted a report to the Chairman stating that the resolutions have been duly passed by the members with requisite majority.

The results were announced to the stock exchanges on 19th July 2018 and also placed on the website of the Company.

MEANS OF COMMUNICATION:

The Quarterly, Half yearly and Annually Financial Results of the company are published in leading newspapers in English and Telugu (Regional Language). The results are also displayed on the Company's website www.kaveriseeds.in for the information of shareholders and general public. Financial Results, Presentation, Con call Transcripts made to the institutional investors/analysts after the declaration of quarterly; half yearly and annual results are submitted to the National Stock Exchange of India Limited and BSE Limited as well as uploaded on the company's website. Further all material information which will have some bearing on the operation of the Company is sent to all Stock Exchanges concerned and also placed on the Company's website. A Management Discussion and Analysis Statement is a part of the Company's Annual Report.

i) NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre

The Company also filed information through NEAPS and BSE Listing Centre – a web based application provided by NSE & BSE which facilitates online filing of Financial Results, Announcements, Corporate Governance Reports and Shareholding Pattern etc., by the company.

ii) Extensive Business Reporting Language (XBRL)

XBRL is a language for electronic communication of business and financial data. If offers major benefits to all those who have to create, transmit, use or analyze such information which aids better analysis and decision making. Ministry of Corporate Affairs (MCA) Vide its Circular No.37/2011 dated June 7, 2011, had mandated certain companies to file their Annual Accounts vide this mode. The Company has filed its Annual Accounts on MCA through XBRL.

iii) Ministry of Corporate Affairs (MCA)

The company has periodically filed all the necessary documents with the MCA.

iv) SEBI Complaints Redress System (SCORES)

A centralized web based complaints redress system which serves as a centralized database of all complaints received, enables uploading of Action Taken Reports (ATRs) by the concerned companies and online viewing by the investors of actions taken on the complaint and its current status.

v) Letters

Letters reminding the investors to claim their pending/ unclaimed dividends are regularly dispatched to the investors.

vi) The Management Discussion and Analysis Report forms part of the Directors' Report:

The Management discussion and analysis forms part of this Report and is provided separately elsewhere in this report.

vii) The Annual Report

The Annual Report containing inter alia the Audited Accounts, Directors Report, Auditors' Report and other important information is circulated to the investors. Management Discussion and analysis forms part of the Annual Report. Pursuant to the Green initiative launched by the MCA, the Company also sends e-copies of the Annual Report to Members who have registered for the same.

Your Company's Annual Reports are also available on the Company's web site www.kaveriseeds.in

GENERAL SHAREHOLDERS INFORMATION:

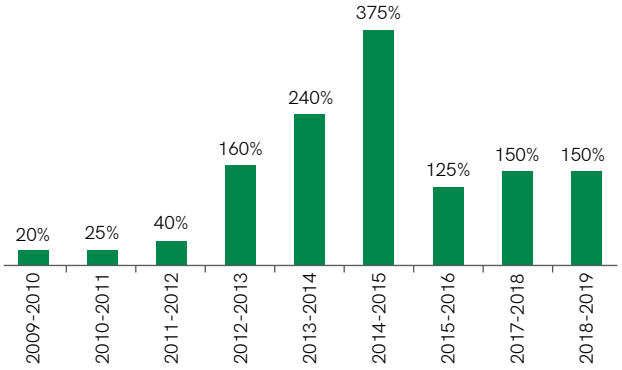
i.	32nd Annual General Meeting	17.09.2019 at 3.00 PM
	- Date and Time	FTCCI Auditorium,
	- Venue	The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry (FTAPCCI House), 11-6-841, Red Hills, Hyderabad – 500 004, Telangana.
ii.	Quarterly Results:	
	Financial Year of the Company :	April to March
	Financial calendar (tentative and subject to change) of the financial year 2019-20	
	1st Quarter :	14th August 2019
	2nd Quarter :	14th November 2019
	3rd Quarter :	14th February 2020
	4th Quarter :	30th May 2020 (Audited)
iii.	Date of Book Closure :	16.09.2019 to 17.09.2019 (both days inclusive)

iv..	Payment of Dividend :	The company has paid Interim Dividend during the year 2018-19.
v.	Listing on Stock Exchanges :	**Bombay Stock Exchange Limited,** Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 023. **National Stock Exchange of India** Ltd., Exchange Plaza, 5th floor, Plot No.C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.
vi.	Listing Fees :	Listing fee of both the Stock Exchanges has already been paid for the year 2019-2020
vii.	Stock Code:	
	Bombay Stock Exchange Limited:	532899
	National Stock Exchange of India Ltd :	KSCL

viii. Dividend History:

Financial Year	% of Dividend
2009-2010	20
2010-2011	25
2011-2012	40
2012-2013	160
2013-2014	240
2014-2015	375
2015-2016	125
2017-2018	150
2018-2019	150

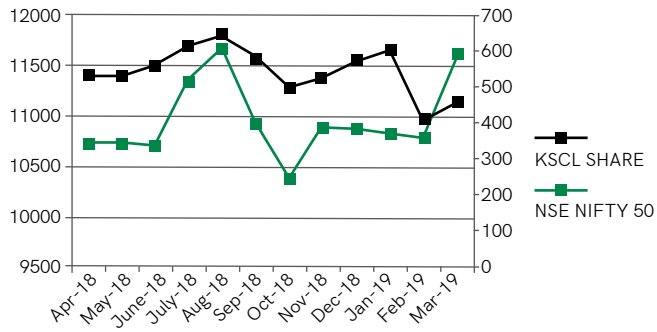
% OF DIVIDEND



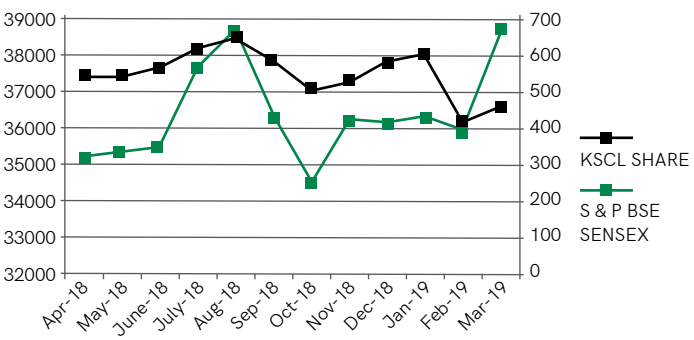
ix. Monthly High & Low quotations and volume of shares traded on NSE & BSE during the year:

	National Stock Exchange				Bombay Stock Exchange			
Month	High	Low	Close	Volume	High	Low	Close	Volume
Apr-18	537.5	528.5	534.7	147743	555	484	534.6	496803
May-18	541.9	530.05	535.95	788734	548.4	464.6	535.8	1018620
Jun-18	559.8	541.25	557.55	612439	593.5	495.05	557.5	810861
Jul-18	615.8	607	610.95	285898	618.35	530	610.5	687091
Aug-18	660.7	638	642.7	1155860	659.95	586.15	642.1	872184
Sep-18	626.3	565	579.55	346734	653.3	563.4	577.15	1018539
Oct-18	504.75	486.8	498.35	626694	609.9	448.45	498.85	1049143
Nov-18	531.7	515	522.7	252797	538.85	490	522.15	654914
Dec-18	582	569.05	574.65	269555	610.05	496.25	574.25	810732
Jan-19	611.7	587	600.7	1092282	611.8	527.2	599.4	678640
Feb-19	412.75	403	407.45	1105247	623	376	407.95	5111103
Mar-19	465.35	455.65	459.85	396516	476.3	406	459.15	1277459

Stock Performance of Kaveri Seed Company Limited vs. Nifty 50



Stock Performance of Kaveri Seed Company Limited vs. Bombay Stock Exchange Sensex



x. There was no suspension of trading in securities of the Company during the year under review.

xi. Registrar to an issue and Share Transfer Agents:

M/s. Bigshare Services Pvt. Ltd., is the Registrars and Share Transfer Agents and Depository Transfer Agents of the Company. Any request pertaining to investor relations may be forwarded to the following address:

Mr. T. Prabhakar,
Bigshare Services Pvt. Ltd.,
306, 3rd Floor, Right Wing, Amrutha Ville, Opp.Yashodha Hospital Somajiguda, Rajbhavan Road,
Hyderabad – 500 082 Telangana.
Tel.Nos. + 91- 40- 40144967/ 23374967
Fax No. + 91-40 - 23370295
E-mail: bsshyd@bigshareonline.com

xii. Share Transfer System and Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 100% of the Company's share capital are dematerialized as on 31st March 2019.

The Company's shares are regularly traded on The National Stock Exchange of India Limited and the Bombay Stock Exchange Limited, in electronic form. Under the Depository System, the ISIN allotted to the Company's Shares is INE 455I01029

xiii. Distribution Schedule & Shareholding Pattern as on 31st March 2019

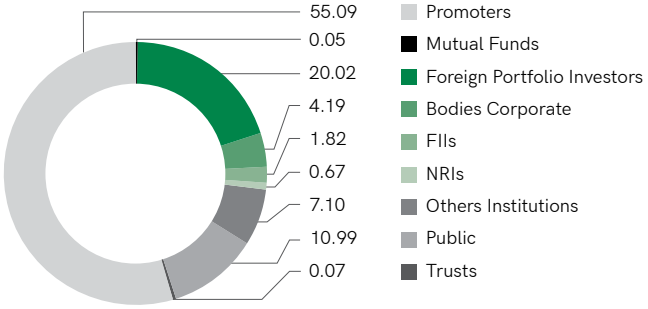
Category of Shares	No. of Shareholders	No. of Shares	% of total capital
1 - 500	28521	2119832	3.36
501 - 1000	941	706531	1.12
1001 – 2000	667	972329	1.54
2001 – 3000	234	584013	0.93
3001 – 4000	182	660549	1.04
4001 - 5000	77	352348	0.56
5001 - 10000	178	1215657	1.92
10001 – and above	194	56517874	89.53
Total	**30994**	**63129133**	**100**

Note: The above total number of shareholders without the consolidation of their respective folios.

Categories of Equity Shareholders as on 31st March 2019:

Category	No. of Shares	Percentage (%)
Promoters	3,47,79,721	55.09
Mutual Funds	28,868	0.05
Foreign Portfolio Investors	1,26,36,587	20.02
Bodies Corporate	26,49,519	4.19
Foreign Institutional Investors	11,48,330	1.82
Non Resident Indians	4,20,298	0.67
Other Institutions	44,84,098	7.10
Public	69,36,926	10.99
Trusts	44,786	0.07
TOTAL	**6,31,29,133**	**100%**

Categories of Shareholder & Percentages



xiv. Outstanding GDRs/ADRs/Warrants or any Convertible instruments

The Company did not have any outstanding GDRs/ADRs/ Warrants or any Convertible Instruments as on 31st March 2019.

xv. Commodity price risk or foreign exchange risk and hedging activities:

The Company has not undertaken any hedging activities for commodity price risk and foreign exchange risk.

xvi. Plant Locations:

S. No.	Units
1.	**Gatlanarsingapur Plant - 1** Door No.104, Gatlanarsingapur Post, Bheemadevarapally Mandal Warangal Urban District, Telangana State.
2.	**Gatlanarsingapur Plant - 2** Door No.6-96/2, Gatlanarsingapur Post, Bheemadevarapally Mandal Warangal Urban District, Telangana State.

S. No.	Units
3.	**Eluru Plant** Sy.No.853, Koppaka village, Pedavegi Mandal West Godavari Distirct, Andhra Pradesh State.
4.	**Eluru Plant** Sy.No.154/5, Akannagudem village, Pedavegi Mandal West Godavari Distirct, Andhra Pradesh State.
5.	**Bellary Plant** D.No.340, NH – 63, Main Road, K.B.Halli – 583 103 Bellary District, Karnataka State.
6.	**Pamulparthy Plant** Sy.No.703, Part, 707 Part, 712 Part 713 to 719, Pamulaparthy Village, Markook Mandal, Siddipet District, Telangana State.
7.	**Molangur Plant** Sy.No.708, 709/A and 712A Molangur village, Shankarapatnam Mandal, Karimnagar District, Telangana State.
8.	**Gowraram Plant** Sy.No.72 & 73 Part, Gowraram Village, Wargal Mandal, Medak Dist.,
9.	**Pamulparthy Cold Storage Unit** Sy.No.712, 743, Pamulaparthy Village, Markook Mandal, Siddipet District, Telangana State.

xvii. Registered Office, Corporate Office & Address for correspondence

Kaveri Seed Company Limited
CIN: L01120TG1986PLC006728
513-B, 5th Floor, Minerva Complex, S.D.Road,
Secunderabad – 500 003, Telangana.
Tel.Nos.+91 40-27721457/27842398
Fax No.+91 40-27811237
Email: cs@kaveriseeds.in
Website: www.kaveriseeds.in

xviii. Name & Designation of Compliance Officer

Mr.V.R.S.Murti
Company Secretary
513-B, 5th Floor, Minerva Complex, S.D.Road,
Secunderabad – 500 003, Telangana.
Tel.Nos. +91 40-27721457/27842398
Fax No. +91 40-27811237 Email: cs@kaveriseeds.in
Website : www.kaveriseeds.in

OTHER DISCLOSURES:

i) Related Party Transactions

No transaction of material nature has been entered into by the Company with its Directors/management and their relatives, etc. that may have a potential conflict with the interests of the Company. The Register of Contracts containing transactions, in which Directors are interested, is placed before the Audit Committee and Board regularly. Transactions with related parties are disclosed in the Notes to Accounts in the Annual Report. In terms of SEBI (LODR) Regulations, 2015, the Audit Committee and Board of Directors of the Company have adopted a policy to determine Related Party Transactions. The policy is placed on the Company's website at www.kaveriseeds.in

ii) Details of Non Compliance and Penalties

No penalties have been imposed on the Company by the Stock Exchanges where the Company's shares are listed or SEBI or any other statutory authority on any matter during the last three years.

iii) Whistle Blower Policy

The Board of Directors of the Company had adopted the Whistle Blower policy. The Company has established a mechanism for employees to report to the management, concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics. The employees have been appropriately communicated within the organization about the mechanism and have been provided direct access to the Chairman of the Audit Committee. The mechanism also lays emphasis on making enquiry into whistle blower complaint received by the Company. The Audit Committee reviews periodically the functioning of whistle blower mechanism. No employee has been denied access to the Audit Committee. A copy of the Whistle Blower Policy is hosted on the Company's website at http://www.kaveriseeds.in.

iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

v) Policy on Material Subsidiaries

In terms of Regulation 34(3) of the SEBI (LODR) Regulations, 2015 the Board of Directors of the Company has adopted a policy with regard to determination of material subsidiaries. There are no material Subsidiary under the Reg. 24 of SEBI (LODR) Regulations 2015. The policy is placed on the Company's website: http://www.kaveriseeds.in

vi) The Policy on dealing with **Related Party Transactions** is available on the website of the Company: www.kaveriseeds.in

vii) The Company has adopted the **Policy on Dissemination of Information** on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company: http://www.kaveriseeds.in

viii) The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The **Documents Preservation Policy** is available on the website of the Company: http://www.kaveriseeds.in

ix) The Company has adopted Policy on Dividend Distribution. **Policy on Dividend Distribution** is available on the website of the Company: http://www.kaveriseeds.in

x) The Board has adopted the Board Diversity Policy which sets out the approach to diversify of the Board of Directors. The **Board Diversity Policy** is available on the Company's website www.kaveriseeds.in

xi) Recommendations of Committees of the Board

There were no instances during the financial year 2018-19 wherein the Board had not accepted the recommendations made by any Committee of the Board.

xii) Total fee for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm network entity of which the statutory auditor is a part;

₹ In Lakhs

Fees (including taxes)	Kaveri Seed Company Limited to Statutory Auditors	Kaveri Seed Company Limited to network firms of Statutory Auditors	Subsidiaries of Kaveri Seed Company Limited to Statutory Auditors and its network firms
Statutory Audit	18.88	-	-
Certification & other attest services	0.88		
Non-audit services	8.85	-	-
Outlays and Taxes	-	-	-
Total	**28.61**	**-**	**-**

xiii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

a. Number of complaints filed during the financial year: 0

b. Number of complaints disposed of during the financial year: 0

c. Number of complaints pending as on end of the financial year: Nil

xiv) Noncompliance of any requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V:

The company has complied with the requirement of Corporate Governance Report of sub-paras (2) to (10) of Schedule-V of the Securities Exchange Board of India (LODR) Regulations, 2015.

xv) Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the following:

Reporting of Internal Auditor: Internal auditor reports directly to the Audit Committee.

xvi) The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/ No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Functional Website	yes

xvii) Compliance Certificate of Corporate Governance:

Certificate issued by M/s. L.D.Reddy & Co., Practicing Company Secretaries, (Mem.No.13104) confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V - E of SEBI (LODR) Regulations, 2015 is attached to this report forming part of the Annual Report is attached to this Report as **Annexure - D**

xviii) Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended 31st March 2019, there were no proceeds from public issues, rights issues, preferential issues, etc.

xix) Disclosure with respect to Demat suspense account/ unclaimed suspense account

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

S. No.	Particulars	Number of shareholders	Number of equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2018.	3	390
2	Shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	0	0
3	Shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	0	0
4	Shareholders whose shares are transferred to the demat account of the IEPF Authority pursuant to the provisions of Section 124 of the Companies Act, 2013.	0	0
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., as on March 31, 2019.	3	390

The voting rights on the shares outstanding in the suspense account as on March 31, 2019 shall remain frozen till the rightful owner of such shares claim the shares.

xx) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Shareholders who have not claimed their dividend for the years 2011-12 are requested to claim before the due date otherwise the same has been transfer to the Investor Education and Protection Fund Pursuant to Section 124 and 125 of the Companies Act, 2013. The Company has uploaded the details of the unpaid and unclaimed dividend amounts of the previous years' on the website of the Company (www.kaveriseeds.in) and also on the website of Ministry of Corporate Affairs. The unpaid/unclaimed dividend for the year 2011-12 will be transferred to the Investor Education and Protection Fund of the Central Government on the due date. The shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124(6) of the Companies Act, 2013, and the applicable rules. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

xxi) Risk Management

Pursuant to the requirement of SEBI (LODR) Regulations 2015, the company has a risk management committee of the Board consisting the Directors of Mr. Dr. S.Raghuvardhan Reddy, Independent Director and Chairman of the Committee Mr. C.Vamsheedhar and Mr. C. Mithunchand, members of the Committee. Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report. The Risk Management Policy is available on the Company's website at: http://www.kaveriseeds.in

xxii) Letter of appointment

Each independent director upon appointment is given a letter of appointment. The terms and conditions of the appointment of the independent directors is available on the Company's website at: http://www.kaveriseeds.in

xxiii) Code of Conduct

The Board of Directors has laid down a 'Code of Conduct' (code) for all the Board members and the Senior Management of the Company and this code is posted on the website of the company. Annual declaration is obtained from every person covered by the code.

The Company has a comprehensive Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of un-published price sensitive information, in order to align the same with SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2018.

xxiv) CEO and CFO Certification

The Chairman and Managing Director and the Chief Financial Officer of the Company have given the annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 is attached to this Report as **Annexure - C**.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Date: 13.08.2019
Place: Secunderabad

DECLARATION

I, G.V.Bhaskar Rao, Managing Director, hereby declare that as provided under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct and Ethics for the year ended 31st March 2019.

For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Date: 13.08.2019
Place: Secunderabad

ANNEXURE – A

Practising Company Secretaries' Certificate on Directors Non-Disqualification to The Members of Kaveri Seed Company Limited

This certificate is issued pursuant to clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended vide circular dated May 9, 2018 of the Securities Exchange Board of India.

We have examined the compliance of provisions of the aforesaid clause 10 (i) of the Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the best of our information and according to the explanations given to us by the Company, and the declarations made by the Directors, we certify that none of the directors of Kaveri Seed Company Limited ("the Company") CIN; L01120TG1986PLC006728 having its registered office at 513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003 have been debarred or disqualified as on March 31, 2019 from being appointed or continuing as directors of the Company by SEBI/ Ministry of Corporate Affairs or any other statutory authority.

For L.D. REDDY & CO.
Company Secretaries

Sd/-
L. Dhanamjaya Reddy
C.P.No.3752
M.No.13104

Place: Hyderabad
Date: 13.08.2019

ANNEXURE – B

Secretarial compliance report of M/s. Kaveri Seed Company Limited for the year ended 31st March 2019

I, Lebaka Dhanamjaya Reddy, proprietor of L.D. Reddy & Co., Company Secretaries have examined:

a. all the documents and records made available to us and explanation provided by M/s. Kaveri Seed Company Limited ("the listed entity"),
b. the filings/ submissions made by the listed entity to the stock exchanges,
c. website of the listed entity,
d. other document/filing, as may be relevant, which has been relied upon to make this certification, for the year ended 31st March 2019 ("Review Period") in respect of compliance with the provisions of :

a. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
b. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
b. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
c. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
d. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
e. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
f. Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
g. Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
h. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
i. other regulations as applicable and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

a. The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practising Company Secretary
Nil	Nil	Nil	Nil

b. The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

c. The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. Fines warning letter, debarment, etc.	Observations/ Remarks of the Practising Company Secretary, if any
Nil	Nil	Nil	Nil	Nil

d. The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations of the Practising Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practising Company Secretary on the actions taken by the listed entity
Nil	Nil	Nil	Nil	Nil

For L.D. REDDY & CO.
Company Secretaries

Sd/-
L. Dhanamjaya Reddy
C.P.No.3752
M.No.13104

Place: Hyderabad
Date: 13.08.2019

ANNEXURE – C

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We hereby certify that:

a. We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2019 and that to the best of our knowledge and belief :

   i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

b. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.

c. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d. We have indicated to the auditors and the Audit Committee that there are no:

   i. significant changes in internal control over financial reporting during the year;

   ii. significant changes in accounting policies during the year and that the same have been disclosing in the notes to the financial statements; and

   iii. instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

For KAVERI SEED COMPANY LIMITED

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
K CHALAPATHI REDDY
Chief Financial Officer

Date: 27.05.2019
Place: Secunderabad

ANNEXURE – D

PRACTISING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF KAVERI SEED COMPANY LIMITED

We have examined the compliance of the conditions of Corporate Governance by Kaveri Seed Company Limited ('the Company') for the year ended on March 31, 2019, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, as adopted by the Company for ensuring compliance to the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2019.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For L.D. REDDY & CO.
Company Secretaries

Sd/-
L. Dhanamjaya Reddy
C.P.No.3752
M.No.13104

Place: Hyderabad
Date: 13.08.2019

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To

The Members of

Kaveri Seed Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **Kaveri Seed Company Limited** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (here after referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2019, the profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. no.	Key Audit Matter	Auditor's Response
1	Revenue: Management estimate of provision for sales return and Discount & schemes: Estimate for sales returns and discounts and schemes was a critical audit matter in the audit of the Company's financial statements for the year ended 31 March 2019. Management estimates the amount of returns expected based on the goods returned in the past and current market demands. The management considers revenue as key measure for evaluation of performance. Refer Note 2.1, 2.10, 23, 26 and 28 to the Standalone Financial Statements	**Principal Audit Procedures:** We have performed the following principal audit procedures in relation to revenue recognised: • Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers"). • Understanding and Testing of design and operating effectiveness of Internal controls and substantive testing of revenue recognised with the underlying documents, sales returns and discounts. • Testing of supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to year end, including examination of credit notes issued after the year end to determine whether the revenue was recognised in the correct accounting period.

Sr. no.	Key Audit Matter	Auditor's Response
		• Performing analytical procedures on current year revenue based on seasonal trends and where appropriate, conducting further enquiries and testing. • Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • Evaluating historical accuracy of estimates made by management in respect of sales return by performing trend analysis and comparing them with actuals.
2	Valuation and classification of Investments: Company has Investments in Mutual funds, Real estate fund and other equity instruments. The Company holds significant amount of funds in the form of investments. Also, considering the complexities involved in classification of investments, the Company considers investments as material account balance. Refer Note 2.13 and 7 to the Standalone Financial Statements	**Principal Audit Procedures:** We focused on the valuation and existence of the investments as also the classification and disclosures in the Company's financial statements for the year ended 31 March, 2019. We have performed the following principal audit procedures in relation to investments: • We obtained independent confirmation of the number of units held and net asset value per unit for each of the underlying investments as at the year end date. We agreed the details confirmed to the valuation of these investments as per the accounting records. • Re-computation of Capital gains on sale of investments, valuation of investments including fair value movements. • Review of valuation and classification of investment in accordance with company's policies and applicable accounting standards.
3	Valuation of Biological assets: The value of Biological assets is measured at fair value less costs to sell. The fair value is determined based on the growth potential of individual standing crops. The growth potential varies depending on the geographic location and varieties of crops. The valuation requires estimates of growth, harvest, sales price and costs. Due to the level of judgment involved in the valuation of biological assets and significance of biological assets to the Company's financial position, this is considered to be a key audit matter. Refer Note 2.5 and 12 to the Standalone Financial Statements	**Principal Audit Procedures:** We have performed the following principal audit procedures in relation to biological assets: • We have tested management's controls and effectiveness of systems in place for the valuation of biological assets. • We have assessed the key assumptions contained within the fair value calculations including sales price assumptions and growth assumptions. • We have performed the analytical review of the results of valuation to highlight outliers which warrant further audit procedures. • Comparison of actual production costs with provisions made towards standing crops.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Business Responsibility Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the standalone financial statements and our auditor's report thereon. The above listed reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the above listed reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

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

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

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

Auditors' Responsibility for the Audit of Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Companies Act, 2013, we report that:

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

   b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   c) the Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of the account;

   d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rules issued thereunder;

   e) on the basis of written representations received from the directors as on 31 March 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2019, from being appointed as a director in terms of Section 164(2) of the Act;

   f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and

   g) with respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 50 to the standalone financial statements;

      ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

      iii. there are no amounts which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended 31 March 2019.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No 000459S

Sd/-
M. V. Ramana Murthy
Partner
Membership No.206439

Hyderabad, 27 May 2019

ANNEXURE A

to the Independent Auditor's Report

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited)

i. In respect of its fixed assets:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, the fixed assets have been physically verified during the year by the management in accordance with programme of verification, which in our opinion, provides for physical verification of all the fixed assets at reasonable intervals having regard to the size of the Company and the nature of their assets. According to the information and explanations given to us, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the title deeds of immovable properties shown in fixed asset schedule are held in the name of Company as at the balance sheet date.

ii. As explained to us, inventories were physically verified during the year by the management at reasonable intervals. The discrepancies noticed on physical verification between the physical stocks and the book records were not material and they have been properly dealt with in the books of account.

iii. According to the information and explanations given to us, the Company has not granted any loans secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly paragraph 3 (iii) of the Order is not applicable.

iv. According to the information and explanations given to us, the Company has not given any loans, made any investments, given any guarantee and securities to any person to which provisions of the Section 185 and 186 of the Act are applicable.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year to which the directions issued by the Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provision of the Act and the Rules framed there under, were applicable. Accordingly, the provisions of paragraph 3(v) of the Order are not applicable.

vi. In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Companies Act, 2013 for the activities of the Company.

vii. According to the information and explanations given to us and according to the books and records as produced and examined by us in accordance with the generally accepted auditing practices in India, in respect of statutory dues:

(a) The Company is generally regular in depositing undisputed statutory dues including provident fund, employee's state insurance, income tax, goods and service tax, custom duty, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.

(b) There were no undisputed amounts payable in respect of provident fund, income tax, goods and service tax, customs duty, value added tax and cess which were in arrears as at 31 March 2019 for a period of more than six months from the date they become payable.

c) The details of statutory dues which have not been deposited as on 31 March 2019 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Lakhs)
Central Excise Act	Excise Duty	Commissioner of Customs & central Excise, Hyderabad	April 2010 To March 2014	276.59
APGST Act	Purchase Tax	Hon'ble High court of Andhra Pradesh	April 2003 To March 2004	22.37
Bihar VAT Act	VAT & CST (Interest and penalty)	Hon'ble High court of Bihar	April 2012 To March 2013	25.51

viii. According to the information and explanations given to us, the Company has not defaulted in repayment of dues to government. The Company has not availed any loans from banks or financial institutions and the Company has not raised any monies through debentures.

ix. According to the information and explanations given to us, the Company has utilised the money raised by way of term loans for the purposes for which they were obtained. The Company did not raise any money by way of initial public officer or further public offer (including debt instruments) during the year.

x. During the course of our examination of the books and other records of the Company in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.

xi. According to the information and explanations given to us and based on the examination of records of the Company, managerial remuneration has been paid or provided with requisite approvals mandated in accordance with the provisions of section 197 read with schedule V to the Companies Act, 2013.

xii. According to the information and explanations given to us and based on our examination of the records, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on the examination of records of the Company, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on the records of the Company examined by us, the Company has not made preferential allotment or private placement of shares or fully or partly Convertible debentures during the year.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with directors or directors of its subsidiaries or persons connected with them and hence provisions of Section 192 of the Act are not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **M.Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner
Membership No.206439

Hyderabad, 27 May 2019

ANNEXURE B

to the Independent Auditor's Report

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to

error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **M.Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner
Membership No.206439

Hyderabad, 27 May 2019

BALANCE SHEET

as at 31 March, 2019

(₹ in Lakhs)

Particulars	Note	As at 31 March, 2019	As at 31 March, 2018
I ASSETS			
(1) Non-current assets			
Property, Plant and Equipment	3	23,111.59	18,251.57
Capital work-in-progress	4	3,292.24	2,889.85
Other Intangible assets	5	241.96	50.22
Intangible assets under development	6	-	269.74
Financial Assets			
Investments	7	6,658.59	5,977.54
Loans	8	3,000.01	-
Non-current Tax Assets (Net)	9	397.72	397.61
Other non-current assets	10	471.82	699.91
Total Non-current assets		**37,173.93**	**28,536.44**
(2) Current assets			
Inventories	11	55,163.89	43,404.01
Biological Assets	12	5,308.98	4,574.62
Financial Assets			
Investments	7	47,282.77	59,268.47
Trade receivables	13	6,484.67	6,393.34
Cash and cash equivalents	14	322.05	859.52
Other Bank balances	15	354.94	13.54
Other current assets	16	1,648.55	2,147.10
Total current assets		**116,565.85**	**116,660.60**
TOTAL ASSETS		**153,739.78**	**145,197.04**
II EQUITY AND LIABILITIES			
EQUITY			
Equity Share capital	17	1,262.58	1,321.84
Other Equity	18	100,033.37	100,801.29
Total Equity		**101,295.95**	**102,123.13**
LIABILITIES			
(1) Non-current liabilities			
Financial Liabilities			
Borrowings	19	187.06	187.82
Provisions	20	288.78	444.59
Deferred tax liabilities (Net)	21	2,015.36	1,675.93
Other non-current liabilities	22	702.39	623.83
Total Non-current liabilities		**3,193.59**	**2,932.17**
(2) Current liabilities			
Financial Liabilities			
Trade payables	23		
Total Outstanding dues of Micro and Small Enterprises		219.51	249.77
Total Outstanding dues other than Micro and Small Enterprises		23,288.48	21,037.71
Other financial liabilities	24	340.02	134.41
Other current liabilities	25	24,978.05	18,075.21
Provisions	26	317.32	564.29
Current Tax Liabilities (Net)	27	106.86	80.35
Total Current liabilities		**49,250.24**	**40,141.74**
TOTAL EQUITY AND LIABILITIES		**153,739.78**	**145,197.04**
See accompanying notes to the financial statements	1-53		

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2019

(₹ in Lakhs)

Particulars	Note	Year ended 31 March, 2019		Year ended 31 March, 2018	
I Income					
Revenue from Operations	28	76,898.90		77,240.30	
Other Income	29	4,286.77		2,369.46	
Total Income			**81,185.67**		**79,609.76**
II Expenses					
Cost of Material Consumed	30	53,233.72		37,753.19	
Changes in Inventories of Finished Goods and Work in Progress	31	(12,081.53)		2,021.80	
Employee Benefit Expenses	32	4,548.92		4,485.33	
Finance Costs	33	12.52		39.96	
Depreciation & Amortisation Expenses	34	2,117.65		2,335.19	
Other Expenses	35	10,641.34		11,179.33	
Total Expenses			**58,472.62**		**57,814.80**
III Profit before Exceptional Items and Tax (I-II)			22,713.05		21,794.96
IV Exceptional Item			-		-
V Profit before Tax (III-IV)			22,713.05		21,794.96
VI Less : Tax expense					
Current Tax		1,016.26		763.43	
Earlier Years Tax		(13.25)		9.19	
Deferred Tax		237.18	1,240.19	(11.87)	760.75
VII Profit for the Year (V-VI)			**21,472.86**		**21,034.21**
VIII Other Comprehensive Income					
A (i) Items that will not be reclassified to Profit or loss					
Fair value of Equity Investments through OCI		(11.39)		(1.66)	
Acturial gain/(loss) on employee benefits through OCI		14.69		(290.09)	
		3.30		**(291.75)**	
(ii) Income Tax relating to items that will not be reclassified to profit or loss					
Fair value of Equity Investments through OCI		3.98		0.59	
Acturial gain/(loss) on employee benefits through OCI		(0.15)		-	
		3.83		0.59	
		7.13		**(291.16)**	
B (i) Items that will be reclassified to Profit or loss					
Fair value of Investments through OCI		82.32		1,965.31	
(ii) Income tax relating to items that will be reclassified to profit or loss					
Fair value of Investments through OCI		(106.07)		(600.25)	
		(23.75)		**1,365.06**	
Total Other Comprehensive Income			**(16.62)**		**1,073.90**
IX Total Comprehensive Income for the period (VII+VIII) Comprising Profit/ (loss) and Other Comprehensive Income for the Year			**21,456.24**		**22,108.11**
X Earnings Per Equity Share					
Basic (equity shares, par value ₹ 2 each)			**33.30**		**31.36**
Diluted (equity shares, par value ₹ 2 each)			**33.30**		**31.36**
Notes on Financial Statements	1-53				

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

	Amount
Issued and paid up equity share capital	
Balance as at 31st March, 2017	**1,381.10**
Changes in equity share capital during the year	(59.26)
Balance as at 31st March, 2018	**1,321.84**
Changes in equity share capital during the year	(59.26)
Balance as at 31st March, 2019	**1,262.58**

B. Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		General Reserve	Securities Premium	Capital Redemption Reserve	Total
		Fair Value gain/ (loss) on Investments	Acturial gain/ (loss) on employee benefits				
Balance at the beginning of the reporting period as on 1st April, 2017	**84,230.30**	**2,220.04**	**(43.91)**	**8,001.05**	**6,612.83**	**-**	**101,020.30**
Other Comprehensive Income for the year		1,363.99	(290.09)				1,073.90
Profit for the Year	21,034.21						21,034.21
Buyback of Equity Shares	(5,326.85)			(8,001.05)	(6,612.83)		(19,940.73)
Dividend and Dividend Tax	(2,386.41)						(2,386.41)
Transferred to General Reserve	(1,000.00)			1,000.00			-
Transferred to Capital Redemption Reserve	(59.26)					59.26	-
Balance at the end of the reporting period as on 31st March, 2018	**96,492.00**	**3,584.03**	**(334.00)**	**1,000.00**	**-**	**59.26**	**100,801.29**

(₹ in Lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		General Reserve	Securities Premium	Capital Redemption Reserve	Total
		Fair Value gain/ (loss) on Investments	Acturial gain/ (loss) on employee benefits				
Balance at the beginning of the reporting period as on 1st April, 2018	**96,492.00**	**3,584.03**	**(334.00)**	**1,000.00**	**-**	**59.26**	**100,801.29**
Other Comprehensive Income for the year		(31.16)	14.54				(16.62)
Profit for the Year	21,472.86						21,472.86
Buyback of Equity Shares	(18,940.99)			(1,000.00)			(19,940.99)
Dividend and Dividend Tax	(2,283.17)						(2,283.17)
Transferred to General Reserve	(1,000.00)			1,000.00			-
Transferred to Capital Redemption Reserve	(59.26)					59.26	-
Balance at the end of the reporting period as on 31st March, 2019	**95,681.44**	**3,552.87**	**(319.46)**	**1,000.00**	**-**	**118.52**	**100,033.37**

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Cash flows from operating activities		
Profit before taxation and exceptional items	22,713.05	21,794.96
Adjustments for:		
Fair value gain on Investments	(725.48)	43.96
Depreciation & Amortisation	2,117.65	2,335.19
(Profit)/Loss on sale of Fixed Assets	(23.50)	(304.05)
Dividend Received	(2.61)	(0.56)
Gain from Investments	(3,177.49)	(2,053.97)
Interest received	(209.77)	(19.57)
Finance charges	12.52	39.96
Operating profit before working capital changes	**20,704.37**	**21,835.92**
(Increase) / Decrease in Inventories and Biological Assets	(12,494.24)	1,575.41
(Increase)/Decrease in Trade Receivables and other receivables	(91.33)	589.34
(Increase)/Decrease in Loans & Other Financials Assets	(2,969.13)	97.74
Increase/(Decrease) in Trade Payables	2,220.51	(8,359.84)
Increase/(Decrease) in Provisions	(388.08)	966.43
Increase/(Decrease) in Other liabilities	7,073.92	(905.31)
Taxes paid during the year	(896.15)	(692.27)
Net cash provided by operating activities	**13,159.87**	**15,107.42**
Cash flows from investing activities		
Payments for property, plant and equipment	(7,320.57)	(1,843.95)
Proceeds from disposal of property, plant and equipment	55.49	792.47
Purchase of investment	(54,115.66)	(45,799.36)
Proceeds from disposal of investments	69,394.17	54,322.56
Payments for intangible assets	(13.47)	(168.64)
Proceeds from earmarked deposits with Bank	(341.40)	(1.05)
Loans given to subsidiaries	(134.97)	(855.71)
Loans repaid by subsidiaries	830.63	5.71
Investment in subsidiaries	-	(10.00)
Dividend Received	2.61	0.56
Interest received	209.77	19.57
Net Cash used for investing activities	**8,566.60**	**6,462.18**
Cash flows from Exceptional Items	**-**	**-**
Cash flows from financing activities		
Buyback of Equity Shares	(20,000.25)	(19,999.99)
Proceeds from borrowings	32.00	23.96
Dividend including Tax on Dividend	(2,283.17)	(2,386.41)
Finance charges	(12.52)	(39.96)
Net cash provided by financing activities	**(22,263.94)**	**(22,402.40)**
Net increase in cash & cash equivalents	(537.47)	(832.79)
Cash & Cash equivalents at the beginning of the year	859.52	1,692.31
Cash & Cash equivalents at the end of the year	**322.05**	**859.52**

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

1 Corporate Information

Kaveri Seed Company Limited ("the Company") has been incorporated on August 27, 1986, as private limited company and converted into public limited company on November 07, 2006. The company has been listed on 04.10.2007 on the Bombay Stock Exchange and the National Stock Exchange in India.

The company is into research, production, processing and marketing of various high quality hybrid seeds.

The financial statements reflect the results of its operations carried on by the company.

The standalone financial statements have been authorised for issue by the board of directors of the company on 27th May 2019.

2 Summary of significant accounting policies

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter,guidelines issued by Securities and Exchange Board of India (SEBI), relevant provisions of the Act and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fairvalue. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these standalone financial statements is determined on such a basis,except for leasing transactions that are within the scope of Ind AS 17,and measurements that have some similarities to fair value but are not fairvalue,such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III of Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the financial statements.

2.4 Property, Plant & Equipment and Other Intangible assets:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Depreciation is provided using WDV method over the estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Separately purchased intangible assets are initially measured at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis, from the date that they are available for use.

2.5 Biological Asset:

Recognition and measurement

The company recognises the biological asset (agricultural produce) when:

(a) the company controls the asset as a result of past events;

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

(b) it is probable that future economic benefits associated with the asset will flow to the company; and

(c) the fair value or cost of the asset can be measured reliably.

The biological asset are measured at the end of each reporting period at its fair value less costs to sell.

2.6 Leases:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases in which case the same are recognised as an expense in line with the contractual term.

2.7 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

2.8 Government Grants:

Government Grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related cost for which the grants are intended to compensate. Specifically government grants whose primary condition is that the company purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.9 Impairment of Assets:

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. In a subsequent period if the amount of impairment loss decreases and the decreases can be related objectively to an event the previously recognised impairment is reversed through profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with definite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss

2.10 Revenue recognition:

Effective April1,2018, the Company adopted IndAS115 "Revenue from Contracts with Customers" using the modified retrospective approach, applied to contracts that were not completed as of April1,2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and indirect taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The company classifies the right to consideration in exchange for goods as a receivable and is presented net of impairment in the Balance Sheet.

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

2.11 Dividend and Interest Income:

Dividend income from investments is recognised when the shareholders right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.12 Foreign currency transactions:

The functional currency of the Company is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Gains and losses arising on settlement are included in the profit or loss.

2.13 Financial Instruments:

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

The company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The company has made an irrevocable election to present subsequent changes in fair value of investments not held for trading in other comprehensive income.

Financial assets at fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

Financial assets at cost

Investment in subsidiaries are measured at cost.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cashflows from the asset expire,or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

2.14 Employee Benefits:

a) **Gratuity:**

The company accounts for its gratuity liability a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for the Company.

Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) **Provident fund:**

The eligible employees of the Company are entitled to receive the benefits of Provident fund a defined contribution plan in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) **Compensated absences:**

The company provides for the encashment of leave subject to certain company's rules. The employees are entitled to accumulate leave subject to certain limits for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

d) **Other short term employee benefits:**

Other short-term employee benefits such as performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.15 Share Based Payment Arrangements:

Employees of the Company receive remuneration in the form of sharebased payments in consideration of the services rendered.

Under the equity settled share based payment the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period apart from the non market vesting condition the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised the Company issues fresh equity shares.

For cash-settled share based payments, the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities over the period of non market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to and including the settlement date with changes in fair value recognised in employee benefits expenses.

2.16 Inventories:

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods(Manufactured and Traded). Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses where considered necessary. Cost is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition including octroi and other levies, transit insurance and receiving charges. The cost of work-in-progress

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

and finished goods comprises of materials, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.17 Trade Receivables:

Trade receivables are stated at net of advances. Ageing of receivable are considered as tool to determine the degree of liquidity. Receivable due for more than two years and balance considered doubtful, referred for recovery through legal proceeding are considered for provision.

2.18 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the tax laws applicable in India.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal tax in future periods. Accordingly it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.19 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

2.20 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2.21 Critical accounting estimates and judgements:

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

Information about significant areas of estimation uncertainty and judgements in applying accounting policies that have the most significant effect on standalone financial statements are as follows.

a) Provision for doubtful debts - Refer note no.13
b) Provision for schemes - Refer note no.23
c) Provision for returns - Refer note no.26
d) Biological assets - Refer note no.12
e) Measurement of useful life and residual values of property, plant and equipments and useful life of intangible assets - Refer note no.3

2.22 Standards issued but not effective:

On March 30, 2019, the Ministry of Corporate Affairs (MCA) has notified Ind As 116- Lease and certain amendment to existing Ind AS. These amendments shall be applicable to the Company from April 01, 2019.

a) Issue of Ind AS 116 - Lease

Ind AS 116 will replace the existing leasing Standard i.e Ind AS 17 and related interpretations. Ind AS 116 introduces a single lessee accounting model and requires lessee to recognise assets and liabilities for all leases with non-cancellable period of more than twelve months except for low value assets. Ind AS 116 Substantially carries forward the lessor accounting requirements in Ind AS 17.

b) Amendment to existing Standard

The MCA has also carried out amendments of the following accounting standards

i. Ind AS 101-First time adoption of Indian Accounting Standards
ii. Ind AS 103-Business Combinations
iii. Ind AS 109-Financial Instruments
iv. Ind AS 111-Joint Arrangements
v. Ind AS 12-Income Taxes
vi. Ind AS 19-Employee Benefits
vii. Ind AS 23-Borrowing Costs
viii. Ind AS 28-Investment in Associates and Joint Ventures

Application of above standards are not expected to have any significant impact on the company's financial statements.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01.04.2018	6,479.77	9,035.61	14,435.19	584.10	1,005.52	151.66	220.81	31,912.65
Additions	3,435.41	294.88	2,876.57	14.74	241.49	22.12	32.97	6,918.18
Deletions	-	-	-	-	171.74	0.29	8.74	180.77
Balance as at 31.03.2019	**9,915.18**	**9,330.48**	**17,311.75**	**598.84**	**1,075.26**	**173.49**	**245.04**	**38,650.06**
Accumulated Depreciation/Amortisation								
Balance as at 01.04.2018	-	3,085.51	9,115.46	393.48	772.12	117.12	177.40	13,661.08
Additions	-	529.94	1,257.14	49.95	139.65	18.70	30.79	2,026.17
Deletions	-	-	-	-	140.24	0.24	8.31	148.78
Balance as at 31.03.2019	**-**	**3,615.45**	**10,372.59**	**443.42**	**771.53**	**135.58**	**199.88**	**15,538.46**
Net Carrying Amount								
Balance as at 31.03.2019	**9,915.18**	**5,715.03**	**6,939.16**	**155.42**	**303.74**	**37.91**	**45.16**	**23,111.59**
Gross Carrying Amount								
Balance as at 01.04.2017	5,591.62	9,052.15	14,260.33	547.43	1,185.97	137.47	194.88	30,969.87
Additions	1,276.74	112.02	188.36	36.67	37.37	14.18	25.93	1,691.27
Deletions	388.60	128.57	13.50	-	217.83	-	-	748.49
Balance as at 31.03.2018	**6,479.77**	**9,035.61**	**14,435.19**	**584.10**	**1,005.52**	**151.66**	**220.81**	**31,912.65**
Accumulated Depreciation/Amortisation								
Balance as at 01.04.2017	-	2,564.30	7,612.30	335.40	851.48	101.51	139.34	11,604.32
Additions	-	585.94	1,513.97	58.08	105.16	15.62	38.06	2,316.82
Deletions	-	64.74	10.81	-	184.52	-	-	260.07
Balance as at 31.03.2018	**-**	**3,085.51**	**9,115.46**	**393.48**	**772.12**	**117.12**	**177.40**	**13,661.08**
Net Carrying Amount								
Balance as at 31.03.2018	**6,479.77**	**5,950.10**	**5,319.73**	**190.63**	**233.40**	**34.53**	**43.42**	**18,251.57**

4 Capital work-in-progress

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01.04.2018	-	2,727.37	152.84	1.15	-	8.49	-	2,889.85
Additions	-	1,442.17	1,728.68	7.09	-	-	-	3,177.94
Deletions	-	1,404.92	1,363.53	7.09	-	-	-	2,775.55
Balance as at 31.03.2019	**-**	**2,764.62**	**517.98**	**1.15**	**-**	**8.49**	**-**	**3,292.24**
Carrying Amount								
Balance as at 01.04.2017	-	2,718.62	12.35	6.21	-	-	-	2,737.18
Additions	-	98.30	158.90	14.52	-	8.49	10.78	290.99
Deletions	-	89.55	18.42	19.57	-	-	10.78	138.32
Balance as at 31.03.2018	**-**	**2,727.37**	**152.84**	**1.15**	**-**	**8.49**	**-**	**2,889.85**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

5 Other InTangible assets

(₹ in Lakhs)

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 01.04.2018	248.27	248.27
Additions	283.21	283.21
Deletions	-	-
Balance as at 31.03.2019	**531.48**	**531.48**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2018	198.05	198.05
Additions	91.48	91.48
Deletions	-	-
Balance as at 31.03.2019	**289.53**	**289.53**
Net Carrying Amount		
Balance as at 31.03.2019	**241.96**	**241.96**
Gross Carrying Amount		
Balance as at 01.04.2017	219.97	219.97
Additions	28.30	28.30
Deletions	-	-
Balance as at 31.03.2018	**248.27**	**248.27**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2017	179.68	179.68
Additions	18.37	18.37
Deletions	-	-
Balance as at 31.03.2018	**198.05**	**198.05**
Net Carrying Amount		
Balance as at 31.03.2018	**50.22**	**50.22**

6 InTangible assets under development

(₹ in Lakhs)

Particulars	Software	Total
Carrying Amount		
Balance as at 01.04.2018	269.74	269.74
Additions	-	-
Deletions	269.74	269.74
Balance as at 31.03.2019	**-**	**-**
Carrying Amount		
Balance as at 01.04.2017	129.40	129.40
Additions	140.34	140.34
Deletions	-	-
Balance as at 31.03.2018	**269.74**	**269.74**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

7 Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Non Current Investments		
Equity Investments of Subsidiaries	2,985.93	2,985.93
Equity Investments of Associates	1.04	0.10
Equity Investments - Others	102.44	114.77
Investment in Government Securities	0.30	0.30
Investment in Real Estate Portfolio Management Fund	3,568.88	2,876.44
	6,658.59	**5,977.54**
Current Investments		
Liquid Mutual Fund Units	3,550.99	1,621.05
Fixed Matured Plan Mutual Fund Units	16,570.52	17,130.69
Longterm Debt Mutual Fund Units	27,161.26	40,516.73
	47,282.77	**59,268.47**

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
Non Current Investments				
Unquoted				
Equity Investment in Subsidiaries (Investments Carried at Cost)				
Equity shares of ₹ 10 each fully paid up in Aditya Agritech Pvt Ltd	770,000	77.00	770,000	77.00
Equity shares of ₹ 10 each fully paid up in Kaveri Microteck Pvt Ltd	14,536,360	1,453.64	14,536,360	1,453.64
Equity shares of ₹ 10 each fully paid up in Genome Agritech Pvt Ltd	91,800	30.29	91,800	30.29
Equity shares of ₹ 10 each fully paid up in Kex veg India Pvt Ltd	14,150,000	1,415.00	14,150,000	1,415.00
Equity shares of ₹ 10 each fully paid up in Genomix Agri Genetics Pvt Ltd	99,999	10.00	99,999	10.00
		2,985.93		**2,985.93**
Equity Investments of Associates (Investments Carried at Fair Value through Other Comprehensive Income)				
Equity Shares of ₹ 100 each in Swarna Bharat Biotechnics Pvt Ltd - fully paid up	3,600	-	3,600	-
Equity Shares of ₹ 10 each in Swadeshi Biotechnics Ltd -fully paid up	7,000	1.04	700	0.10
		1.04		**0.10**
Investment in Government Securities (Investments Carried at Cost)				
National Savings Certificates	2	0.30	2	0.30
		0.30		**0.30**
Investment in Real Estate Portfolio Management Fund (Investments Carried at Fair Value through Profit & Loss Statement)				
ASK Real Estate Special Situations Mutual Fund	375	371.11	375	357.63

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
ASK PMS Real Estate Special Opportunities Portpolio - III	-	3,074.06	-	2,399.60
		3,445.18		**2,757.23**
(Investments Carried at Fair Value through Other Comprehensive Income)				
ASK Real Estate Special Situations Mutual Fund	125	123.70	125	119.21
		123.70		**119.21**
		3,568.88		**2,876.44**
Quoted				
Equity Investments - Others				
(Other than trade)				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Equity Shares of ₹ 10 each in Vijaya Textiles Ltd - fully paid up	199,425	54.34	199,425	79.77
Equity shares of ₹ 10 each in Bank of Maharastra - fully paid up	1,900	0.26	1,900	0.26
Equity shares of ₹ 10 each in Indian Overseas Bank - fully paid up	9,700	1.40	9,700	1.69
Equity Shares of ₹ 1 each in Tata Consultancy Services Ltd - full paid up	2,320	46.44	1,160	33.05
		102.44		**114.77**
Current Investments				
Unquoted				
(Other than trade)				
Liquid Mutual Fund Units				
(Investments Carried at Fair Value through Profit & Loss Statement)				
DSP Blackrock Liquidity Fund - Direct Plan - Growth	-	-	24,547	610.08
ICICI Prudential Liquid Fund - Direct Plan - Growth	806,883	2,230.36	-	-
Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option	8,940	407.85	-	-
SBI Liquid Fund Direct Growth	31,168	912.79	-	-
Axis Liquid Fund - Direct Growth (CFDGG)	-	-	52,449	1,010.97
		3,550.99		**1,621.05**
Fixed Matured Plan Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
BSL Fixed Term Plan - Series PB (1190 Days) - Direct Growth	3,000,000	327.08	3,000,000	304.46
BSL Fixed Term Plan - Series PE (1159 Days) - Direct Growth	3,000,000	325.88	3,000,000	303.39
BSL Fixed Term Plan - Series QJ (1098 Days) - Direct Growth	15,000,000	1,616.09	-	-
Franklin India Fixed Maturity Plans - Series 3 - Plan F 1098 days - Direct - Growth	5,000,000	539.05	-	-
HDFC FMP 1178D Feb, 2017 Direct Growth -Series 37	24,048,573	2,838.33	24,048,573	2,637.70
HDFC FMP 92D Feb, 2018 Direct Growth -Series 39	-	-	15,092,530	1,520.30

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
ICICI Prudential Fixed Maturity Plan Series 82-103 Days Plan N Direct Plan Cumulative	-	-	10,000,000	1,006.50
ICICI Prudential Fixed Maturity Plan Series 80-1150 Days Plan N Direct Plan Cumulative	7,804,662	920.52	7,804,662	854.35
ICICI Prudential Fixed Maturity Plan Series 83-1113 Days Plan E Direct Plan Cumulative	17,000,000	1,817.66	-	-
ICICI Prudential Fixed Maturity Plan Series 83-1105 Days Plan M Direct Plan Cumulative	5,104,334	539.50	-	-
Kotak FMP Series 218 Direct - Growth	-	-	12,700,000	1,279.49
Kotak FMP Series 235 Direct - Growth	5,000,000	536.72	-	-
Reliance Fixed Horizon Fund - Series 4 - Direct Growth Plan	-	-	16,119,549	1,625.03
Reliance Fixed Horizon Fund -XXXVIII -Series 03 - Direct Growth Plan	6,000,000	643.04	-	-
UTI Fixed Term Income Fund Series XXIX - XI (1112 Days)-Direct Growth Plan	6,478,435	689.82	-	-
HDFC FMP 1302 D SEPTEMBER 2016 (1) - SERIES 37 REG - G	24,273,023	2,941.89	24,273,023	2,764.70
Barclays Investments &Loans (India) Ltd CP	-	-	500	2,412.73
Reliance Capital Limited	-	-	500	2,422.06
IIFL Wealth Finance Limited SR-IFGPD - II BR NCD		2,834.95		
		16,570.52		**17,130.69**
Other Debt Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
BSL Treasury Optimizer Plan-Gr.-Direct	-	-	1,334,170	2,995.51
BSL Medium Term Plan-Growth-Direct	6,030,081	1,431.43	13,369,214	3,037.38
HDFC Credit Risk Debt Fund - Direct Growth	28,510,870	4,538.53	28,510,870	4,257.76
IDFC Corporate Bond Fund Direct Plan-Growth	2,923,851	376.02	10,180,095	1,218.59
IDFC Credit Risk fund Direct Plan Growth	589,183	68.32	7,823,282	848.53
IDFC Credit Opportunities Fund Direct Plan -Growth	-	-	5,036,080	546.22
ICICI Banking & PSU Debt Plan-Drt Growth-P8104	2,730,566	588.83	17,826,158	3,604.02
ICICI Prudential Medium Term Bond Fund	14,691,815	4,406.44	14,691,815	4,156.33
ICICI Prudential Income Opportunities Fund	-	-	2,972,407	735.97
Kotak Credit Risk Fund - Direct Plant - Growth	22,363,110	4,816.43	22,363,110	4,489.06
Reliance Credit Risk Fund _Direct Growth Plan Growth Option	1,151,998	313.29	5,572,899	1,411.62
Reliance Stagetic Debt Fund -Direct Growth Plan	40,818,805	6,267.69	40,818,805	5,910.36
Tata Short Term Bond Fund Direct Plan-Growth	-	-	1,134,934	380.59
UTI Short Term Income Fund-Institutional Option-Direct Plan-Growth	-	-	2,969,104	642.39
IIFL Wealth Finance Limited	-	-	2,500	2,707.47
		22,806.98		**36,941.79**
(Investments Carried at Fair Value through Profit & Loss Statement)				
BSL Short Term Opportunities Fund - Growth - Direct Plan	-	-	8,053,176	2,393.39
BSL Money Manager Fund - Growth - Direct Plan	4,428	11.14	-	-
Aditya Birla Sun Life Low Duration Fund - Growth - Direct Plan	190,371	900.80	-	-

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
DSP Blackrock Bond Fund - Direct Plan - Growth	-	-	894,072	509.16
HDFC Ultra Short Term Fund - Direct Growth	10,597,006	1,109.97	-	-
IDFC Ultra Short Term Fund-Growth-(Direct Plan)	10,519,768	1,115.62	-	-
ICICI Prudential Money Market Fund - Direct Plan - Growth	194,078	504.92	-	-
ICICI Prudential Flexible Income - Direct Plan - Growth	-	-	46,540.54	155.95
Tata Corporate Bond Fund Direct Plan - Growth	-	-	21,479.83	507.06
Tata Ultra Short Term Fund Direct Plan - Growth	-	-	353.04	9.38
UTI Ultra Short Term Fund - Direct Growth Plan	22,679	711.82	-	-
		4,354.27		**3,574.94**
		27,161.26		**40,516.73**
Market Value of Quoted Investments		102.44		114.77
Aggregate amount of Quoted Investments		204.27		204.27
Aggregate amount of Unquoted Investments		47,840.10		59,690.06
Investments Carried at Cost		2,986.23		2,986.23
Investments Carried at Fair Value through Other Comprehensive Income		39,604.70		54,306.57
(Investments Carried at Fair Value through Profit & Loss)		11,350.44		7,953.22

Investments in Mutual Funds

Mutual funds - Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI) or Profit & loss . Accordingly Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) or Statement of Profit & loss for the year ended as the case may be.

Investments in Subsidiaries

Investments in Subsidiaries - The Company has designated these investments at cost.

Investments in Associates & Other Equities

Investment in Associates & Other Equities - Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI). Accordingly, these investments are required to be measured at fair value. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI).

Equity Investment in Subsidiaries

(₹ in Lakhs)

Particulars	Nature of Business	Proportion (%) of equity interest	
		31st March, 2019	31st March, 2018
Equity shares of ₹ 10 each fully paid up in Aditya Agritech (P) Ltd	Seeds	70	70
Equity shares of ₹ 10 each fully paid up in Kaveri Microteck Pvt Ltd	Micronutrients	100	100
Equity shares of ₹ 10 each fully paid up in Genome Agritech Pvt Ltd	Seeds	51	51
Equity shares of ₹ 10 each fully paid up in Kex veg India Pvt Ltd	Vegetables	100	100
Equity shares of ₹ 10 each fully paid up in Genomix Agri Genetics Pvt Ltd	Seeds	100	100

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

8 Loans (Non-Current)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Advance to Employees Trust	3,000.01	-
	3,000.01	**-**

9 Non-current Tax Assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Advance Income Tax and Tax Deducted at Source	397.72	397.61
Excess of advance income tax over the tax payable for the A.Y. 2016-17 & 17-18 refundable after completion of assessments		
	397.72	**397.61**

10 Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Security deposits	185.61	163.28
Advances for Capital Expenses	286.21	536.63
	471.82	**699.91**

11 Inventories

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Raw Materials	5,185.98	4,773.27
Work in Process	9,216.26	6,155.31
Finished Goods	40,761.65	32,475.43
	55,163.89	**43,404.01**

12 Biological Asset

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Standing Crop	5,308.98	4,574.62
	5,308.98	**4,574.62**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

13 Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured		
Considered good	6,484.67	6,393.34
Considered Doubtful	2,831.19	2,957.35
Less : Provision for doubtful debts	(2,831.19)	(2,957.35)
	6,484.67	**6,393.34**
Trade Receivables		
Debts due from Subsidiaries and Associates	527.50	675.03

Of the Trade Receivables balances, top 3 customers represent a balance of ₹ 2580.29 Lakhs as at 31st March 2019 and ₹ 2411.28 Lakhs as at 31st March 2018, and 5 customers represent more than 5% of the total balance of Trade Receivables as at 31st March 2019 and 3 Customers as at 31st March 2018.

The Average Credit period on sales of goods is 60 days.

The Company maintains a provision for doubtful debts based on ageing of receivable as tool to determine the degree of liquidity. Receivable due for more than two years and referred for recovery through legal proceeding are considered for provision.

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Movement in the Provision for doubtful debts		
Balance at the beginning of the year	2,957.35	2,530.61
Movement in Provision for doubtful debts based on ageing	(126.16)	426.74
Balance at the end of the year	**2,831.19**	**2,957.35**

14 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash on hand	6.08	6.09
Balances with Banks - Current Accounts	315.97	853.43
	322.05	**859.52**

15 Other Bank balances

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposit with Banks	340.20	-
Earmarked balances with banks		
- Deposit Accounts	14.74	13.54
	354.94	**13.54**

Deposit in Earmarked balance with banks represents bank balance in unclaimed dividend accounts.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

16 Other current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Advance to suppliers	1,318.30	1,146.06
Advance to Related Parties	154.34	850.00
Advance to Staff	65.45	59.34
Prepaid expenses	90.94	85.95
Others	19.52	5.75
	1,648.55	**2,147.10**

17 Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
SHARE CAPITAL		
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹ 2/- each	2,000.00	2,000.00
Issued,Subscribed & Paid up		
6,31,29,133 (6,60,92,133) Equity shares of ₹ 2/-each	1,262.58	1,321.84
	1,262.58	**1,321.84**

a) Reconciliation of number of Shares at the beginning and at the end of the reporting period.

Equity Shares of ₹ 2/- each

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No of shares	₹	No of shares	₹
At the beginning of the year	66,092,133	1,321.84	69,055,095	1,381.10
Add: Issued during the year				
Less: Shares bought back	2,963,000	59.26	2,962,962	59.26
At the end of the year	63,129,133	1,262.58	66,092,133	1,321.84

b) Details of Shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No of shares	% of Shares	No of shares	% of Shares
G Vanaja Devi	14,583,618	23.10%	15,183,341	22.97%
G V Bhaskar Rao - HUF	10,391,682	16.46%	10,819,018	16.37%
G V Bhaskar Rao	5,576,416	8.83%	5,805,735	8.78%

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

Buy back of Equity Shares

During the year ended March 31,2019, the Company bought back and extinguished 29,63,000 equity shares of ₹ 2/- each at ₹ 675/- per share aggregating to ₹ 20000 Lakhs. The aggregate face value of shares bought back was ₹ 59.26 Lakhs.

18 Other Equity

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
a) Securities Premium				
Opening Balance	-		6,612.83	
Less: Utilized for Buyback	-	-	(6,612.83)	-
b) General Reserve				
Opening Balance	1,000.00		8,001.05	
Less: Utilized for Buyback	(1,000.00)		(8,001.05)	
Add: Tranfer from Retained Earnings	1,000.00	**1,000.00**	1,000.00	**1,000.00**
c) Retained Earnings				
Opening Balance	96,492.00		84,230.30	
Add:				
Profit for the year	21,472.86		21,034.21	
Less:				
Transferred to General Reserve	1,000.00		1,000.00	
Payment of Dividend & Dividend Tax	2,283.17		2,386.41	
Utilized for Buyback	18,940.99		5,326.85	
Transferred to Capital Redemption Reserve	59.26	**95,681.44**	59.26	**96,492.00**
d) Capital Redemption Reserve				
Opening Balance	59.26		-	
Add:				
Transfer from Retained Earnings	59.26	**118.52**	59.26	**59.26**
e) Other Comprehensive Income - Fair Value Gain on Investments				
Opening Balance	3,584.03		2,220.04	
Add:				
Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	(11.39)		(1.66)	
Fair value of Investments through OCI will be reclassified to Profit & Loss	82.32		1,965.31	
Less:				
Tax on Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	(3.98)		(0.59)	
Tax on Fair value of Investments through OCI will be reclassified to Profit & Loss	106.07	**3,552.87**	600.25	**3,584.03**
f) Other Comprehensive Income - Acturial Gain/ (Loss) on Employee Benefits				
Opening Balance	(334.00)		(43.91)	
Add:				
Acturial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit or loss	14.69		(290.09)	
Less:				
Tax on Acturial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit & Loss	0.15	**(319.46)**	-	**(334.00)**
		100,033.37		**100,801.29**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium.

Retained Earnings: Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

Other Comprehensive Income: The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

Capital Redemption Reserve: Face value of the No. of Shares cancelled through buyback is transferred to Capital Redemption Reserve.

19 Borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured		
Term Loan from Department of Biotechnology, Ministry of Science & Technology	187.06	187.82
	187.06	**187.82**

Two Term Loans from Department of Biotechnology, Ministry of Science & Technology is secured by all equipment, Plant & Machinery and other movable assets of the company and is repayable in ten equal half yearly instalments starting from May,2019 & Feb, 2020 respectively.

20 Provisions

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee benefits	288.78	444.59
	288.78	**444.59**

21 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax (Asset) on account of differences in depreciation as per tax books and financial books.	(10.25)	(9.87)
Deferred Tax (Asset) arising on account of timing differences relating to:		
Provision for Bad and doubtful trade receivables	(29.68)	(30.71)
Employee Benefits	(5.27)	(3.68)
Employee Benefits recognised through Other Comprehensive Income	0.15	
Deferred Tax Liability arising on account of timing differences relating to:		
Fair value gain on investments through Profit & Loss Statement	238.12	-
Fair value gain on investments through Other Comprehensive Income	1,822.29	1,720.19
	2,015.36	**1,675.93**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

22 Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Security deposits from dealers	672.92	591.23
Grant/Subsidy	29.47	32.60
	702.39	**623.83**

23 Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Creditors for Expenses	8,383.48	6,933.46
Sundry Creditors	13,208.99	11,353.49
Provision for Schemes	1,915.52	3,000.53
	23,507.99	**21,287.48**
Total Outstanding dues of Micro and Small Enterprises	219.51	249.77
Total Outstanding dues other than Micro and Small Enterprises	23,288.48	21,037.71
	23,507.99	**21,287.48**

24 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Un Claimed Dividend	14.74	13.54
Interest Accrued but not due	19.53	15.44
Current Maturities of Term Loan	32.76	-
Capital Payables	272.99	105.43
	340.02	**134.41**

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the companies Act, 2013 as at 31st March 2019 and 31st March 2018.

25 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Advance from customers against Sales	23,925.00	17,180.61
Payable to Staff	668.07	797.23
Statutory Payables	132.68	97.37
Advance for Sale of Assets	252.30	-
	24,978.05	**18,075.21**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

26 Provisions

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee benefits	51.55	37.56
Provision for Returns	265.77	526.73
	317.32	**564.29**

27 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Taxes (Net of Advance tax)	106.86	80.35
	106.86	**80.35**
Adjustments in Provision for Income Tax		
Advance Income Tax	900.00	690.00
TDS/TCS Receivable	9.41	2.27
	909.41	**692.27**

28 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Sale of Seeds	76,898.90	77,240.30
	76,898.90	**77,240.30**

29 Other Income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Profit/(loss) on sale of Assets	23.50	304.05
Dividend Income	2.61	0.56
Capital Gains from Investments	3,177.49	2,053.97
Interest Income	209.77	19.57
Others	136.79	29.74
Grant/Subsidy written Back	11.13	3.13
Baddebts Recovered	-	2.40
Fair value gain on Investments	725.48	(43.96)
	4,286.77	**2,369.46**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

30 Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Raw Material Consumed/Production Expenses		
Opening Stock	4,773.27	4,326.87
Add : Purchasses/Production Expenses including processing Charges**	53,646.43	38,199.59
	58,419.70	42,526.46
Less : Closing Stock	5,185.98	4,773.27
	53,233.72	**37,753.19**
****Processing Charges**		
Freight Inward	1,175.21	1,037.12
Machinery Repairs & Maintenance	204.20	214.11
Seed Certification charges	1.02	0.33
Power & Fuel	815.73	771.72
Building & Godown repairs & maint.	94.47	182.82
Godown Rent	123.75	119.78
Cold Storage Maintenance	49.84	39.10
Factory Maintenance	1,009.68	858.71
Expense on processing	1,046.90	848.71
Other Farm & Cultivation expenses	55.14	46.18
R&D Expenses***	1,716.73	1,266.24
	6,292.67	**5,384.82**
*****R&D Farm Expenses**		
Cultivation Expenses	8.64	6.34
Fertilizers & Pesticides	28.72	27.40
Electricity charges	15.80	17.89
Electrical items & motor repairing charges	3.36	3.76
Farm Maintenance	171.17	42.78
Labour charges	240.98	193.29
Postage & telephones	9.74	5.88
Printing & Stationery	28.07	13.10
Security charges	45.64	47.43
Staff Welfare	3.70	3.17
Travelling expenses	3.23	1.70
Vehicle Maintenance	19.81	19.25
Land Lease	94.91	84.63
Research Expenses	157.52	45.16
Testing Expenses	196.09	195.27
Professional Expenses	13.42	32.62
Salaries to R&D Staff	675.93	526.58
	1,716.73	**1,266.24**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

31 Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019		Year ended 31 March, 2018	
(Increase)/Decrease in Finished goods				
Opening Stock	32,475.43		36,195.59	
Closing Stock	40,761.65	(8,286.22)	32,475.43	3,720.16
(Increase)/Decrease in Work in Process				
Opening Stock	6,155.31		3,474.75	
Closing Stock	9,216.26	(3,060.95)	6,155.31	(2,680.56)
(Increase)/Decrease in Biological Assets				
Opening Stock	4,574.62		5,556.82	
Closing Stock	5,308.98	(734.36)	4,574.62	982.20
		(12,081.53)		**2,021.80**

32 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Salaries to Staff	4,190.11	4,168.85
Contribution to Provident and other funds	304.44	249.73
Staff Welfare Expenses	54.37	66.75
	4,548.92	**4,485.33**

33 Finance Costs

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Interest on Termloans	4.08	3.50
Interest on Others	0.08	29.52
Bank Charges	8.36	6.94
	12.52	**39.96**

34 Depreciation and Amortisation Expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Depreciation on Property, Plant & Equipment	2,026.17	2,316.82
Depreciation on Intangible Assets	91.48	18.37
	2,117.65	**2,335.19**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

35 Other Expenses

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Establishment Expenses		
Travelling Expenses	1,181.93	1,012.19
Postage & Telephone	89.98	113.57
Payment to Auditors (Refer Note No.36)	20.62	23.90
Vehicle Maintenance	93.84	62.74
Rent	36.71	31.03
Printing & Stationery	51.59	57.69
Insurance	85.32	74.72
Books & Periodicals	0.67	1.06
Rates & Taxes	98.77	84.06
Office Maintenance	70.13	84.92
General Expenses	79.90	32.84
Conveyance	1.61	1.68
Donations & Subscriptions	14.31	20.48
Legal Expenses	221.93	164.90
Professional Charges	241.55	190.92
Professional Tax	0.30	0.20
GST Expense	128.00	83.75
CSR Expenditure	368.10	378.00
Market Cess	38.12	38.52
Security Charges	120.71	112.26
Service Tax	-	82.30
Computer Maintenance	178.57	52.11
Directors Sitting Fees	5.70	6.00
Foreign Exchange Loss	22.28	5.63
Buyback Expenses	186.44	171.12
(a) Total	**3,337.08**	**2,886.59**
Selling & Distribution Expenses		
Sales promotion expenses	2,592.45	2,315.49
Advertisement	15.37	113.90
Freight & Forwarding	1,857.81	1,459.41
Farmers Meeting Expenses	414.26	343.90
Staff & Dealers Meeting Expenses	122.82	163.81
Royalty	2,400.73	3,409.35
Bad debts Write Off	26.98	60.14
Provision for Bad Debts	(126.16)	426.74
(b) Total	**7,304.26**	**8,292.74**
Total of (a) & (b)	**10,641.34**	**11,179.33**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

36 Audit Fees

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
a) For statutory audit	18.88	23.60
b) For reimbursement of expenses	1.74	0.30
	20.62	**23.90**

37 Expenditure incurred for corporate social responsibility

The Company spent ₹ 368.10 Lakhs and ₹ 378.00 Lakhs towards CSR Expenditure for the year ended 31st March 2019 and 31st March 2018. The details of expenditure are as follows.

(₹ in Lakhs)

Particulars of CSR Activity	Year ended 31 March, 2019	Year ended 31 March, 2018
Amount unspent at the Starting of the year	0.85	0.76
CSR Expenditure Spendable for the year	367.26	378.09
Total Amount to be spent for the year	**368.11**	**378.85**
Direct Expenses made by company		
Education development activities		
Farmer education and training programmes at Koppaka, West Godavari Dist, Andhrapradesh & Sattupally, Khammam Dist, Telangana.	3.10	-
Socio-Economic progress of the rural communities		
Assistance for construction of community halls at Durki Village, Narsullabad Mandal, Kamareddy District, Telangana.	15.00	-
Donation made towards CSR Activites	100.00	10.00
Contribution made to Kaveri Bhaskar Rao Charitable Foundation	250.00	368.00
Total Amount Spent during the year	**368.10**	**378.00**
Unspent amount at the End of the year	**0.01**	**0.85**

38 Income Taxes:

The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows:

Income tax recognised in profit or loss	As at 31 March, 2019	As at 31 March, 2018
Statutory Income tax rate	**34.94%**	**34.61%**
Differences due to:		
Income Exempt from Tax	-29.13%	-30.99%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.01%	0.02%
Tax Income at Different Rates	-1.39%	-0.18%
Others	0.02%	-0.04%
Effective tax rate	**4.45%**	**3.50%**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

39 Movement in Defered Tax (Assets)/Liabilities

Movement during the Year ended March 31st, 2019

(₹ in Lakhs)

Deferred Tax (Asset)/Liabilities	As at 1 April, 2018	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2019
Provision for employee benefits	(3.68)	(1.59)	0.15	(5.12)
Provision for bad and doubtful trade receivables	(30.71)	1.03	-	(29.68)
Depreciation	(9.87)	(0.38)	-	(10.25)
Fair value gain on investments through Profit & Loss Statement	-	238.12	-	238.12
Fair value gain on investments through Other Comprehensive Income	1,720.19	-	102.10	1,822.29
	1,675.93	**237.18**	**102.25**	**2,015.36**

Movement during the Year ended March 31st, 2018

(₹ in Lakhs)

Deferred Tax (Asset)/Liabilities	As at 01 April, 2017	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2018
Provision for employee benefits	(0.44)	(3.24)	-	(3.68)
Provision for bad and doubtful trade receivables	(25.80)	(4.91)	-	(30.71)
Depreciation	(6.15)	(3.72)	-	(9.87)
Fair value gain on investments through Other Comprehensive Income	1,120.53		599.66	1,720.19
	1,088.14	**(11.87)**	**599.66**	**1,675.93**

40 Capital Management:

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain or if necessary adjust its capital structure.

41 Earning Per Equity Share :

Earnings per Share has been computed as under

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Profit for the Year	21,472.86	21,034.21
Weighted average Equity Shares outstanding (in no.s)	64,484,807	67,079,787
Earnings Per Share (Face Value of ₹ 2/- each)	33.30	31.36

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

42 Dividend on Equity Share

Dividend on Equity Shares paid during the year

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Final Dividend ₹ Nil Per share for FY 2018-19 (₹ Nil per share for FY 2017-18)	-	-
Dividend Distribution Tax on Final Dividend	-	-
Interim Dividend ₹ 3 Per share for FY 2018-19 (₹ 3 per share for FY 2017-18)	1,893.88	1,982.76
Dividend Distribution Tax on Interim Dividend	389.29	403.65
	2,283.17	**2,386.41**

43 Financial Instruments

Refer Note 2.13 for accounting policy on Financial Instruments.

A. Accounting Classification and Fair Values

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
FINANCIAL ASSETS		
Financial assets measured at fair value		
Investments measured at		
i. Fair value through other comprehensive income	39,604.68	54,306.57
	39,604.68	**54,306.57**
ii. Fair value through Profit & Loss Statement	11,350.44	7,953.22
	11,350.44	**7,953.22**
FINANCIAL LIABILITIES		
	-	**-**

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, current account balances with group companies, trade payables and unpaid dividends at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

B. Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit or Loss and Other Comprehensive Income are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Financial assets measured at fair value through other comprehensive income		
Investment in equity & debt instruments	70.93	1963.65
Financial assets measured at fair value through Profit & Loss Statement		
Investment in equity & debt instruments	725.48	(43.96)

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

C. Fair Value Hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1: Quoted Prices for identical Instruments in an active Market

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs, and

Level 3: Inputs which are not based on observable market data

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

(₹ in Lakhs)

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March, 2019				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	102.44	39,501.20	1.04	39,604.68
ii. Fair Value through Profit or Loss		11,350.44		11,350.44
As at 31 March, 2018				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	114.77	54,191.70	0.10	54,306.57
ii. Fair Value through Profit or Loss		7,953.22		7,953.22

CALCULATION OF FAIR VALUES

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investment quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
2. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

Other financial assets and liabilities

Cash and cash equivalents (except for investments in mutual funds), trade receivables, investments in term deposits, other financial assets, trade payables and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

44 Financial Risk Management

The Company's business activities are exposed to a variety of financial risks namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A. Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy with a positive cash balance throughout the year ended 31st March, 2019 and 31st March, 2018. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated over and above the amount required for working capital management and other operational requirements is retained as cash and cash equivalents (to the extent required) and any excess is invested in highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ in Lakhs)

Particulars	Carrying amount	Payable within 1 year	More than 1 years	Total
As at 31 March, 2019				
Financial liabilities				
Trade payables (including acceptances)	23,507.99	23,507.99	0	23,507.99
Borrowings	219.82	32.76	187.82	219.82
Unpaid dividend	14.74	14.74	0	14.74
Other Payables	19.53	19.53	0	19.53
Capital Payables	272.99	272.99		272.99
As at 31 March, 2018				
Financial liabilities				
Trade payables (including acceptances)	21,287.48	21,287.48	0	21,287.48
Borrowings	187.82	-	187.82	187.82
Unpaid dividend	13.54	13.54	0	13.54
Other Payables	15.44	15.44	0	15.44
Capital Payables	105.43	105.43	0	105.43

B. Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Currency Risk
Price Risk
Interest Rate Risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

1. CURRENCY RISK

POTENTIAL IMPACT OF RISK

The impact of risk due to change in foreign currency value is very minute on the company as the company's exposure to foreign currency is very low.

As at 31st March, 2019, the net unhedged exposure to the Company on holding financial assets (trade receivables and capital advances) 'and liabilities (trade payables and capital creditors) other than in their functional currency amounted to ₹ 33.11Lakhs (31st March, '2018 ₹ 13.01 Lakhs).

MANAGEMENT POLICY

The Company is not majorly exposed to foreign currency exchange risk because of its low volume foreign currency transactions, even though management exercises proper precautions to minute the currency risk in foreign exchange transactions. The company deals with US Dollar and Euro for its foreign currency transactions.

The Company makes its exports against advance irrevocable LC to mitigate the risk of currency exchange due to delay in remittances. The company does not opt for forward exchange contracts. Foreign exchange transactions are closely monitored to reduce the risk.

The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

SENSITIVITY TO RISK

A 5% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to approximately an additional ₹ 1.65 Lakhs gain in the Statement of Profit and Loss (2017-18: ₹ 0.65 Lakhs). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

2. PRICE RISK

POTENTIAL IMPACT OF RISK

The Company is exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2019, the investments in debt mutual funds amounts to ₹ 41858.55 Lakhs (31st March, 2018 ₹ 53708.50 Lakhs). These are exposed to price risk.

MANAGEMENT POLICY

The Company takes all the precautions to minimise price risk arising from investments in debt mutual funds. The company is investing mainly in debt mutual funds through leading mutual fund companies and in best mutual funds where price risk is very low. The company examins fund performance, rating, liquidty and risk aspects before investing.

SENSITIVITY TO RISK

A 0.5% increase in prices would have led to approximately an additional ₹ 209.29 Lakhs gain in the Statement of Profit and Loss Or Other Comprehensive Income (2017-18 ₹ 268.54 Lakhs gain). A 0.5 % decrease in prices would have led to an equal but opposite effect.

3. INTEREST RATE RISK

POTENTIAL IMPACT OF RISK

The impact of interest rate risk is very minute on the company as the company does not have exposure to any interest rate sensitive investments or securities.

The company does not have any investment in interest sensitive securities/bonds as on 31st March 2019 and 2018.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

MANAGEMENT POLICY

The Company makes maximum of the investments in non interest sensitive sectors to mitigate interest rate risk.

SENSITIVITY TO RISK

A 0.25% or 0.50% increase/decrease in interest rates will not make any difference to the company profit or loss as there are no interest rate sensitive investments.

C. Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables is moderate due to the Company's customer base being large and diverse and also company receives good amount of receipts towards advances. All trade receivables are reviewed and assessed for default on a quarterly basis based on collections and ageing.

Our historical experience of collecting receivables is that credit risk is moderate. Hence trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc. The Company has given inter-corporate deposits (ICD) only to its subsidiaries amounting ₹ 154 Lakhs (31st March, 2018 ₹ 850 Lakhs).

The Company's maximum exposure to credit risk as at 31st March, 2019 and 2018 is the carrying value of each class of financial assets.

45 Disclosures Pursuant to Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Advances to subsidiaries		
Kexveg India Pvt Ltd		
Balance as at the year end	106.48	120.00
Maximum amount outstanding at any time during the year	131.72	125.41
Kaveri Microteck Pvt Ltd		
Balance as at the year end	47.86	730.00
Maximum amount outstanding at any time during the year	853.25	730.00

46 Related Party Transactions

46.1 Following is the list of related parties and their relationships

A. Key managerial persons and their relatives

1 Mr. G.V.Bhaskar Rao
2 Mrs. G. Vanaja Devi
3 Mr. R. Venumanohar Rao
4 Mr. C. Vamsheedhar
5 Mr. C. Mithun Chand
6 Mr. G.Pawan
7 G.V.Bhaskar Rao - HUF

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

8 C. Vamsheedhar - HUF
9 R. Venumanohar Rao - HUF
10 Mr. K.V. Chalapathi Reddy
11 Mr. G. Vijay Kumar
12 Mr. V.R.S. Murti

B. Subsidiary Companies

13 M/s. Kexveg India Pvt Ltd
14 M/s. Aditya Agritech Pvt Ltd
15 M/s. Genome Agritech Pvt Ltd
16 M/s. Kaveri Microteck Pvt Ltd
17 M/s. Genomix Agri Genetics Pvt Ltd

C Other related firms & Associates

18 M/s. Kaveri Infra
19 M/s. Bhaskara Investments
20 M/s. Kaveri Bhaskarrao Charitable Foundation
21 M/s. Kaveri Employees Trust

46.2 Related party transactions for the year ended 31 March, 2019 are as follows:

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Remuneration paid		
Mr. G.V.Bhaskar Rao	245.47	195.29
Mrs. G. Vanaja Devi	152.11	121.31
Mr. C. Vamsheedhar	74.77	59.69
Mr. C. Mithun Chand	62.20	49.72
Mr. K.V.Chalapathi Reddy	11.94	
Mr. G. Vijay Kumar	90.21	81.09
Mr. V.R.S. Murti	4.00	2.00
	640.70	**509.10**
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.60	0.60
Mrs. G. Vanaja Devi	8.49	8.49
Mr. G.Pawan	10.51	11.03
G.V.Bhaskar Rao - HUF	43.12	4.81
C. Vamsheedhar - HUF	-	1.12
R. Venumanohar Rao - HUF	-	2.26
M/s. Kaveri Infra	10.87	10.87
M/s. Bhaskara Investments	2.90	2.90
M/s. Kexveg India Pvt ltd	24.00	-
	100.49	**42.08**
Dividend paid		
Mr. G.V.Bhaskar Rao	167.29	174.17
Mrs. G. Vanaja Devi	437.51	455.50
Mr. R. Venumanohar Rao	15.20	6.64
Mr. C. Vamsheedhar	30.49	31.74
Mr. C. Mithun Chand	26.77	27.87
Mr. G.Pawan	69.59	72.45
G.V.Bhaskar Rao - HUF	311.75	324.57
	1,058.60	**1,092.94**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

46.2 Related party transactions for the year ended 31 March, 2019 are as follows: (Contd..)

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Investments made during the year		
Equity Share Capital in M/s. Genomix Agri Genetics Pvt Ltd	-	10.00
	-	**10.00**
Advances Paid during the year		
M/s. Kexveg India Pvt Ltd	(13.52)	120.00
M/s. Kaveri Microteck Pvt Ltd	(682.14)	730.00
M/s. Kaveri Employee Trust	3,000.01	-
	2,304.35	**850.00**
Land Lease Received		
M/s. Kexveg India Pvt Ltd	14.23	14.23
M/s. Kaveri Microteck Pvt Ltd	89.60	-
	103.83	**14.23**
Sales made during the year		
M/s. Aditya Agritech Pvt Ltd	4,683.28	4,798.60
M/s. Genome Agritech Pvt Ltd	-	826.66
M/s. Genomix Agri Genetics Pvt Ltd	413.07	-
M/s. Kexveg India Pvt Ltd	0.41	0.29
	5,096.76	**5,625.55**
Interest Received		
M/s. Kaveri Employee Trust	9.82	
CSR Expenditure		
M/s. Kaveri Bhaskarrao Charitable Foundation	250.00	368.00

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Receivable balances outstanding		
M/s. Genome Agritech Pvt Ltd	527.50	675.03
	527.50	**675.03**
Payable balances outstanding		
G.V.Bhaskar Rao - HUF	17.53	-
M/s. Aditya Agritech Pvt Ltd	4,779.28	1,803.45
M/s. Genomix Agri Genetics Pvt Ltd	215.88	-
Outstanding remunerations to KMP	36.63	28.49
	5,049.32	**1,831.94**
Advances outstanding		
M/s. Kexveg India Pvt Ltd	106.48	120.00
M/s. Kaveri Microteck Pvt Ltd	47.86	730.00
M/s. Kaveri Employee Trust	3,009.83	-
	3,164.17	850.00

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

47 Employee Benefit plans

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design mitigate the risks commonly affecting the liabilities and the financial results.

a) **Interest rate risk :** the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

b) **Salary inflation risk :** Higher than expexted increases in salary will increase the defined benefit obligation

c) **Demographic risk :** For example, as plan is open to new entrants an increase in membership will increase the defined benefit obligation. Also the plan only provides benefits upon completion of a vesting criteria. Therefore if tunover rates increase then the liability will tend to fall as fewer employees reach vesting period.

1 - Reconciliation of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Opening of defined benefit obligation	492.87	120.26
Current service cost	81.51	68.70
Past service cost	-	48.49
Interest on defined benefit obligation	37.61	8.36
Remeasurements due to:	-	-
Actuarial loss / (gain) arising from change in financial assumptions	(3.52)	(113.17)
Actuarial loss / (gain) arising from change in demographic assumptions	(0.24)	82.72
Actuarial loss / (gain) arising on account of experience changes	(2.91)	307.11
Benefits paid	(49.56)	(29.59)
Closing of defined benefit obligation	**555.77**	**492.87**

2 - Reconciliation of Plan Assets

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Opening fair value of plan assets	220.61	210.72
Employer contributions	272.26	33.33
Interest on plan assets	20.39	19.59
Administration expenses	-	-
Remeasurements due to:	-	-
Actual return on plan assets less interest on plan assets	8.03	(13.43)
Benefits paid	(49.56)	(29.59)
Closing fair value of plan assets	**471.73**	**220.61**

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

3 - Amount recognized in Balance Sheet

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Present value of funded defined benefit obligation	555.77	492.87
Fair value of plan assets	471.73	220.61
Net funded obligation	84.05	272.26
Net defined benefit liability / (asset) recognized in balance sheet	84.05	272.26
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	-
Non-current	**84.05**	**272.26**

4 - Current Year Expense Charged to Profit & Loss Account

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Current service cost	81.51	68.70
Past service cost	-	48.49
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	17.22	(11.24)
Total expense charged to profit and loss account	**98.74**	**105.95**

5 - Amount Recorded as Other Comprehensive Income

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Opening amount recognized in OCI outside profit and loss account	334.00	43.91
Remeasurements during the period due to	-	-
Changes in financial assumptions	(3.52)	(113.17)
Changes in demographic assumptions	(0.24)	82.72
Experience adjustments	(2.91)	307.11
Actual return on plan assets less interest on plan assets	(8.03)	13.43
Closing amount recognized in OCI outside profit and loss account	319.31	334.00

6 - Disaggregation of Assets

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Category of Assets		
Non Quoted Value		
Insurer managed funds.	471.73	220.61
Others.	-	-
Grand Total	471.73	220.61

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

7 - Results of Sensitivity Analysis

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Discount rate		
Impact of increase in 50 bps on DBO.	-6.04%	-6.17%
Impact of decrease in 50 bps on DBO.	6.59%	6.73%
Salary escalation rate		
Impact of increase in 50 bps on DBO	5.74%	5.85%
Impact of decrease in 50 bps on DBO	-5.34%	-5.46%

8 - Summary of Actuarial Assumptions Adopted

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Discount rate (p.a.)	7.80%	7.75%
Salary escalation rate (p.a.)	10.00% until year 4 inclusive, then 7.00%	10.00% until year 5 inclusive, then 7.00%

9 - Maturity Profile

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Expected benefits for year 1	17.29	15.06
Expected benefits for year 2	17.36	14.79
Expected benefits for year 3	22.65	16.50
Expected benefits for year 4	23.27	21.11
Expected benefits for year 5	41.49	21.38
Expected benefits for year 6	27.74	33.39

The Principal Assumptions used for the purposes of the acturial valuation as follows

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions while the Plan's sensitivity to such changes can vary over time.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

48 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	219.51	249.77
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	-	1.07
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	19.09	161.73
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	0.08	1.07
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further Interest remaining due and payable for earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

49 Commitments

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	180.52	40.59

50 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Claims against the Company not acknowledged as debts. This comprises of	**459.49**	**394.65**
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits, pending before various judicial forums and tax authorities, aggregating to	324.46	301.24
ii. Other matters not related to tax	10.75	10.75
iii. Bank guarantees	124.28	82.66

51 Operating Leases

The Company's significant leasing arrangements are in respect of operating leases for lands and premises (Agricultural lands, office, stores, godown etc.). These leasing arrangements which are cancellable range between 11 months and 10 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

The company does not have any non-cancellable agreements.

NOTES

forming part of Financial Statements for the year ended 31 March, 2019

52 Segment Information

52.1 The Company has only one business segment i.e, Seeds.

52.2 Geographical information

The Company operates in single principal geographical area i.e., India. Though the Company has operations across various geographies within India, the same are considered as a single operating segment considering the following factors

- These operating segements have similar long term gross profit margins.
- The nature of the products and production processes are similar and the methods used to distribute the products to the customers are the same.

52.3 In view of the above mentioned classification of business and geograhical segments the particulars relating to Segment revenue and results, Segment assets and liabilities, Other segment information, revenue from major products and services, geographical information are not furnished herewith.

53 Previous year figures are regrouped wherever considered necessary to conform to current year classification.

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

INDEPENDENT AUDITOR'S REPORT-CONSOLIDATED

To

The Members of

Kaveri Seed Company Limited

Opinion

We have audited the accompanying consolidated financial statements of **Kaveri Seed Company Limited** ("the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31 March 2019, and their consolidated profit (financial performance including other comprehensive income), their consolidated changes in equity and their consolidated cash flows and for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key Audit Matter	Auditor's Response
1	Revenue: Management estimate of provision for sales return and Discount & schemes: Estimate for sales returns and discounts and schemes was a critical audit matter in the audit of the Group's financial statements for the year ended 31 March 2019. Management estimates the amount of returns expected based on the goods returned in the past and current market demands. The management considers revenue as key measure for evaluation of performance. Refer Note 2.1, 2.10, 26, 29 and 31 to the Consolidated Financial Statements	**Principal Audit Procedures:** We have performed the following principal audit procedures in relation to revenue recognised: • Assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers"). • Understanding and Testing of design and operating effectiveness of Internal controls and substantive testing of revenue recognised with the underlying documents, sales returns and discounts. • Testing of supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to year end, including examination of credit notes issued after the year end to determine whether the revenue was recognised in the correct accounting period.

Sr. no.	Key Audit Matter	Auditor's Response
		• Performing analytical procedures on current year revenue based on seasonal trends and where appropriate, conducting further enquiries and testing. • Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • Evaluating historical accuracy of estimates made by management in respect of sales return by performing trend analysis and comparing them with actuals.
2	Valuation and classification of Investments: Group has Investments in Mutual funds, Real estate fund and other equity instruments. The Group holds significant amount of funds in the form of investments. Also, considering the complexities involved in classification of investments, the Group considers investments as material account balance. Refer Note 2.13 and 8 to the Standalone Financial Statements	**Principal Audit Procedures:** We focused on the valuation and existence of the investments as also the classification and disclosures in the Group's financial statements for the year ended 31 March, 2019. We have performed the following principal audit procedures in relation to investments: • We obtained independent confirmation of the number of units held and net asset value per unit for each of the underlying investments as at the year end date. We agreed the details confirmed to the valuation of these investments as per the accounting records. • Re-computation of Capital gains on sale of investments, valuation of investments including fair value movements. • Review of valuation and classification of investment in accordance with Group's policies and applicable accounting standards.
3	Valuation of Biological assets: The value of Biological assets is measured at fair value less costs to sell. The fair value is determined based on the growth potential of individual standing crops. The growth potential varies depending on the geographic location and varieties of crops. The valuation require estimates of growth, harvest, sales price and costs. Due to the level of judgment involved in the valuation of biological assets and significance of biological assets to the Group's financial position, this is considered to be a key audit matter. Refer Note 2.5 and 14 to the Standalone Financial Statements	**Principal Audit Procedures:** We have performed the following principal audit procedures in relation to biological assets: • We have tested management's controls and effectiveness of systems in place for the valuation of biological assets. • We have assessed the key assumptions contained within the fair value calculations including sales price assumptions and growth assumptions. • We have performed the analytical review of the results of valuation to highlight outliers which warrant further audit procedures. • Comparison of actual production costs with provisions made towards standing crops.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Business Responsibility Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the consolidated financial statements and our auditor's report thereon. The above listed reports are expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the above listed reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in the terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships

and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of five subsidiaries whose financial statements reflect total assets of ₹ 100.47 crores and net assets of ₹ 22.88 crores as at 31 March 2019, total revenues of ₹ 92.66 crores and net cash outflows amounting to ₹ 3.39 crores for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, referred in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

   (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;

   (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;

   (e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) with respect to the adequacy of the internal financial controls over financial reporting and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';

   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

   (h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other matter' paragraph:

      i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 50 to the consolidated financial statements;

      ii. The group has made provision, as required under the applicable laws or accounting standards, for material foreseeable losses, if any, on long term contracts; and

      iii. There has been no delay in transferring amounts, required to be transferred to the Investor Education and Protection Fund by the Holding Company.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner
Membership No.206439

Hyderabad, 27 May 2019

ANNEXURE A

to the Independent Auditor's Report

(Referred to in paragraph '1.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2019, we have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The Respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial

reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanation given to us, the Group has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to 5 subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner
Membership No.206439

Hyderabad, 27 May 2019

CONSOLIDATED BALANCE SHEET

as at 31 March, 2019

(₹ in Lakhs)

Particulars	Note	As at 31 March, 2019	As at 31 March, 2018
I ASSETS			
(1) Non-current assets			
Property, Plant and Equipment	3	23,744.78	18,871.05
Capital work-in-progress	4	3,815.18	3,465.26
Good Will	5	26.70	26.70
Other Intangible assets	6	241.96	50.22
Intangible assets under development	7	-	269.74
Financial Assets			
Investments	8	3,672.73	2,991.68
Loans	9	3,000.01	-
Deferred tax assets (net)	10	102.99	67.44
Non-current Tax Assets	11	400.35	399.03
Other non-current assets	12	500.04	842.04
Total Non-current assets		**35,504.74**	**26,983.16**
(2) Current assets			
Inventories	13	56,123.29	44,281.99
Biological Assets	14	5,308.98	4,576.31
Financial Assets			
Investments	8	47,282.77	59,268.47
Trade receivables	15	8,461.61	8,593.03
Cash and cash equivalents	16	500.57	1,377.12
Other Bank balances	17	369.05	13.54
Other current assets	18	1,599.37	1,451.40
Total current assets		**1,19,645.64**	**1,19,561.86**
TOTAL ASSETS		**1,55,150.38**	**1,46,545.02**
II EQUITY AND LIABILITIES			
Equity			
Equity Share capital	19	1,262.58	1,321.84
Other Equity	20	99,424.04	99,918.14
Non-Controlling Interest	21	(61.47)	(56.86)
Total Equity		**1,00,625.15**	**1,01,183.12**
LIABILITIES			
(1) Non-current liabilities			
Financial Liabilities			
Borrowings	22	678.06	287.82
Provisions	23	365.44	487.03
Deferred tax liabilities (Net)	24	2,015.36	1,675.94
Other non-current liabilities	25	1,038.37	921.95
Total Non-current liabilities		**4,097.23**	**3,372.74**
(2) Current liabilities			
Financial Liabilities			
Trade payables	26		
Total Outstanding dues of Micro and Small Enterprises		273.34	294.55
Total Outstanding dues other than Micro and Small Enterprises		23,840.34	21,728.93
Other financial liabilities	27	348.70	143.02
Other current liabilities	28	25,460.88	19,067.47
Provisions	29	357.25	670.11
Current Tax Liabilities (Net)	30	147.50	85.08
Total Current liabilities		**50,428.01**	**41,989.16**
TOTAL EQUITY AND LIABILITIES		**1,55,150.38**	**1,46,545.02**
See accompanying notes to the financial statements	1-55		

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31 March, 2019

(₹ in Lakhs)

Particulars		Note	Year ended 31 March, 2019		Year ended 31 March, 2018	
I	**Income**					
	Revenue from Operations	31	80,941.81		81,937.48	
	Other Income	32	4,299.46		2,367.07	
	Total Income			**85,241.27**		**84,304.55**
II	**Expenses**					
	Cost of Material Consumed	33	54,489.96		39,732.59	
	Changes in Inventories of Finished Goods and Work in Progress	34	(12,089.12)		2,087.79	
	Excise Duty				13.99	
	Employee Benefit Expenses	35	5,505.77		5,439.26	
	Finance Costs	36	54.69		60.41	
	Depreciation & Amortisation Expenses	37	2,295.20		2,507.73	
	Other Expenses	38	11,870.88		12,482.19	
	Total Expenses			**62,127.38**		**62,323.96**
III	**Profit before Exceptional Items and Tax (I-II)**			23,113.89		21,980.59
IV	Exceptional Item			-		-
V	**Profit before Tax (III-IV)**			23,113.89		21,980.59
VI	**Less : Tax expense**					
	Current Tax		1,181.92		891.92	
	Earlier Years Tax		(9.49)		(22.91)	
	Deferred Tax		201.00	1,373.43	(29.47)	839.54
VII	**Profit for the Year (V-VI)**			**21,740.46**		**21,141.05**
VIII	**Non Controlling Interest**					
	Aditya		54.94		36.71	
	Genome		(59.55)		(19.44)	
	Total			**(4.61)**		**17.27**
IX	**Profit after Non Controlling Interest (VII-VIII)**			**21,745.07**		**21,123.78**
X	**Other Comprehensive Income**					
A	**(i) Items that will not be reclassified to Profit or loss**					
	Fair value of Equity Investments through OCI		(11.39)		(1.66)	
	Acturial gain/(loss) on employee benefits through OCI		16.97		(295.03)	
			5.58		**(296.69)**	
	(ii) Income tax relating to items that will not be reclassified to profit or loss					
	Fair value of Investments through OCI		3.98		0.59	
	Acturial gain/(loss) on employee benefits through OCI		(0.78)		-	
			3.20		0.59	
			8.78		**(296.10)**	
B	**(i) Items that will be reclassified to Profit or loss**					
	Fair value of Investments through OCI		82.32		1,965.31	
	(ii) Income tax relating to items that will be reclassified to profit or loss					
	Fair value of Investments through OCI		(106.07)		(600.25)	
			(23.75)		1,365.06	
	Total Other Comprehensive Income			**(14.97)**		**1,068.97**
XI	Total Comprehensive Income for the period (IX+X) Comprising Profit (loss) and Other Comprehensive Income for the Period			**21,730.10**		**22,192.75**
XII	Earnings Per Equity Share					
	(1) Basic (equity shares, par value ₹ 2 each)			**33.72**		**31.49**
	(2) Diluted (equity shares, par value ₹ 2 each)			**33.72**		**31.49**
Notes on Financial Statements		1-55				

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

STATEMENT OF CHANGES IN EQUITY

A. Equity Share Capital

(₹ in Lakhs)

	Amount
Issued and paid up equity share capital	
Balance as at 31 March, 2017	**1,381.10**
Changes in equity share capital during the year	(59.26)
Balance as at 31 March, 2018	**1,321.84**
Changes in equity share capital during the year	(59.26)
Balance as at 31 March, 2019	**1,262.58**

B. Other Equity

(₹ in Lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		General Reserve	Securities Premium	Capital Redemption Reserve	Total
		Fair Value gain/ (loss) on Investments	Acturial gain/ (loss) on employee benefits				
Balance at the beginning of the reporting period as on 1 April, 2017	**83,258.89**	**2,220.04**	**(42.29)**	**8,003.05**	**6,612.83**	**-**	**1,00,052.52**
Other Comprehensive Income for the year		1,363.99	(295.03)				1,068.97
Profit for the Year	21,123.78						21,123.78
Buyback of Equity Shares	(5,326.85)			(8,001.05)	(6,612.83)		(19,940.73)
Dividend and Dividend Tax	(2,386.41)						(2,386.41)
Transferred to General Reserve	(1,000.00)			1,000.00			-
Transferred to Capital Redemption Reserve	(59.26)					59.26	-
Balance at the end of the reporting period as on 31 March, 2018	**95,610.16**	**3,584.03**	**(337.32)**	**1,002.00**	**-**	**59.26**	**99,918.14**

(₹ in Lakhs)

Particulars	Retained Earnings	Other Comprehensive Income		General Reserve	Securities Premium	Capital Redemption Reserve	Total
		Fair Value gain/ (loss) on Investments	Acturial gain/ (loss) on employee benefits				
Balance at the beginning of the reporting period as on 1 April, 2018	**95,610.16**	**3,584.03**	**(337.32)**	**1,002.00**	**-**	**59.26**	**99,918.14**
Other Comprehensive Income for the year		(31.16)	16.19				(14.97)
Profit for the Year	21,745.07						21,745.07
Buyback of Equity Shares	(18,940.99)			(1,000.00)			(19,940.99)
Dividend and Dividend Tax	(2,283.17)						(2,283.17)
Transferred to General Reserve	(1,000.00)			1,000.00			-
Transferred to Capital Redemption Reserve	(59.26)					59.26	-
Balance at the end of the reporting period as on 31 March, 2019	**95,071.80**	**3,552.86**	**(321.14)**	**1,002.00**	**-**	**118.52**	**99,424.04**

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-`
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

CONSOLIDATED CASH FLOW STATEMENT

(₹ in Lakhs)

Particulars	Year ended 31 March, 2019	Year ended 31 March, 2018
Cash flows from operating activities		
Profit before taxation	23,113.89	21,980.59
Adjustments for:		
Fairvalue gain on Investments	(725.48)	43.96
Depreciation & Amortisation	2,295.20	2,507.73
(Profit)/Loss on sale of Fixed Assets	(23.63)	(304.50)
Dividend Received	(2.61)	(0.56)
Gain from Investments	(3,177.49)	(2,053.97)
Interest received	(209.89)	(26.64)
Finance charges	54.69	60.41
Operating profit before working capital changes	**21,324.68**	**22,207.03**
(Increase) / Decrease in Inventories and Biological Assets	(12,573.97)	1,480.08
(Increase)/Decrease in Trade Receivables and other receivables	131.40	(53.09)
(Increase)/Decrease in Loans & Other Financial Assets	(2,842.84)	(68.23)
Increase/(Decrease) in Trade Payables	2,090.20	(8,239.63)
Increase/(Decrease) in Provisions	(417.46)	776.36
Increase/(Decrease) in Other liabilities	6,642.70	(453.25)
Taxes paid during the year	(1,034.41)	(817.27)
Net cash provided by operating activities	**13,320.30**	**14,832.01**
Cash flows from investing activities		
Payments for property, plant and equipment	(7,463.76)	(2,097.87)
Proceeds from disposal of property, plant and equipment	60.00	801.01
Payments for investment	(54,115.66)	(45,799.34)
Proceeds from disposal of investment	69,394.17	54,322.56
Payments for intangible assets	(13.47)	(168.64)
Proceeds from earmarked deposits with Bank	(355.51)	(1.05)
Dividend Received	2.61	0.56
Interest received	209.89	26.64
Net Cash used for investing activities	**7,718.27**	**7,083.86**
Cash flows from financing activities		
Repayments of borrowings	-	(176.04)
Proceeds from Borrowings	423.00	-
Buyback of Equity Shares	(20,000.25)	(19,999.99)
Dividend including Tax on Dividend	(2,283.17)	(2,386.41)
Finance charges	(54.69)	(60.41)
Net cash provided by financing activities	**(21,915.11)**	**(22,622.85)**
Net increase in cash & cash equivalents	(876.55)	(707.00)
Cash & Cash equivalents at the beginning of the period	1,377.12	2,084.12
Cash & Cash equivalents at the end of the period	**500.57**	**1,377.12**

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

1 Group Information.

Kaveri Seed Company Limited ("the Company") has been incorporated on August 27, 1986, as private limited Company and converted into public limited Company on November 07, 2006 . The Company has been listed on 04.10.2007 on the Bombay Stock Exchange and the National Stock Exchange in India. The Company is into research, production, processing and marketing of various high quality hybrid seeds.

The Company and its subsidiaries (jointly referred as the "Group") considered in the consolidated financial statements.

The Consolidated financial statements have been authorised for issue by the board of directors of the company on 27th May 2019.

a) Subsidiaries considered for consolidation

(₹ in Lakhs)

Name of the subsidiary	Natue of Business	Place of incorporation	Proportion of ownership interest and voting power held by the Company	
			As at 31 March 2019	As at 31 March 2018
Kaveri Microteck Private Ltd	Micronutrients	India	100%	100%
Kexveg India Private Ltd	Vegtables	India	100%	100%
Aditya Agri Tech Private Ltd	Seeds	India	70%	70%
Genome Agritech Private Ltd	Seeds	India	51%	51%
Genomix Agri Genetics Private Ltd	Seeds	India	100%	100%

2 Summary of significant accounting policies

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015,the relevant amendment rules issued thereafter,guidelines issued by Securities and Exchange Board of India (SEBI), relevant provisions of the Act and other Accounting principles generally accepted in india.

2.2 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fairvalue. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these standalone financial statements is determined on such a basis,except for leasing transactions that are within the scope of Ind AS 17,and measurements that have some similarities to fair value but are not fairvalue,such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria asset out in the Division II of Schedule III of Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has accertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the Group to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the financial statements.

Basis of Consolidation:

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

Subsidiaries are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

2.4 Property, Plant & Equipment and Other Intangible assets:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Depreciation is provided using WDV method over the based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Separately purchased intangible assets are initially measured at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis, from the date that they are available for use.

2.5 Biological Asset

Recognition and measurement

The Group recognises the biological asset (agricultural produce) when:

(a) the Group controls the asset as a result of past events;

(b) it is probable that future economic benefits associated with the asset will flow to the Group; and

(c) the fair value or cost of the asset can be measured reliably.

The biological asset are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell.

2.6 Leases:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments and receipts under such leases are recognised to the Statement of Profit and Loss on a straight-line basis over the term of the lease unless the lease payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, in which case the same are recognised as an expense in line with the contractual term.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

2.8 Government Grants

Government Grants are recognised in profit or loss on a systematic basis over the periods in which the Group recognises as expenses the related cost for which the grants are intended to compensate. Specifically government grants whose primary condition is that the Group purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the Group with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.9 Impairment of Assets:

i) Financial assets

Group assesses at each balance sheet date whether there is objective evidence that a financial asset or a Group of

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. In a subsequent period if the amount of impairment loss decreases and the decreases can be related objectively to an event the previously recognised impairment is reversed through profit or loss.

ii) Non-financial assets

Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with definite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss.

2.10 Revenue recognition:

Effective April1,2018, the Group has adopted IndAS115 "Revenue from Contracts with Customers" using the modified retrospective approach, applied to contracts that were not completed as of April1,2018.In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. The effect on adoption of Ind AS 115 was insignificant.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services.Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and indirect taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The company classifies the right to consideration in exchange for goods as a receivable and is presented net of impairment in the Balance Sheet

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

2.11 Dividend and Interest Income

Dividend income from investments is recognised when the shareholders right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts thougt the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.12 Foreign currency transactions:

The functional currency of the Group is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Gains and losses arising on settlement are included in the profit or loss.

2.13 Financial Instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

i) Non-derivative financial instruments

Cash and cash equivalents

The Group considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

The Group has made an irrevocable election to present the changes in fair value of investments not held for trading in other comprehensive income.

Financial assets at fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisiton of financial assets and liabilities at fair value through profit or loss are immediately recognised in statemet of profit or loss.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cashflows from the asset expire,or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The Company derecognises financial liabilities when, and only when, the Company's obligation is discharged, cancelled or have expired.

2.14 Employee Benefits:

a) Gratuity:

The Group accounts for its gratuity liability a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for the Group.

Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) Provident fund:

The eligible employees of the Group are entitled to receive the benefits of Provident fund a defined contribution plan in which both employees and the Company and its subsidiaries make monthly contributions at a specified percentage of the covered employees' salary (currently at 12% of the basic salary) which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company and its subsidiaries.

The Group has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

c) Compensated absences:

The Group provides for the encashment of leave subject to certain Company's rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company and its subsidiaries.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The Group also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

d) Other short term employee benefits:

Other short-term employee benefits such as performance incentives expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the service.

2.15 Share Based Payment Arrangements

Employees of the Group receive remuneration in the form of sharebased payments in consideration of the services rendered.

Under the equity settled share based payment the fair value on the grant date of the awards given to employees is recognised as 'employee benefit expenses' with a corresponding increase in equity over the vesting period. The fair value of the options at the grant date is calculated by an independent valuer basis Black Scholes model. At the end of each reporting period apart from the non market vesting condition the expense is reviewed and adjusted to reflect changes to the level of options expected to vest. When the options are exercised the Group issues fresh equity shares.

For cash-settled share based payments the fair value of the amount payable to employees is recognised as 'employee benefit expenses' with a corresponding increase in liabilities over the period of non market vesting conditions getting fulfilled. The liability is remeasured at each reporting period up to and including the settlement date with changes in fair value recognised in employee benefits expenses.

2.16 Inventories

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods(Manufactured and Traded). Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses where considered necessary. Cost is deteremined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition including octroi and other levies, transit insurance and receiving charges. The cost of work-in-progress and finished goods comprises of materials, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

2.17 Trade Receivables

Trade receivables are stated at net of advances. Ageing of receivable are considered as tool to determine the degree of liquidity. Receivable due for more than two years and balance considered doubtful, referred for recovery through legal proceeding are considered for provision.

2.18 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the tax laws applicable in India.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Group will pay normal tax in future periods. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

2.19 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

2.20 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the Group has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. If the effect of the time value of money is material provisions are discounted using a current pre-tax rate that reflects when appropriate the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2. 21 Critical accounting estimates and judgements:

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation, uncertainty and judgements in applying accounting policies that have the most significant effect on Consolidated financial statements are as follows.

a) Provision for doubtful debts - Refer note no.15
b) Provision for schemes - Refer note no.26
c) Provision for returns - Refer note no.29
d) Biological assets - Refer note no.14
e) Measurement of useful life and residual values of property, plant and equipments and useful life of intangible assets - Refer note no.3

2.22 New Accounting Standards, Amendments to Existing Standards, Annual Improvements and Interpretations Effective Subsequent to 31 March 2019

On March 30,2019,the Ministry of Corporate Affairs(MCA) has notified Ind AS 116- Leases and certain amendment to existing Ind AS. These amendments shall be applicable to the company from April 01,2019.

Ind AS 116 - Leases

Ind As 116 will replace the existing leasing standard i.e, Ind AS 17 and related interpretations. Ind As 116 introduces a single lessee to recognise assets and liabilities for all leases with non - cancellable period of more than twelve months except for low value assets.Ind As 116 Substantially carries forward the lessor accounting requirement in Ind As 17.

The MCA has also carried out amendments of the following accounting standards

Ind As 101 - First time adoption of indian accounting standards
Ind As 103 - Business Combinations
Ind As 109 - Financial Instruments
Ind As 111 - Joint arrangements
Ind As 12 - Income Taxes
Ind As 19 - Employee Benefits
Ind As 23 - Borrowing Costs
Ind As 28 - Investment in Associates and Joint Ventures

Application of above Standards are not expected to have any significant impact on the company's financial statements.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

3 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01.04.2018	6,519.95	9,182.24	15,806.09	598.68	1,269.18	159.36	248.75	33,784.26
Additions	3,435.41	367.99	2,897.01	17.88	334.33	26.62	34.61	7,113.84
Deletions	-	-	-	-	195.17	0.29	8.74	204.20
Balance as at 31.03.2019	**9,955.36**	**9,550.23**	**18,703.10**	**616.56**	**1,408.34**	**185.70**	**274.62**	**40,693.90**
Accumulated Depreciation/Amortisation								
Balance as at 01.04.2018	-	3,122.73	10,163.76	401.55	905.86	122.34	196.98	14,913.21
Additions	-	544.57	1,343.73	51.64	208.54	20.35	34.91	2,203.72
Deletions	-	-	-	-	159.27	0.24	8.31	167.81
Balance as at 31.03.2019	**-**	**3,667.30**	**11,507.50**	**453.18**	**955.13**	**142.45**	**223.58**	**16,949.12**
Net Carrying Amount								
Balance as at 31.03.2019	**9,955.36**	**5,882.93**	**7,195.60**	**163.38**	**453.21**	**43.25**	**51.04**	**23,744.78**
Gross Carrying Amount								
Balance as at 01.04.2017	5,631.81	9,198.79	15,564.88	557.38	1,365.90	143.78	211.60	32,674.14
Additions	1,276.74	112.02	254.71	41.31	162.98	15.58	37.15	1,900.48
Deletions	388.60	128.57	13.50	-	259.70	-	-	790.36
Balance as at 31.03.2018	**6,519.95**	**9,182.24**	**15,806.09**	**598.68**	**1,269.18**	**159.36**	**248.75**	**33,784.26**
Accumulated Depreciation/Amortisation								
Balance as at 01.04.2017	-	2,590.20	8,552.83	341.46	975.15	105.04	153.01	12,717.69
Additions	-	597.27	1,621.74	60.09	149.01	17.30	43.97	2,489.37
Deletions	-	64.74	10.81	-	218.30	-	-	293.85
Balance as at 31.03.2018	**-**	**3,122.73**	**10,163.76**	**401.55**	**905.86**	**122.34**	**196.98**	**14,913.21**
Net Carrying Amount								
Balance as at 31.03.2018	**6,519.95**	**6,059.51**	**5,642.33**	**197.14**	**363.32**	**37.02**	**51.77**	**18,871.05**

4 Capital work-in-progress

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01.04.2018	-	3,302.78	152.84	1.15	-	8.49	-	3,465.26
Additions	-	1,469.60	1,728.68	7.09	-	-	-	3,205.37
Deletions	-	1,484.82	1,363.53	7.09	-	-	-	2,855.45
Balance as at 31.03.2019	**-**	**3,287.55**	**517.98**	**1.15**	**-**	**8.49**	**-**	**3,815.18**
Carrying Amount								
Balance as at 01.04.2017	-	3,249.31	12.35	6.21	-	-	-	3,267.87
Additions	-	143.01	158.90	14.52	-	8.49	10.78	335.71
Deletions	-	89.55	18.42	19.57	-	-	10.78	138.32
Balance as at 31.03.2018	**-**	**3,302.78**	**152.84**	**1.15**	**-**	**8.49**	**-**	**3,465.26**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

5 Goodwill

(₹ in Lakhs)

Particulars	Goodwill	Total
Gross Carrying Amount		
Balance as at 01.04.2018	26.70	26.70
Additions	-	-
Deletions	-	-
Balance as at 31.03.2019	**26.70**	**26.70**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2018	-	-
Additions	-	-
Deletions	-	-
Balance as at 31.03.2019	**-**	**-**
Net Carrying Amount		
Balance as at 31.03.2019	**26.70**	**26.70**
Gross Carrying Amount		
Balance as at 01.04.2017	26.70	26.70
Additions	-	-
Deletions	-	-
Balance as at 31.03.2018	**26.70**	**26.70**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2017	-	-
Additions	-	-
Deletions	-	-
Balance as at 31.03.2018	**-**	**-**
Net Carrying Amount		
Balance as at 31.03.2018	**26.70**	**26.70**

6 Other InTangible assets

(₹ in Lakhs)

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 01.04.2018	248.27	248.27
Additions	283.21	283.21
Deletions	-	-
Balance as at 31.03.2019	**531.48**	**531.48**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2018	198.05	198.05
Additions	91.48	91.48
Deletions	-	-
Balance as at 31.03.2019	**289.53**	**289.53**
Net Carrying Amount		
Balance as at 31.03.2019	**241.96**	**241.96**
Gross Carrying Amount		
Balance as at 01.04.2017	219.97	219.97
Additions	28.30	28.30
Deletions	-	-
Balance as at 31.03.2018	**248.27**	**248.27**
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2017	179.68	179.68
Additions	18.37	18.37
Deletions	-	-
Balance as at 31.03.2018	**198.05**	**198.05**
Net Carrying Amount		
Balance as at 31.03.2018	**50.22**	**50.22**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

7 InTangible assets under development

(₹ in Lakhs)

Particulars	Software	Total
Carrying Amount		
Balance as at 01.04.2018	269.74	269.74
Additions	-	-
Deletions	269.74	269.74
Balance as at 31.03.2019	**-**	**-**
Carrying Amount		
Balance as at 01.04.2017	129.40	129.40
Additions	140.34	140.34
Deletions	-	-
Balance as at 31.03.2018	**269.74**	**269.74**

8 Investments

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
Non Current Investments				
Equity Investments of Associates		1.04		0.10
Equity Investments - Others		102.44		114.77
Investment in Government Securities		0.37		0.37
Investment in Real Estate Portfolio Management Fund		3,568.88		2,876.44
		3,672.73		**2,991.68**
Current Investments				
Liquid Mutual Fund Units		3,550.99		1,621.05
Fixed Matured Plan Mutual Fund Units		16,570.52		17,130.69
Other Debt Mutual Fund Units		27,161.26		40,516.73
		47,282.77		**59,268.47**
Non Current Investments				
Unquoted				
Equity Investments of Associates (Investments Carried at Fair Value through Other Comprehensive Income)				
Equity Shares of ₹ 100 each in Swarna Bharat Biotechnics Pvt Ltd - fully paid up	3,600.00	-	3,600.00	-
Equity Shares of ₹ 10 each in Swadeshi Biotechnics Ltd -fully paid up	7,000.00	1.04	7,000.00	0.10
		1.04		**0.10**
Investment in Government Securities (Investments Carried at Cost)				
National Savings Certificates	-	0.37	-	0.37
		0.37		**0.37**
Investment in Real Estate Portfolio Management Fund (Investments Carried at Fair Value through Profit & Loss Statement)				
ASK Real Estate Special Situations Mutual Fund	375	371.11	375	357.63
ASK PMS Real Estate Special Opportunities Portfolio - III	-	3,074.06	-	2,399.60
		3,445.18		**2,757.23**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

8 Investments (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
(Investments Carried at Fair Value through Other Comprehensive Income)				
ASK Real Estate Special Situations Mutual Fund	125	123.70	125	119.21
		123.70		119.21
Investment in Real Estate Portfolio Management Fund - Total		**3,568.88**		**2,876.44**
QUOTED				
Equity Investments - Others				
(Other than trade)				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Equity Shares of ₹ 10 each in Vijaya Textiles Ltd - fully paid up	1,99,425	54.34	1,99,425	79.77
Equity shares of ₹ 10 each in Bank of Maharastra - fully paid up	1,900	0.26	1,900	0.26
Equity shares of ₹ 10 each in Indian Overseas Bank - fully paid up	9,700	1.40	9,700	1.69
Equity Shares of ₹ 1 each in Tata Consultancy Services Ltd - full paid up	2,320	46.44	1,160	33.05
		102.44		**114.77**
Current Investments				
Unquoted				
(Other than trade)				
Liquid Mutual Fund Units				
(Investments Carried at Fair Value through Profit & Loss Statement)				
DSP Blackrock Liquidity Fund - Direct Plan - Growth	-	-	24,547	610.08
ICICI Prudential Liquid Fund - Direct Plan - Growth	8,06,883	2,230.36	-	-
Reliance Liquid Fund - Direct Plan Growth Plan - Growth Option	8,940	407.85	-	-
SBI Liquid Fund Direct Growth	31,168	912.79	-	-
Axis Liquid Fund - Direct Growth (CFDGG)	-	-	52,449	1,010.97
		3,550.99		**1,621.05**
Fixed Matured Plan Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
BSL Fixed Term Plan - Series PB (1190 Days) - Direct Growth	30,00,000	327.08	30,00,000	304.46
BSL Fixed Term Plan - Series PE (1159 Days) - Direct Growth	30,00,000	325.88	30,00,000	303.39
BSL Fixed Term Plan - Series QJ (1098 Days) - Direct Growth	1,50,00,000	1,616.09	-	-
Franklin India Fixed Maturity Plans - Series 3 - Plan F 1098 days - Direct - Growth	50,00,000	539.05	-	-

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

8 Investments (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
HDFC FMP 1178D Feb,2017 Direct Growth -Series 37	2,40,48,573	2,838.33	2,40,48,573	2,637.70
HDFC FMP 92D Feb,2018 Direct Growth -Series 39	-	-	1,50,92,530	1,520.30
ICICI Prudential Fixed Maturity Plan Series 82-103 Days Plan N Direct Plan Cumulative	-	-	1,00,00,000	1,006.50
ICICI Prudential Fixed Maturity Plan Series 80-1150 Days Plan N Direct Plan Cumulative	78,04,662	920.52	78,04,662	854.35
ICICI Prudential Fixed Maturity Plan Series 83-1113 Days Plan E Direct Plan Cumulative	1,70,00,000	1,817.66	-	-
ICICI Prudential Fixed Maturity Plan Series 83-1105 Days Plan M Direct Plan Cumulative	51,04,334	539.50	-	-
Kotak FMP Series 218 Direct - Growth	-	-	1,27,00,000	1,279.49
Kotak FMP Series 235 Direct - Growth	50,00,000	536.72	-	-
Reliance Fixed Horizon Fund - Series 4 - Direct Growth Plan	-	-	1,61,19,549	1,625.03
Reliance Fixed Horizon Fund -XXXVIII -Series 03 - Direct Growth Plan	60,00,000	643.04	-	-
UTI Fixed Term Income Fund Series XXIX - XI (1112 Days)-Direct Growth Plan	64,78,435	689.82	-	-
HDFC FMP 1302 D SEPTEMBER 2016 (1) - SERIES 37 REG - G	2,42,73,023	2,941.89	2,42,73,023	2,764.70
Barclays Investments &Loans (India) Ltd CP	-	-	500	2,412.73
Reliance Capital Limited	-	-	500	2,422.06
IIFL Wealth Finance Limited SR-IFGPD - II BR NCD		2,834.95		-
		16,570.52		**17,130.69**
Other Debt Mutual Fund Units (Investments Carried at Fair Value through Other Comprehensive Income)				
BSL Treasury Optimizer Plan-Gr.-Direct	-	-	13,34,170	2,995.51
BSL Medium Term Plan-Growth-Direct	60,30,081	1,431.43	1,33,69,214	3,037.38
HDFC Credit Risk Debt Fund - Direct Growth	2,85,10,870	4,538.53	2,85,10,870	4,257.76
IDFC Corporate Bond Fund Direct Plan-Growth	29,23,851	376.02	1,01,80,095	1,218.59
IDFC Credit Risk fund Direct Plan Growth	5,89,183	68.32	78,23,282	848.53
IDFC Credit Opportunities Fund Direct Plan -Growth	-	-	50,36,080	546.22
ICICI Banking & PSU Debt Plan-Drt Growth-P8104	27,30,566	588.83	1,78,26,158	3,604.02
ICICI Prudential Medium Term Bond Fund	1,46,91,815	4,406.44	1,46,91,815	4,156.33
ICICI Prudential Income Opportunities Fund	-	-	29,72,407	735.97
Kotak Credit Risk Fund - Direct Plan - Growth	2,23,63,110	4,816.43	2,23,63,110	4,489.06
Reliance Credit Risk Fund _Direct Growth Plan Growth Option	11,51,998	313.29	55,72,899	1,411.62
Reliance Strategic Debt Fund -Direct Growth Plan	4,08,18,805	6,267.69	4,08,18,805	5,910.36
Tata Short Term Bond Fund Direct Plan-Growth	-	-	11,34,934	380.59
UTI Short Term Income Fund-Institutional Option-Direct Plan-Growth	-	-	29,69,104	642.39

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

8 Investments (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	Qty Nos	Amount	Qty Nos	Amount
IIFL Wealth Finance Limited	-	-	2,500	2,707.47
		22,806.98		**36,941.79**
(Investments Carried at Fair Value through Profit & Loss Statement)				
BSL Short Term Opportunities Fund - Growth - Direct Plan	-	-	80,53,176	2,393.39
BSL Money Manager Fund - Growth - Direct Plan	4,428	11.14	-	-
Aditya Birla Sun Life Low Duration Fund - Growth - Direct Plan	1,90,371	900.80	-	-
DSP Blackrock Bond Fund - Direct Plan - Growth	-	-	8,94,072	509.16
HDFC Ultra Short Term Fund - Direct Growth	1,05,97,006	1,109.97	-	-
IDFC Ultra Short Term Fund-Growth-(Direct Plan)	1,05,19,768	1,115.62	-	-
ICICI Prudential Money Market Fund - Direct Plan - Growth	1,94,078	504.92	-	-
ICICI Prudential Flexible Income - Direct Plan - Growth	-	-	46,540.54	155.95
Tata Corporate Bond Fund Direct Plan - Growth	-	-	21,479.83	507.06
Tata Ultra Short Term Fund Direct Plan - Growth	-	-	353.04	9.38
UTI Ultra Short Term Fund - Direct Growth Plan	22,679	711.82	-	-
		4,354.27		**3,574.94**
Other Debt Mutual Fund Units - Total		**27,161.26**		**40,516.73**

Market Value of Quoted Investments	102.44	114.77
Aggregate amount of Quoted Investments	204.27	204.27
Aggregate amount of Unquoted Investments	44,854.18	56,704.13
Aggregate amount of Impairment in value of investments	-	-

Investments Carried at Cost	0.37	0.37
Investments Carried at Fair Value through Other Comprehensive Income	39,604.70	54,306.57
Investments Carried at Fair Value through Profit & Loss	11,350.44	7,953.22

Investments in Mutual Funds

Mutual funds - Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI) or Profit & loss . Accordingly Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) or Profit & Loss Statement for the year ended as the case may be.

Investments in Associates & Other Equities

Investment in Associates & Other Equities - Under Ind AS, the Group has designated these investments at fair value through Other Comprehensive Income (OCI). Accordingly these investments are required to be measured at fair value. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI).

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

9 Loans (Non-Current)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Advance to Employees Trust	3,000.01	-
	3,000.01	**-**

10 Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax Asset on account of differences in depreciation		
as per tax books and financial books.	28.13	18.64
Deferred Tax asset arising on account of timing differences relating to:		
Provision for Bad and doubtful trade receivables	61.37	29.30
Employee Benefits	13.49	19.50
	102.99	**67.44**

11 Non-Current Tax Assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Advance Income Tax Excess of advance income tax over the tax payable for the A.Y. 2016-17 & 17-18 refundable after completion of assessments.	400.35	399.03
	400.35	**399.03**

12 Other non-current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Security deposits	209.47	175.93
Advances for Capital Expenses	290.57	663.18
Pre-Operative Expenses	-	2.93
	500.04	**842.04**

13 Inventories

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Raw Materials	5,668.39	5,183.55
Work in Process	9,216.26	6,155.28
Finished Goods	41,238.64	32,943.16
	56,123.29	**44,281.99**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

14 Biological Asset

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Standing Crop	5,308.98	4,576.31
	5,308.98	**4,576.31**

15 Trade receivables

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured		
Considered good	8,461.61	8,593.03
Considered Doubtful	3,283.69	3,419.58
Less : Provision for doubtful debts	(3,283.69)	(3,419.58)
	8,461.61	**8,593.03**

Trade Receivables

Of the Trade Receivables balances, top 3 customers represent a balance of ₹ 2580.29 Lakhs as at 31st March 2019 and ₹ 2411.28 Lakhs as at 31st March 2018, and 4 customers represent more than 5% of the total balance of Trade Receivables as at 31st March 2019 and 3 Customers as at 31st March 2018.

The Average Credit period on sales of goods is 60 days.

The Company maintains a provision for doubtful debts based on ageing of receivable are considered as tool to determine the degree of liquidity. Receivable due for more than two years and balance considered doubtful, referred for recovery through legal proceeding are considered for provision.

(₹ in Lakhs)

Movement in the expected credit loss allowance	As at 31 March, 2019	As at 31 March, 2018
Balance at the beginning of the year	3,419.59	2,939.10
Movement in expected credit loss allowance on trade receivables at lifetime expected credit losses.	(135.90)	480.49
Balance at the end of the year	**3,283.69**	**3,419.59**

16 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Cash on hand	10.38	8.59
Balances with Banks - Current Accounts	490.19	1,368.53
	500.57	**1,377.12**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

17 Other Bank balances

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Fixed Deposit with Banks	354.31	-
Earmarked balances with banks		
- Deposit Accounts	14.74	13.54
	369.05	**13.54**

Deposit in Earmarked balance with banks represents bank balance in unclaimed dividend accounts.

18 Other current assets

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Unsecured and considered good		
Advance to suppliers	1,402.74	1,240.05
Advance to Staff	80.64	80.61
Prepaid expenses	96.05	91.77
Others	19.94	6.95
GST Input Credit	-	32.02
	1,599.37	**1,451.40**

19 Equity Share Capital

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
SHARE CAPITAL		
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹ 2/- each	2,000.00	2,000.00
Issued,Subscribed & Paid up		
63,129,133(6,60,92,133) Equity shares of ₹ 2/-each	1,262.58	1,321.84
	1,262.58	**1,321.84**

a) Reconciliation of number of Shares at the beginning and at the end of the reporting period.

Equity Shares of ₹ 2/- each

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No of shares	₹	No of shares	₹
At the beginning of the year	6,60,92,133	1,321.84	6,90,55,095	1,381.10
Add: Issued during the year	-	-	-	-
Less: Shares bought back	29,63,000	59.26	29,62,962	59.26
At the end of the year	6,31,29,133	1,262.58	6,60,92,133	1,321.84

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

b) Details of Shareholders holding more than 5% shares in the company

Particulars	As at 31 March, 2019		As at 31 March, 2018	
	No of shares	% of Shares	No of shares	% of Shares
G Vanaja Devi	1,45,83,618	23.10%	1,51,83,341	22.97%
G V Bhaskar Rao - HUF	1,03,91,682	16.46%	1,08,19,018	16.37%
G V Bhaskar Rao	55,76,416	8.83%	58,05,735	8.78%

Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Buy back of Equity Shares

During the year ended March 31,2019, the Company bought back and extinguished 29,63,000 equity shares of ₹ 2/- each at ₹ 675/- per share aggregating to ₹ 20000 Lakhs. The aggregate face value of shares bought back was ₹ 59.26 Lakhs.

20 Other Equity

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
a) Securities Premium				
Opening Balance	-		6,612.83	
Less: Utilized for Buyback	-	-	(6,612.83)	-
b) General Reserve				
Opening Balance	1,002.00		8,003.05	
Less: Utilized for Buyback	(1,000.00)		(8,001.05)	
Add: Tranfer from Retained Earnings	1,000.00	**1,002.00**	1,000.00	**1,002.00**
c) Retained Earnings				
Opening Balance	95,610.16		83,258.89	
Add:				
Profit for the year	21,745.07		21,123.78	
Less:				
Transferred to General Reserve	(1,000.00)		1,000.00	
Payment of Dividend & Dividend Tax	(2,283.17)		2,386.41	
Utilized for Buyback	(18,940.99)		5,326.85	
Transferred to Capital Redemption Reserve	(59.26)	**95,071.80**	59.26	**95,610.16**
d) Capital Redemption Reserve				
Opening Balance	59.26		-	
Add:				
Transfer from Retained Earnings	59.26	**118.52**	59.26	**59.26**
e) Other Comprehensive Income - Fair Value Gain / (Loss) on Investments				
Opening Balance	3,584.03		2,220.04	
Add:				
Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	(11.39)		(1.66)	

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

20 Other Equity (Contd..)

(₹ in Lakhs)

Particulars	As at 31 March, 2019		As at 31 March, 2018	
Fair value of Investments through OCI will be reclassified to Profit & Loss	82.32		1,965.31	
Less:				
Tax on Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	3.98		0.59	
Tax on Fair value of Investments through OCI will be reclassified to Profit & Loss	(106.07)	3,552.86	(600.25)	**3,584.03**
f) Other Comprehensive Income - Acturial Gain/ (Loss) on Employee Benefits				
Opening Balance	(337.32)		(42.29)	
Add:				
Acturial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit or loss	16.97		(295.03)	
Less:				
Tax on Acturial Gain/(Loss) on employee benefits through OCI will not be classified to Profit & Loss	(0.78)	(321.14)	-	**(337.32)**
		99,424.04		**99,918.14**

General Reserve: The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve.

Retained Earnings: Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

Other Comprehensive Income: The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

Capital Redemption Reserve: Face value of the No. of Shares cancelled through buyback is transferred to Capital Redemption Reserve.

21 Non-Controlling Interest

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
At the beginning of the year	(56.86)	(74.13)
Additions during the year	(4.61)	17.27
At the end of the year	**(61.47)**	**(56.86)**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

Details of non-wholly owned subsidiaries that have material non-controlling interests

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests :

Name of Subsidiary	principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests as At 31 March, 2019	Accumulated non-controlling interests as At 31 March, 2019
Aditya Agritech Private Limited	Secunderabad	30	148.72
Genome Agritech Private Limited	Secunderabad	49	(210.19)

Summarised financial information in respect of each of the subsidary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

(₹ in Lakhs)

Particulars	Aditya Agritech Pvt Ltd		Genome Agritech Pvt Ltd	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
Non-current assets	54.18	55.03	41.90	27.21
Current assets	5,956.06	3,130.98	57.27	354.83
Non-current liabilities	(217.08)	(216.48)	(6.82)	(7.60)
Current liabilities	(5,189.57)	(2,550.13)	(585.88)	(746.45)
Net Assets	603.60	419.39	(493.53)	(372.01)
Carrying amount of Non-controlling interest	148.72	93.78	(210.19)	(150.64)

(₹ in Lakhs)

Particulars	Aditya Agritech Pvt Ltd		Genome Agritech Pvt Ltd	
	As at 31 March, 2019	As at 31 March, 2018	As at 31 March, 2019	As at 31 March, 2018
Revenue	5,858.85	5,897.97	0.18	1,137.56
Expenses	5,675.73	5,775.62	121.71	1,177.23
Profit(Loss) for the year	183.12	122.35	(121.53)	(39.67)
Profit(loss) attributable to owners of the Company	128.18	85.64	(61.98)	(20.23)
Profit(loss) attributable to non-controlling interests	54.94	36.71	(59.55)	(19.44)
Profit(Loss) for the year	183.12	122.35	(121.53)	(39.67)

22 Borrowings

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Secured		
*Term Loan from Deptt of Biotechnology, Ministry of Science & Technology	187.06	187.82
From Banks		
Term Loan from Yes Bank Ltd	491.00	100.00
$Current Account Converted to Over Draft-Yes Bank	-	-
	678.06	**287.82**

* Term Loan from Department of Biotechnology, Ministry of Science & Technology is secured by all equipment, Plant & Machinery and other movable assets of the company and is repayable in ten equal half yearly instalments starting from May,2019.

$ Cash Credit secured on all current assets and second charge on movable fixed assets of "kaveri microteck pvt ltd" and personal gurantee of the Director.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

23 Provisions (Non Current)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee benefits	365.44	487.03
	365.44	**487.03**

24 Deferred Tax Liability

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Deferred Tax (Asset) on account of differences in depreciation		
as per tax books and financial books.	(10.25)	(9.87)
Deferred Tax (Asset) arising on account of timing differences relating to:		
Provision for Bad and doubtful trade receivables	(29.68)	(30.71)
Employee Benefits	(5.27)	(3.68)
Employee Benefits recognised through Other Comprehensive Income	0.15	
Deferred Tax Liability arising on account of timing differences relating to:		
Fair value gain on investments through Profit & Loss Statemnt	238.12	-
Fair value gain on investments through Other Comprehensive Income	1,822.29	1,720.19
	2,015.36	**1,675.94**

25 Other non-current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Security deposits from dealers	1,008.90	889.35
Grant/Subsidy	29.47	32.60
	1,038.37	**921.95**

26 Trade payables

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Creditors for Expenses	8,499.25	7,070.34
Sundry Creditors	13,319.15	11,548.26
Provision for Schemes	2,295.28	3,404.89
	24,113.68	**22,023.48**
Total Outstanding due of Micro and Small Enterprises	273.34	294.55
Total Outstanding due other than Micro and Small Enterprises	23,840.34	21,728.93
	24,113.68	**22,023.48**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

27 Other financial liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Un Claimed Dividend	14.74	13.54
Interest Accrued but not due	19.53	15.44
Current Maturities of long term debt	32.76	-
Capital Payables	281.67	114.04
	348.70	**143.02**

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the companies Act, 2013 as at 31st March 2019 and 31st March 2018.

28 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Advance from customers against Sales	24,154.88	17,973.30
Payable to Staff	878.79	973.82
Statutory Payables	174.91	120.35
Advance for Sale of Assets	252.30	-
	25,460.88	**19,067.47**

29 Provisions

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Employee benefits	56.31	76.60
Provision for Returns	300.94	593.51
	357.25	**670.11**

30 Current Tax Liabilities(Net)

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Provision for Income Tax (Net of Advance tax)	147.50	85.08
	147.50	**85.08**
Adjustments in provision for Income Tax		
Advance Income Tax	1,025.00	815.00
TDS/TCS receivables	9.41	2.27
	1,034.41	**817.27**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

31 Revenue from Operations

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Sale of Seeds	78,179.68	79,308.78
Sale of Micronutrients	2,760.84	2,407.71
Sale of Vegetables	1.29	220.99
TOTAL	**80,941.81**	**81,937.48**

32 Other Income

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Profit on sale of Assets	23.63	304.50
Dividend Income	2.61	0.56
Capital Gains from Investments	3,177.49	2,053.97
Interest Income	209.89	26.64
Others	22.63	15.51
Grant/Subsidy written Back	11.13	3.13
Baddebts Recovered	123.96	2.40
Fair value gain on Investments	725.48	(43.96)
Foreign Exchange Fluctuations	2.64	4.33
TOTAL	**4,299.46**	**2,367.07**

33 Cost of Material Consumed

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Raw Material Consumed/Production Expenses		
Opening Stock	5,183.55	4,575.61
Add : Purchases/Production Expenses including processing Charges**	54,974.80	40,340.53
	60,158.35	**44,916.14**
Less : Closing Stock	5,668.39	5,183.55
	54,489.96	**39,732.59**
** **Processing Charges**		
Freight Inward	1,183.86	1,042.33
Machinery Repairs & Maintenance	216.44	233.04
Seed Certification charges	1.02	0.33
Power & Fuel	845.70	806.34
Building & Godown repairs & maintenance	98.74	186.18
Godown Rent	123.75	119.78
Cold Storage Maintenance	49.84	39.10
Factory Maintenance	1,261.93	1,019.18
Expense on processing	1,156.55	1,020.92
Other Farm & Cultivation expenses	64.28	107.53
R&D Expenses ***	1,802.07	1,353.22
Total	**6,804.18**	**5,927.94**
***R&D Farm Expenses**		
Cultivation Expenses	17.66	11.78
Fertilizers & Pesticides	38.44	33.38
Electricity charges	15.80	17.89
Electrical items & motor repairing charges	3.36	3.76
Farm Maintenance	176.33	45.60
Labour charges	255.80	201.92

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

33 Cost of Material Consumed (Contd..)

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Postage & telephones	10.07	6.17
Printing & Stationery	28.87	13.82
Security charges	45.64	47.43
Staff Welfare	3.90	3.45
Travelling expenses	6.10	4.07
Vehicle Maintenance	23.95	22.84
Land Lease	94.91	84.63
Research Expenses	133.52	45.16
Testing Expenses	198.34	208.37
Professional Expenses	14.47	33.61
Salaries to R&D Staff	734.91	569.34
	1,802.07	**1,353.22**

34 Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019		Year Ended 31 March, 2018	
(Increase)/Decrease in Finished goods				
Opening Stock	32,943.13		36,730.97	
Closing Stock	41,238.64	(8,295.51)	32,943.13	3,787.84
(Increase)/Decrease in Work in Process				
Opening Stock	6,155.31		3,474.75	
Closing Stock	9,216.26	(3,060.95)	6,155.31	(2,680.56)
(Increase)/Decrease in Biological Assets				
Opening Stock	4,576.31		5,556.82	
Closing Stock	5,308.98	(732.67)	4,576.31	980.51
		(12,089.12)		**2,087.79**

35 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Salaries to Staff	5,082.23	5,060.77
Contribution to Provident and other funds	364.27	306.64
Staff Welfare Expenses	59.27	71.85
	5,505.77	**5,439.26**

36 Finance Costs

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Interest on Termloans	4.08	18.01
Interest on Others	37.17	29.52
Bank Charges	13.44	12.87
	54.69	**60.41**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

37 Depreciation And Amortisation Expense

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Depreciation of property, plant and equipment	2,203.72	2,489.36
Depreciation of Intangible assets	91.48	18.37
	2,295.20	**2,507.73**

38 Other Expenses

(₹ in Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Establishment Expenses		
Travelling Expenses	1,520.86	1,343.45
Postage & Telephone	105.86	126.60
Payment to Auditors **(Refer Note 39)**	26.54	27.70
Vehicle Maintenance	120.32	79.99
Rent	68.81	57.67
Printing & Stationery	57.74	63.96
Insurance	103.27	88.06
Books & Periodicals	0.84	1.16
Rates & Taxes	105.77	100.50
Office Maintenance	91.17	103.52
General Expenses	87.00	45.84
Conveyance	2.25	2.41
Donations & Subscriptions	20.44	20.48
Legal Expenses	228.70	166.34
Professional Charges	245.68	194.30
Professional Tax	0.58	0.35
GST Expense	132.23	87.87
CSR Expenditure	368.10	378.00
Market Cess	38.12	38.52
Security Charges	147.88	144.71
Service Tax	-	87.48
Computer Maintenance	178.64	52.37
Directors Sitting Fees	5.70	6.00
Foreign Exchange Loss	22.28	5.63
Buyback Expenses	186.44	171.12
Capital Loss on sale of Assets	-	1.07
Pre-operative expenses written off	2.92	-
(a) **Total**	**3,868.14**	**3,395.08**
Selling & Distribution Expenses		
Sales promotion expenses	2,863.57	2,602.57
Advertisement	15.70	118.13
Freight & Forwarding	2,059.13	1,795.17
Farmers Meeting Expenses	425.17	376.25
Staff & Dealers Meeting Expenses	198.54	243.56
Royalty	2,400.73	3,409.35
Bad debts Write Off	51.84	61.59
Provision for Bad Debts	(11.94)	480.49
(b) **Total**	**8,002.74**	**9,087.11**
Total of (a) & (b)	**11,870.88**	**12,482.19**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

39 Audit Fees

(₹ In Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
a) For statutory audit	23.32	26.45
b) For taxation matters	1.48	0.95
c) For reimbursement of expenses	1.74	0.30
	26.54	**27.70**

40 Expenditure incurred for corporate social Responsibility

The Group spent ₹ 368.10 Lakhs and ₹ 378.00 Lakhs towards CSR Expenditure for the year ended 31st March 2019 and 31st March 2018. The details of expenditure are as follows.

(₹ In Lakhs)

Particulars of CSR Activity	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Amount unspent at the Starting of the year	0.85	0.76
CSR Expenditure Spendable for the year	367.26	378.09
Total Amount to be spent for the year	**368.11**	**378.85**
Direct Expenses made by company		
Education development activities		
Farmer education and training programmes at Koppaka, West Godavari Dist, Andhrapradesh & Sattupally, Khammam Dist, Telangana.	3.10	-
Socio-Economic progress of the rural communities		
Assistance for construction of community halls at Durki Village, Narsullabad Mandal, Kamareddy District, Telangana.	15.00	-
Donations made towards CSR Activities	100.00	10.00
Contribution made to Kaveri Bhaskar Rao Charitable Foundation	250.00	368.00
Total Amount Spent during the year	**368.10**	**378.00**
Unspent amount at the End of the year	**0.01**	**0.85**

41 Income Taxes:

The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows:

Income tax recognised in profit or loss	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Statutory Income tax rate	34.82%	34.55%
Differences due to:		
Income Exempt from Tax	-28.14%	-30.50%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.04%	-0.02%
Tax Income at Different Rates	-1.36%	0.18%
Others	-0.13%	-0.16%
Effective tax rate	**5.23%**	**4.05%**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

Movement in Defered Tax Assets:

Movement during the Year ended March 31st, 2019

(₹ In Lakhs)

Deferred Tax Asset/(Liabilities)	As at 01 April, 2018	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2019
Provision for employee benefits	19.50	(5.38)	(0.62)	13.49
Provision for bad and doubtful trade receivables	29.30	32.07	-	61.37
Depreciation	18.64	9.49	-	28.13
	67.44	**36.18**	**(0.62)**	**102.99**

Movement during the Year ended March 31st, 2018

(₹ In Lakhs)

Deferred Tax Asset/(Liabilities)	As at 01 April, 2017	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2018
Provision for employee benefits	15.59	3.91	-	19.50
Provision for bad and doubtful trade receivables	18.53	10.77	-	29.30
Depreciation	15.72	2.92	-	18.64
	49.84	**17.60**	**-**	**67.44**

Movement in Defered Tax Liabilities:

Movement during the Year ended March 31st, 2019

(₹ In Lakhs)

Deferred Tax (Asset)/ Liabilities	As at 01 April, 2018	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2019
Provision for employee benefits	(3.68)	(1.59)	0.15	(5.12)
Provision for bad and doubtful trade receivables	(30.71)	1.03	-	(29.68)
Depreciation	(9.87)	(0.38)	-	(10.25)
Fair value gain on investments through Profit & Loss Statement		238.12		238.12
Fair value gain on investments through Other Comprehensive Income	1,720.19		102.10	1,822.29
	1,675.94	**237.18**	**102.25**	**2,015.36**

Movement during the Year ended March 31st, 2018

(₹ In Lakhs)

Deferred Tax (Asset)/ Liabilities	As at 01 April, 2017	Credit/(charge) in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2018
Provision for employee benefits	(0.44)	(3.24)	-	(3.68)
Provision for bad and doubtful trade receivables	(25.80)	(4.91)	-	(30.71)
Depreciation	(6.15)	(3.72)	-	(9.87)
Fair value gain on investments through Other Comprehensive Income	1,120.53	-	599.66	1,720.19
	1,088.14	**(11.87)**	**599.66**	**1,675.94**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

42 Capital Management:

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain or if necessary adjust its capital structure.

43 Earning Per Equity Share :

Earnings per Share has been computed as under

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Profit for the Year (₹ In Lakhs)	21,745.07	21,123.78
Weighted average Equity Shares outstanding (in no.s)	6,44,84,807	6,70,79,787
Earnings Per Share (Face Value of ₹ 2/- each)	33.72	31.49

44 Dividend on Equity Share

Dividend on Equity Shares paid during the year

(₹ In Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Final Dividend ₹ Nil Per share for FY 2018-19 (₹ Nil per share for FY 2017-18)	-	-
Dividend Distribution Tax on Final Dividend	-	-
Interim Dividend ₹ 3 Per share for FY 2018-19 (₹ 3 per share for FY 2017-18)	1,893.88	1,982.76
Dividend Distribution Tax on Interim Dividend	389.29	403.65
	2,283.17	**2,386.41**

45 Financial Instruments

Refer Note 2.13 for accounting policy on Financial Instruments.

A. ACCOUNTING CLASSIFICATION AND FAIR VALUES

The carrying amounts and fair values of financial instruments by class are as follows:

(₹ In Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
FINANCIAL ASSETS		
Financial assets measured at fair value		
Investments measured at		
i). Fair value through other comprehensive income	39,604.68	54,306.57
	39,604.68	**54,306.57**
ii). Fair value through Profit & Loss Statement	11,350.44	7,953.22
	11,350.44	**7,953.22**
FINANCIAL LIABILITIES		
	-	-

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

The Group has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and unpaid dividends at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

B. INCOME, EXPENSES, GAINS OR LOSSES ON FINANCIAL INSTRUMENTS

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit and Loss are as follows:

(₹ In Lakhs)

Particulars	Year Ended 31 March, 2019	Year Ended 31 March, 2018
Financial assets measured at fair value through other comprehensive income		
Investment in equity & debt instruments	70.93	1,963.65
Financial assets measured at fair value through Profit & Loss Statement		
Investment in equity & debt instruments	725.48	(43.96)

C. FAIR VALUE HIERARCHY

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 : Quoted Prices for identical Instruments in an active Market

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs, and

Level 3: Inputs which are not based on observable market data

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

	Level 1	Level 2	Level 3	Total
As at 31 March, 2019 Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	102.44	39,501.20	1.04	39,604.68
ii. Fair Value through Profit or Loss	-	11,350.44	-	11,350.44
As at 31 March, 2018 Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	114.77	54,191.70	0.10	54,306.57
ii. Fair Value through Profit or Loss	-	7,953.22	-	7,953.22

CALCULATION OF FAIR VALUES

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Financial assets and liabilities measured at fair value as at Balance Sheet date:

1. The fair values of investment quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.

2. The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

Other financial assets and liabilities

- Cash and cash equivalents (except for investments in mutual funds), trade receivables, investments in term deposits, other financial assets trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

46 FINANCIAL RISK MANAGEMENT

The Group's business activities are exposed to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Group's senior management has the overall responsibility for establishing and governing the Group's risk management framework. The Group's risk management policies are established to identify and analyse the risks faced by the Group to set and monitor appropriate risk limits and controls periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A. MANAGEMENT OF LIQUIDITY RISK

Liquidity risk is the risk that the Group will face in meeting its obligations associated with its financial liabilities. The Group's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

The Group maintained a cautious liquidity strategy with a positive cash balance throughout the year ended 31st March, 2019 and 31st March, 2018. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Group regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated over and above the amount required for working capital management and other operational requirements is retained as cash and cash equivalents (to the extent required) and any excess is invested in highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Group's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

(₹ In Lakhs)

	Carrying amount	Payable within 1 year	More than 1 year	Total
As at 31 March, 2019				
Financial liabilities				
Trade payables (including acceptances)	24,113.68	24,113.68	-	24,113.68
Borrowings	710.82	32.76	678.06	710.82
Unpaid dividend	14.74	14.74	-	14.74
Other Payables	14.74	14.74	-	14.74
Capital Payables	281.67	281.67	-	281.67
As at 31 March, 2018				
Financial liabilities				
Trade payables (including acceptances)	22,023.48	22,023.48	-	22,023.48
Borrowings	287.82	-	287.82	287.82
Unpaid dividend	13.54	13.54	-	13.54
Other Payables	15.44	15.44	-	15.44
Capital Payables	114.00	114.00	-	114.00

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

B. MANAGEMENT OF MARKET RISK

The Group's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Currency Risk

Price Risk

Interest Rate Risk

The above risks may affect the Group's income and expenses, or the value of its financial instruments. The Group's exposure to and management of these risks are explained below.

1. CURRENCY RISK

POTENTIAL IMPACT OF RISK

The impact of risk due to change in foreign currency value is very minute on the Group as the Group's exposure to foreign currency is very low.

As at 31st March, 2019 the net unhedged exposure to the Group on holding financial assets (trade receivables and capital advances) and liabilities (trade payables and capital creditors) other than in their functional currency amounted to ₹ 33.11 Lakhs payable (31st March, 2018 ₹ 13.01 Lakhs)

MANAGEMENT POLICY

The Group is not majorly exposed to foreign currency exchange risk because of its low volume foreign currency transactions even though management exercises proper precautions to minute the currency risk in foreign exchange transactions. The Group deals with US Dollar and Euro for its foreign currency transactions.

The Group makes its exports mainly against advance irrevocable LC to mitigate the risk of currency exchange due to delay in remittances. The Group does not opt for forward exchange contracts. Foreign exchange transactions are closely monitored to reduce the risk.

The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk.

SENSITIVITY TO RISK

A 5% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to approximately an additional ₹ 1.65 Lakhs gain in the Statement of Profit and Loss (2017-18: ₹ 0.65 Lakhs gain). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

2. PRICE RISK

POTENTIAL IMPACT OF RISK

The Group is exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2019, the investments in debt mutual funds amounts to ₹ 41858.55 Lakhs (31st March, 2018 ₹ 53708.50 Lakhs). These are exposed to price risk.

MANAGEMENT POLICY

The Group takes all the precautions to minimise price risk arising from investments in debt mutual funds. The Group is investing mainly in debt mutual funds through leading mutual fund companies and in best mutual funds where price risk is very low. The Group examines fund performance, rating, liquidty and risk aspects before investing.

SENSITIVITY TO RISK

A 0.5% increase in prices would have led to approximately an additional ₹ 209.29 Lakhs gain in the Statement of Profit and Loss (2017-18 ₹ 268.54 Lakhs gain). A 0.5% decrease in prices would have led to an equal but opposite effect.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

3. INTEREST RATE RISK

POTENTIAL IMPACT OF RISK

The impact of interest rate risk is very minute on the Group as the Group does not have exposure to any interest rate sensitive investments or securities.

The Group does not have any investment in interest sensitive securities/bonds as on 31st March 2019, and 2018.

MANAGEMENT POLICY

The Group makes maximum of the investments in non interest sensitive sectors to mitigate interest rate risk.

SENSITIVITY TO RISK

A 0.25% or 0.50% increase/decrease in interest rates will not make any difference to the Group profit or loss as there are no interest rate sensitive investments.

C. MANAGEMENT OF CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables is moderate due to the Group's customer base being large and diverse and also Group receives good amount of receipts towards advances. All trade receivables are reviewed and assessed for default on a quarterly basis based on collections and ageing.

Our historical experience of collecting receivables is that credit risk is moderate. Hence trade receivables are considered to be a single class of financial assets.

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in money market liquid mutual funds with financial institutions. The Group has set counter-parties limits based on multiple factors including financial position, credit rating, etc.

The Group's maximum exposure to credit risk as at 31st March, 2019 and 2018 is the carrying value of each class of financial assets.

47 Related Party Transactions

47.1 Following is the list of related parties and their relationships

A. Key managerial persons and their relatives

1 Mr. G.V.Bhaskar Rao
2 Mrs. G. Vanaja Devi
3 Mr. R. Venumanohar Rao
4 Mr. C. Vamsheedhar
5 Mr. C. Mithun Chand
6 Mr. G.Pawan
7 G.V.Bhaskar Rao - HUF
8 C. Vamsheedhar - HUF
9 R. Venumanohar Rao - HUF
10 Mr. K.V.Chalapathi Reddy
11 Mr. G. Vijay Kumar
12 Mr. V.R.S. Murti
13 Mr. T. Venkateswarlu
14 Mr. N. Papa Rao
15 Mr. N. Venkateswara Rao

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

B Other related firms & Associates

16 M/s. Kaveri Infra
17 M/s. Bhaskara Investments
18 M/s. Kaveri Bhaskarrao Charitable Foundation
19 M/s. Kaveri Employees Trust

47.2 Related party transactions for the year ended 31 March, 2019 are as follows:

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Remuneration paid		
Mr. G.V.Bhaskar Rao	245.47	195.29
Mrs. G. Vanaja Devi	152.11	121.31
Mr. C. Vamsheedhar	74.77	59.69
Mr. C. Mithun Chand	62.20	49.72
Mr. T. Venkateswarlu	20.48	18.36
Mr. N. Papa Rao	-	6.00
Mr. N. Venkateswara Rao	-	6.00
Mr. K.V.Chalapathi Reddy	11.94	-
Mr. G. Vijay Kumar	90.21	81.09
Mr. V.R.S. Murti	4.00	2.00
	661.18	**539.46**
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.60	0.60
Mrs. G. Vanaja Devi	8.49	8.49
Mr. G.Pawan	10.51	11.03
G.V.Bhaskar Rao - HUF	43.12	4.81
C. Vamsheedhar - HUF	-	1.12
R. Venumanohar Rao - HUF	-	2.26
M/s. Kaveri Infra	10.87	10.87
M/s. Bhaskara Investments	2.90	2.90
	76.49	**42.08**
Dividend paid		
Mr. G.V.Bhaskar Rao	167.29	174.17
Mrs. G. Vanaja Devi	437.51	455.50
Mr. R. Venumanohar Rao	15.20	6.64
Mr. C. Vamsheedhar	30.49	31.74
Mr. C. Mithun Chand	26.77	27.87
Mr. G.Pawan	69.59	72.45
G.V.Bhaskar Rao - HUF	311.75	324.57
	1,058.60	**1,092.94**
Loan Paid		
M/s. Kaveri Employee Trust	3,000.01	-
	3,000.01	**-**
Interest Received		
M/s. Kaveri Employee Trust	9.82	
CSR Expenditure		
M/s. Kaveri Bhaskarrao Charitable Foundation	250.00	368.00
	250.00	**368.00**
Payable balances outstanding		
G.V.Bhaskar Rao - HUF	17.53	-
Outstanding remunerations to KMP	46.40	-
	63.93	**-**
Loan outstanding		
M/s. Kaveri Employee Trust	3,009.83	-
	3,009.83	**-**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

48 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	273.34	294.55
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	-	1.07
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	19.09	161.73
Interest paid other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act beyond the appointed day during the year.	-	-
Interest paid under section 16 of MSMED Act, to suppliers registered under the MSMED Act beyond the appointed day during the year.	0.08	1.07
Interest due and payable towards suppliers registered under MSMED Act for payments already made	-	-
Further Interest remaining due and payable for earlier years	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

49 Commitments

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	180.52	48.52

50 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31 March, 2019	As at 31 March, 2018
Claims against the Company not acknowledged as debts. This comprises of	777.66	683.08
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits pending before various judicial forums and tax authorities aggregating to	628.52	589.67
ii. Other matters not related to tax	10.75	10.75
iii. Bank guarantees	138.39	82.66

51 Operating Leases

The Company's significant leasing arrangements are in respect of operating leases for lands and premises (residential, office, stores, godown etc.). These leasing arrangements which are cancellable (other than those specified below) range between 11 months and 10 years generally, or longer and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss.

The company does not have any non-cancellable agreements.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

52 Employee benefit plans

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benfits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design mitigate the risks commonly affecting the liabilities and the financial results.

a) **Interest rate risk :** the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.

b) **Salary inflation risk :** Higher than expexted increases in salary will increase the defined benefit obligation

c) **Demographic risk** : For example as plan is open to new entrants an increase in membership will increase the defined benefit obligation. Also the plan only provides benefits upon completion of a vesting criteria. Therefore if tunover rates increase then the liability will tend to fall as fewer employees reach vesting period.

1 Reconciliation of Defined Benefit Obligation

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening of defined benefit obligation	552.49	155.85
Current service cost	99.31	87.14
Past service cost	-	48.52
Interest on defined benefit obligation	41.52	11.00
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(3.97)	(120.42)
Actuarial loss / (gain) arising from change in demographic assumptions	(0.26)	82.72
Actuarial loss / (gain) arising on account of experience changes	(4.43)	317.28
Benefits paid	(49.56)	(29.59)
Closing of defined benefit obligation	**635.11**	**552.49**

2 Reconciliation of Plan Assets

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening fair value of plan assets	243.88	213.02
Employer contributions	297.41	53.73
Interest on plan assets	22.55	20.15
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	8.31	(13.42)
Benefits paid	(49.56)	(29.59)
Closing fair value of plan assets	**522.59**	**243.88**

3 Amount recognized in Balance Sheet

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Present value of funded defined benefit obligation	626.54	523.00
Fair value of plan assets	522.59	243.88
Net funded obligation	103.95	279.12
Present value of unfunded defined benefit obligation	8.57	29.49
Net defined benefit liability / (asset) recognized in balance sheet	112.52	308.61
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	**-**	**0.51**
Non-current	**112.52**	**308.10**

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

4 Current Year Expense Charged to Profit & Loss Account

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Current service cost	99.31	87.14
Past service cost	-	48.52
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	18.97	(9.16)
Total expense charged to profit and loss account	**118.28**	**126.51**

5 Amount Recorded as Other Comprehensive Income

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Opening amount recognized in OCI outside profit and loss account	337.04	44.03
Remeasurements during the period due to	-	-
Changes in financial assumptions	(3.98)	(120.42)
Changes in demographic assumptions	(0.26)	82.72
Experience adjustments	(4.43)	317.28
Actual return on plan assets less interest on plan assets	(8.32)	13.42
Closing amount recognized in OCI outside profit and loss account	**320.06**	**337.04**

6 Disaggregation of Assets

(₹ in Lakhs)

Particulars	For the year ended 31 March, 2019	For the year ended 31 March, 2018
Category of Assets		
Non Quoted Value	-	-
Insurer managed funds.	522.58	243.88
Others.	-	-
Grand Total	**522.58**	**243.88**

The Principal Assumptions used for the purposes of the acturial valuation as follows

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions while the Plan's sensitivity to such changes can vary over time.

53 Segment Information

The Group has identified and reported three reportable segments viz., Seeds, Micronutrients and Vegetables based on the nature of products and service, the differing risks and returns and the internal reporting systems. The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

NOTES

forming part of Consolidated Financial Statements for the year ended 31 March, 2019

53 Segment Information (Contd..)

Segment information is as follows:

(₹ in Lakhs)

S. No	Particulars	Segment						Total	
		Seeds		Micronutrients		Vegetables			
		2018-19	2017-18	2018-19	2017-18	2018-19	2017-18	2018-19	2017-18
1	**Segment Revenue**	**78,179.68**	**79,308.78**	**2,760.84**	**2,407.71**	**1.29**	**220.99**	**80,941.81**	**81,937.48**
2	**Segment results before interest and taxes and Other Income**	**18,583.99**	**19,601.66**	**387.94**	**210.50**	**(102.81)**	**(138.23)**	**18,869.12**	**19,673.93**
	Interest Expenses	12.83	40.06	41.29	18.89	0.57	1.46	54.69	60.41
	Other Income	4,173.64	2,355.40	123.96	7.34	1.86	4.33	4,299.46	2,367.07
3	**Profit before Exceptional Item and tax**	**22,744.80**	**21,917.00**	**470.61**	**198.95**	**(101.52)**	**(135.36)**	**23,113.89**	**21,980.59**
	Exceptional Item	-	-	-	-	-	-	-	-
	Current Tax	1,089.38	838.12	83.05	30.89	-	-	1,172.43	869.01
	Deferred Tax	209.88	(23.46)	(8.88)	(6.01)	-	-	201.00	(29.47)
4	**Net Profit after Tax**	**21,445.54**	**21,102.34**	**396.44**	**174.07**	**(101.52)**	**(135.36)**	**21,740.46**	**21,141.05**
5	**Other Information**								
	Segment Assets	1,51,538.06	1,42,736.57	3,389.88	3,422.97	222.44	385.48	1,55,150.38	1,46,545.02
	Segment Liabilities	53,257.99	44,365.29	1,234.81	906.82	32.44	89.78	54,525.24	45,361.89
	Capital Expenditure	7,335.15	2,034.70	142.09	230.90	-	0.91	7,477.24	2,266.51
	Depreciation	2,128.14	2,343.32	111.46	84.88	55.60	79.53	2,295.20	2,507.73

54 Disclosure of additional information as required by the Schedule III as at and for the year ended 31.03.2019

(₹ in Lakhs)

Name of the Group Company	Net assets, i.e. total assets minus total liabilities		Share in Sale of Products		Share in profit or loss		Share in other comprehensive income(attributable to share holders)		Share in total comprehensive income(attributable to share holders)	
	As % of net assets	Amount	As % of Sales	Amount	As % of Profit (or) Loss	Amount	As % of Other Comprehensive Income	Amount	As % of Total Comprehensive Income	Amount
Parent										
Kaveri Seed Company Ltd	102.01%	1,02,650.04	88.74%	71,826.14	81.47%	17,714.92	111.02%	(16.62)	81.45%	17,698.30
Subsidiaries										
Kaveri Microteck Pvt Ltd	2.14%	2,155.07	3.41%	2,760.84	1.82%	396.44	-3.67%	0.55	1.83%	396.99
Kexveg India Pvt Ltd	0.19%	190.00	0.00%	1.29	-0.47%	(101.52)	0.00%	-	-0.47%	(101.52)
Aditya Agri Tech Pvt Ltd	-4.15%	(4,175.70)	7.24%	5,857.81	15.67%	3,406.49	-7.35%	1.10	15.68%	3,407.59
Genome Agritech Pvt Ltd	0.03%	33.97	0.00%	0.18	-0.29%	(61.98)	0.00%	-	-0.29%	(61.98)
Genomix Agri Genetics Pvt Ltd	-0.23%	(228.23)	0.61%	495.55	1.80%	390.72	0.00%	-	1.80%	390.72
Total	**100%**	**1,00,625.15**	**100%**	**80,941.81**	**100%**	**21,745.07**	**100%**	**(14.97)**	**100%**	**21,730.10**

55 Previous year figures are regrouped wherever considered necessary to conform to current year classification.

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Firm Registration No.000459S
CHARTERED ACCOUNTANTS

Sd/-
(M.V. Ramana Murthy)
PARTNER
Membership No. 206439

Place: Secunderabad
Date: 27.05.2019

For and on behalf of the Board

Sd/-
(K.V.CHALAPATHI REDDY)
Chief Financial Officer

Sd/-
(V.R.S.MURTI)
Company Secretary

Sd/-
(G.V.BHASKAR RAO)
Managing Director
DIN: 00892232

Sd/-
(G.VANAJA DEVI)
Wholetime Director
DIN: 00328947

kaveri seed company limited
CIN: L01120TG1986PLC006728
Regd. Office: 513-B, 5th Floor, Minerva Complex, S.D.Road,
Secunderabad - 500 003, Telangana
Email: cs@kaveriseeds.in | Website: www.kaveriseeds.in

32nd Annual General Meeting - Tuesday, 17th day of September, 2019.

ATTENDANCE SLIP

Folio No./Client Id: _____ No. of Shares: _____

Name and address of
First/Sole Shareholder: _____

I, hereby record my presence at the 32nd Annual General Meeting of the Company to be held on Tuesday the 17th day of September 2019 at 3.00 P.M. at the FTCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, FTAPCCI Marg, Red Hills, Hyderabad - 500 004, Telangana.

_____ _____

Name of the Member/Proxy
(Block Letters)

Signature of the Member/Proxy

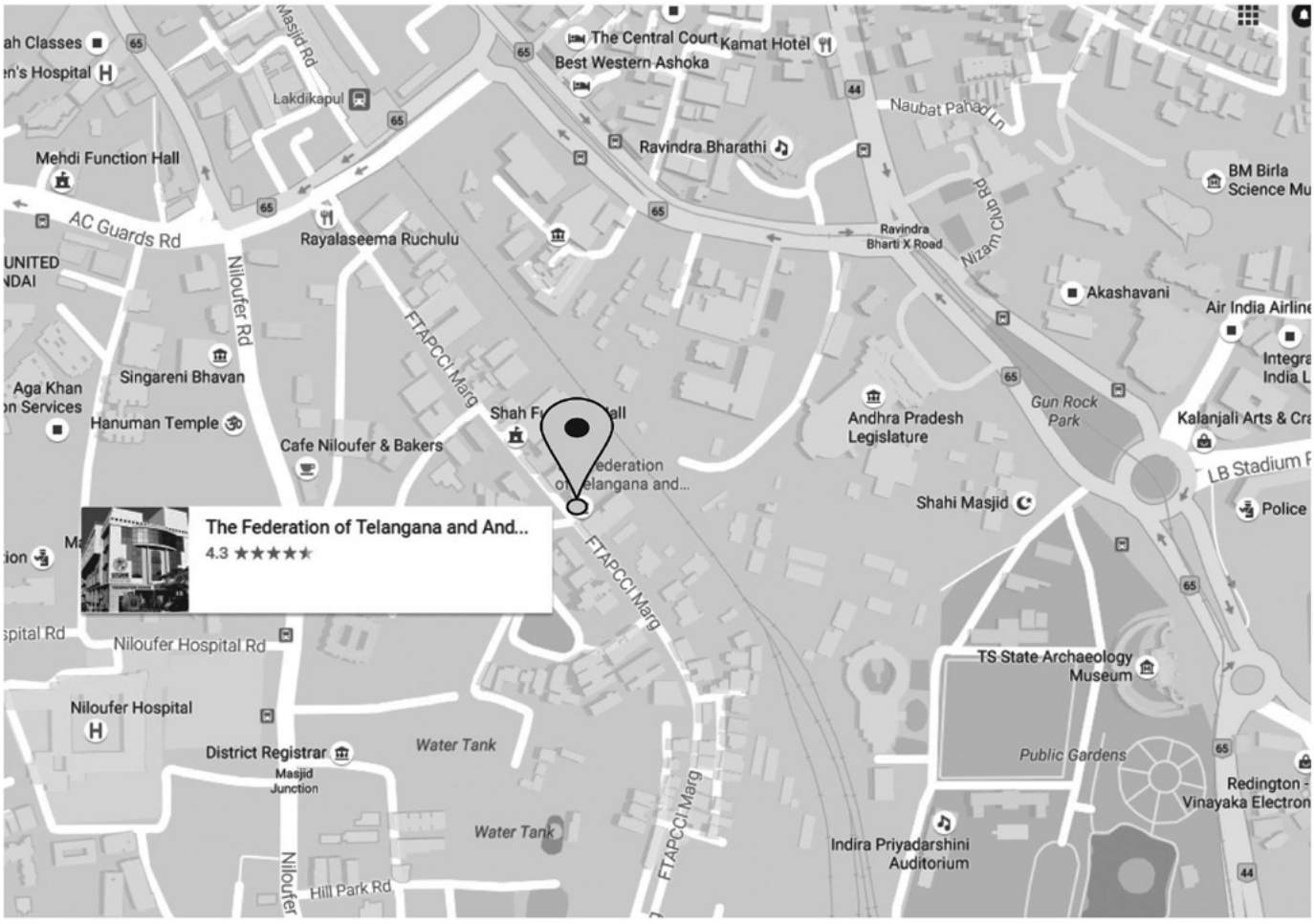
Notes:

a) Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.

b) Member/Proxy who wish to attend the meeting must bring this attendance slip to the meeting and hand over at the entrance duly filled in and signed.

c) Member/Proxy should bring his/her copy of the Annual Report for reference at the meeting.

ROUTE MAP



FTAPCCI Auditorium, The Federation of Andhra Pradesh Chambers of Commerce and Industry

kaveri seed company limited
CIN: L01120TG1986PLC006728
Regd. Office: 513-B, 5th Floor, Minerva Complex, S.D.Road,
Secunderabad - 500 003, Telangana
Email: cs@kaveriseeds.in | Website: www.kaveriseeds.in

32nd Annual General Meeting - Tuesday, 17th day of September, 2019.

PROXY FORM

(Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014)

Name of the Shareholder(s): _____

Registered Address: _____

E-mail ID: Folio No. /Client Id: DP ID: _____

Folio No./Client ID No.: _____ DP ID No.: _____

I/We, being member(s) of Kaveri Seed Company Limited, holding shares of the Company, hereby appoint:

A. Name:_____ E-mail id _____

Address: _____

_____ Signature _____

or failing him

B. Name:_____ E-mail id _____

Address: _____

_____ Signature _____

or failing him

A. Name:_____ E-mail id _____

Address: _____

_____ Signature _____

as my/our proxy to attend and vote (on poll) for me/us, on my/our behalf at the 32nd Annual General Meeting of the Company to be held on **Tuesday the 17th day of September 2019 at 3.00 P.M** at the FTCCI Auditorium, The Federation of Telangana and Andhra Pradesh Chambers of Commerce and Industry, Federation House, 11-6-841, FTAPCCI Marg, Red Hills, Hyderabad - 500 004, Telangana, and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

1. To receive, consider and adopt the Audited Standalone & Consolidated Financial Statements of the Company for the financial year ended 31st March 2019, together with the Balance Sheet, Profit & Loss and Cash Flow Statement for the year ended on 31st March 2019 along with the reports of the Board of Directors and Auditors thereon.
2. To confirm the payment of Interim Dividend on Equity Shares of the Company for the financial year ended 31st March, 2019.
3. To appoint a Director in place of Dr. G. Pawan (DIN: 00768751) who retires by rotation and being eligible offers himself for reappointment.

Special Business:

4. Appointment of Dr. Bhaskar Venkataramany (IAS Retired) (DIN: 03558571) as an Independent Director.
5. Re-appointment of Dr. Raghuvardhan Reddy Suravaram (DIN: 01992206) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
6. Re-appointment of Dr. Syed Mohammed Ilyas (DIN: 03542011) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.
7. Re-appointment of Mr. Purushotam Kalakala (DIN: 01540645) as an Independent Director for second term of five consecutive years, in terms of Section 149 of the Companies Act, 2013.

Signature of the Shareholder _____

Signature of the Proxyholder(s) _____

Signed this _____ day _____ of 2019

Revenue Stamp

Notes:

a) Proxy need not be a member of the Company.

b) The Proxy Form duly filled in and signed by the member(s) across Revenue Stamp should reach the Company's Registered Office: 513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad - 500 003, Telangana, at least 48 hours before the commencement of the meeting.

c) Corporate members intending to send their authorized representative(s) to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative(s) to attend and vote on their behalf at the meeting.

CORPORATE INFORMATION

Board of Directors

Mr. G.V. Bhaskar Rao
Chairman cum Managing Director

Dr. G. Pawan
Vice Chairman (Non-Executive)

Mrs. G. Vanaja Devi
Executive Director

Mr. C. Vamsheedhar
Executive Director

Mr. C. Mithun Chand
Executive Director

Dr. S. Raghuvardhan Reddy
Independent Director

Dr. S M Ilyas
Independent Director

Mr. K. Purushotham
Independent Director

Mrs. M. Chaya Ratan
Independent Director

Dr. V. Bhaskar
Independent Director

Company Secretary

Mr. V R S Murti

Chief Financial Officer

Mr. K. Venkata Chalapathi Reddy

Audit Committee

Mr. K. Purushotham
Dr. S. Raghuvardhan Reddy
Dr. V. Bhaskar
Mr. C. Mithun Chand

Nomination & Remuneration Committee

Mr. K. Purushotham
Dr. S. Raghuvardhan Reddy
Mrs. M. Chaya Ratan

Shareholders' Relationship Committee

Dr. S. Raghuvardhan Reddy
Mr. C. Vamsheedhar
Mr. C. Mithun Chand

Risk Management Committee

Dr. S. Raghuvardhan Reddy
Mr. C. Vamsheedhar
Mr. C. Mithun Chand

CSR Committee

Mr. G.V. Bhaskar Rao
Mrs. G. Vanaja Devi
Dr. S. Raghuvardhan Reddy

Bankers

Indian Overseas Bank
Kotak Mahindra Bank Ltd.
Axis Bank
HDFC Bank
ICICI Bank Ltd.

Listing

NSE & BSE

Registered Office & CIN of the Company

Kaveri Seed Company Limited
CIN: L01120TG1986PLC006728
513-B, 5th Floor, Minerva Complex,
S.D. Road, Secunderabad - 500 003.
Telangana.
Tel. Nos.+91 40-27721457/27842398
Fax No. +91 40-27811237
Email: cs@kaveriseeds.in
Website: www.kaveriseeds.in

Statutory Auditors

M/s. M. Bhaskara Rao & Co.,
Chartered Accountants
5-D, Fifth Floor, 'Kautilya'
6-3-652, Somajiguda, Hyderabad - 500082.
Telangana.
Tel. Nos. +91 -40-23311245/ 233939000
Fax No. +91-40 -23399248
E-mail: mbr_co@mbrc.co.in

Registrars and Share Transfer Agents

Bigshare Services Pvt. Ltd.,
306, 3rd Floor, Right Wing,
Amrutha Ville, Opp.Yashodha Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad - 500 082, Telangana.
Tel. Nos. +91 -40-40144967/ 23374967
Fax No. +91-40 -23370295
E-mail: bsshyd@bigshareonline.com

Internal Auditors

M/s. M. Anandam & Co.
Chartered Accountants, 7 'A' Surya Towers,
S.P. Road, Secunderabad - 500003.
Telangana.
Tel. Nos. +91 -40-27812377/27812034
Fax No. +91-40 - 27812091
Website :www.anandam.in

Plants

Gatlanarsingapur Plant - 1
Door No.104, Gatlanarsingapur Post,
Bheemadevarapally Mandal,
Warangal Urban District,
Telangana State.

Gatlanarsingapur Plant - 2
Door No.6-96/2, Gatlanarsingapur Post,
Bheemadevarapally Mandal,
Warangal Urban District,
Telangana State.

Eluru Plant
Sy.No.853, Koppaka village,
Pedavegi Mandal, West Godavari Distirct,
Andhra Pradesh State.

Eluru Plant
Sy.No.154/5, Akannagudem village,
Pedavegi Mandal, West Godavari Distirct,
Andhra Pradesh State.

Pamulparthy Cold Storage Unit
Sy.No.712, 743, Pamulaparthy Village,
Markook Mandal, Siddipet District,
Telangana State.

Bellary Plant
D.No.340, NH - 63, Main Road,
K.B.Halli - 583 103, Bellary District,
Karnataka State.

Pamulparthy Plant
Sy.No.703, Part, 707 Part,
712 Part 713 to 719, Pamulaparthy Village,
Markook Mandal, Siddipet District,
Telangana State.

Molangur Plant
Sy.No.708, 709/A and 712A
Molangur village,
Shankarapatnam Mandal,
Karimnagar District,
Telangana State.

Gowraram Plant
Sy.No.72 & 73 Part, Gowraram Village,
Wargal Mandal, Medak District,
Telangana State.

Registered Office

kaveri seed company limited
CIN: L01120TG1986PLC006728
513-B, 5th Floor, Minerva Complex,
S.D. Road, Secunderabad – 500 003, Telangana
Tel. Nos.+91 40-27721457/27842398
Fax No.+91 40-27811237
Email: cs@kaveriseeds.in
Website: www.kaveriseeds.in

a K&A creation | www.kalolwala.co.in