

kaveri seed company limited



27th September 2017

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

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: 532899

Scrip Code : KSCL

Dear Sir,

Sub:- Annual Report for the Financial Year 2016-17 - Reg.,

Pursuant to Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the Annual Report for the Financial year 2016-17. This Annual Report was approved and adopted by the shareholders at the 30th Annual General Meeting of the Company held on 25th September, 2017

This is for your information and record.

Thanking you,

Yours faithfully,

For KAVERI SEED COMPANY LIMITED

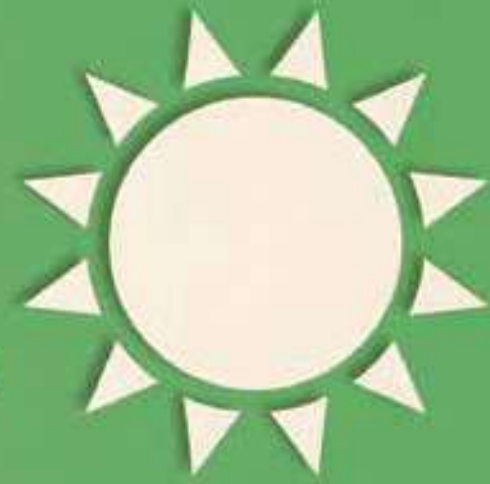


[Handwritten Signature]
C. MITHUN CHAND
WHOLE TIME DIRECTOR

Encl: As above



kaveri seeds®

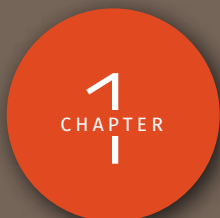


30 YEARS
kaveri seeds®

Value Creation Through Transformation

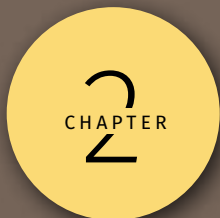


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Proxy Form
Attendance Slip



Equity share information

- Market capitalisation: ₹ 3,854.66 cr (31st March, 2017)
- Promoters holding: 54.43%
- National Stock Exchange (NSE): KSCL
- Bombay Stock Exchange (BSE): 532899



India's agriculture sector commands the largest share of the country's total land area at about 48%, compared to USA's 18% and China's 15%. However, farmers in India continue to suffer from low productivity. The reasons are not difficult to analyse: low usage of high-quality seeds, fertilisers, pesticides, lower farm mechanisation, weak credit facilities, shortage of water and energy.

At Kaveri Seeds, our mandate is to help change the scenario by partnering with the country's farming community, who shoulder the responsibility of feeding the nation's growing population.

We have sowed and nurtured the seeds of trust and loyalty among farmers for decades. The result is that we have now emerged as the preferred choice of the farming fraternity across India.

During the year, we continued to innovate with focus on enhancing productivity of farms. We also bolstered our marketing initiatives to reach out to more farmers and channel partners.

We further reinforced our position by foraying into various markets, relying on the performance of our products and catering to the changing requirements of customers.

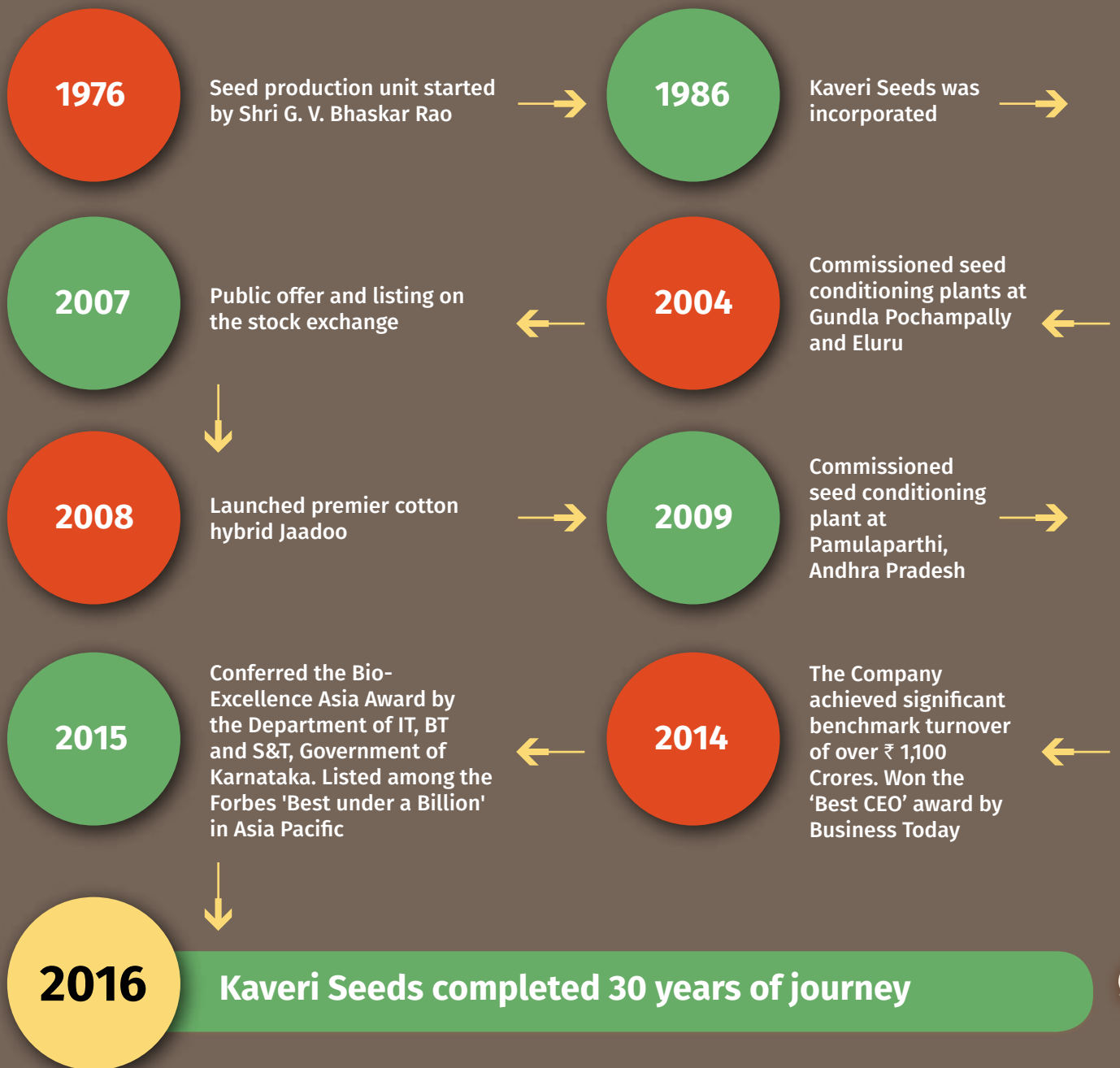
We are also initiating several farmer engagement initiatives to grow our brand salience.

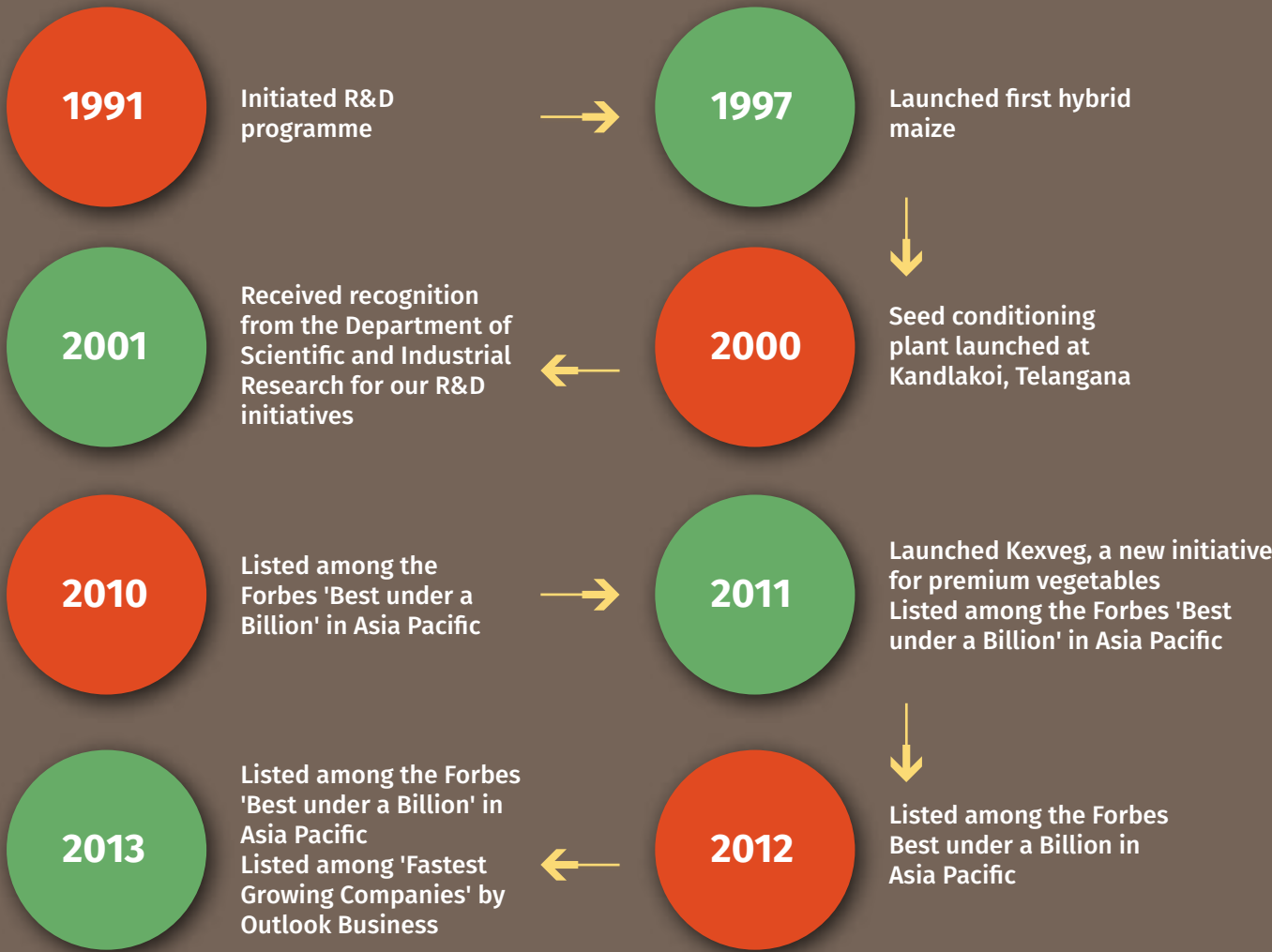
Across decades, we have steadily transformed our products, processes and innovation techniques to deliver the best of science to enhance farm productivity and ensure food and nutritional security for millions of people.

This is our roadmap of growth and value creation for all stakeholders.



Transforming with Changing Times





Sowing the Seeds for Growth

Kaveri Seed Company Limited (Kaveri Seeds) is one of the premier seed companies in the country, with a strong R&D base for developing quality hybrids of key Indian crops. We produce a comprehensive portfolio of high-quality hybrids and variety seeds developed across field and vegetable crops. We have one of the largest collections of crop germplasm in the country.

We have consistently invested in research and development initiatives to strengthen our portfolio. Moreover, realising the immense potential of biotechnology in fostering and fortifying traditional breeding, we have formulated an integrated programme of molecular breeding. We have developed research collaborations with several national and international institutions for product development, in line with evolving consumer preferences; and in view of developing tolerance to biotic and abiotic stresses and the looming threat of climate change. Our relentless innovation has helped to enhance farmer yields enormously and earned us goodwill among farmers and distributors.

Our multi-crop portfolio, superior R&D, brand salience, human capital efficiencies and strong financial position represent our firm foundation for long-term success.



One 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.



Core 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.

Strong reputation

We are serving Indian farmers consistently to improve their crop yields ever since inception. We have developed enduring relationships with farmers across India; and our 'Kaveri Seeds' brand enjoys wide reputation and loyalty, owing to our product range and quality commitment.

Proven expertise

We have over three decades of experience in the application of the science of genetics and principles of plant breeding in the evolution of crop hybrids, quality seed production, conditioning and processing; and in building extensive distribution network with strong farmer relationship.

Seed portfolio

We have the capability to produce over 100 high-quality hybrid seeds across field and vegetable crops.

Our portfolio of seed is aligned to

- Wider acceptance of key products in the marketplace, leading to a significant increase in revenue
- Market-oriented and need-focused breeding programmes, resulting in highly successful product portfolio
- Access to a wide range of products owing to the well-established R&D set-up
- High-value premium hybrids of field and vegetable crops
- High brand recall across product segments in farming community

Field Crops



Cotton



Maize



Rice



Bajra



Sunflower



Mustard



Sorghum



Pulses



Wheat

Vegetables



Tomato



Okra



Hot pepper



Watermelon



Gourd



Eggplant



Crop	Kaveri Market Share (%) in FY17
Cotton	14.4
Maize	10.8
Bajra	9.2
Rice	4.1

Our competitive advantage

Reliable track record, growing free cash flow and consistent dividend payout

Diverse product portfolio, addressing crop rotation and shift

Preferred brand for farmers, growers and distributors

Farmer-centric product pipeline with superior agronomic features

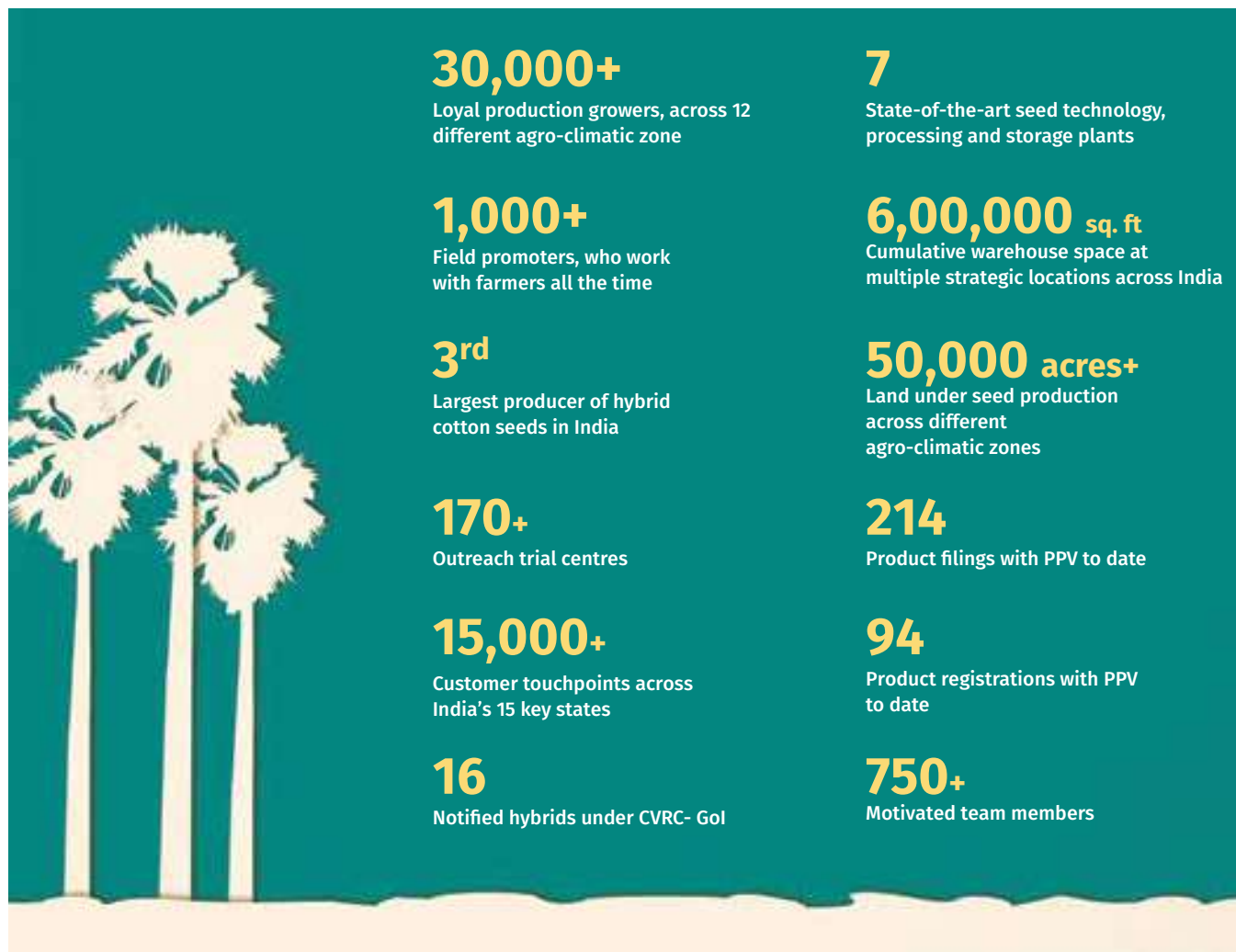
Nurturing farmer relationships since decades

Leadership in key crops - top 5 rank

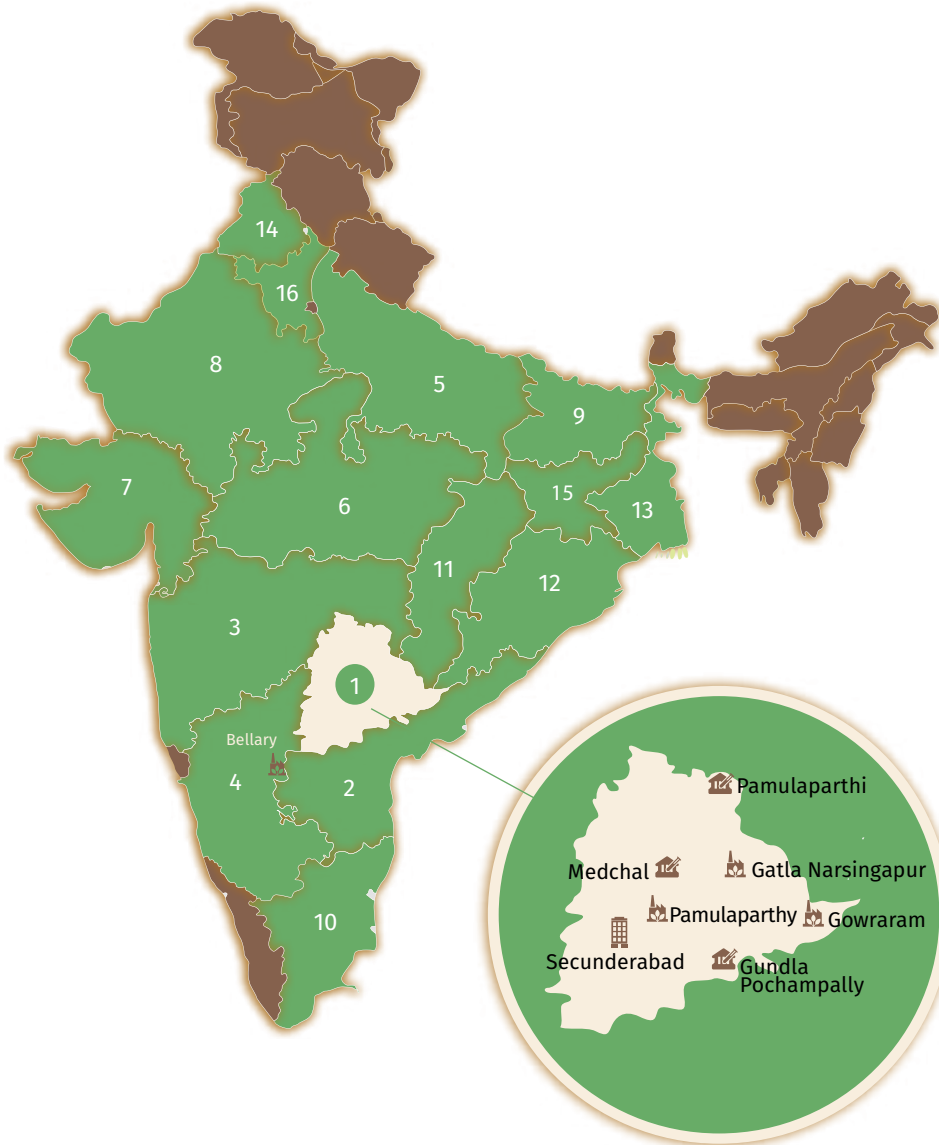
Comprehensive germplasm repository

Pan-India operations with a comprehensive distribution network; unmatched processing and storage capabilities

Best placed to scale-up production, aligned to demand



Pan- India operations



Distribution presence

1. Telangana
2. Andhra Pradesh
3. Maharashtra
4. Karnataka
5. Uttar Pradesh
6. Madhya Pradesh
7. Gujarat
8. Rajasthan
9. Bihar
10. Tamil Nadu
11. Chhattisgarh
12. Odisha
13. West Bengal
14. Punjab
15. Jharkhand
16. Haryana



Plants



Head office



Research and Development Laboratory

Key accreditations

Our rich germplasm/parental lines and hybrids are registered with Protection of Plant Varieties and Farmers' Rights Authority (PPV&FRA). During this year, 21 different crop hybrids/varieties received PPVFRA Registration Certificates. So far, a total 94 hybrids/varieties have been registered with PPV by the Company.

Two rice hybrids and one hybrid each in bajra, sunflower and maize, were released through Central Varietal Release Committee (CVRC) for this year.

Our promising notified corn hybrid KMH 25K45 (Bumper) has been identified as a national check in the coordinated trials.

Global recognition

We have been globally recognised for our initiatives in India's agribusiness landscape. We have figured on the Forbes 'Asia's 200 Best Under a Billion List' from 2010 to 2013 and in 2015.

Business Model

Inputs

Natural Resources

- Soil
- Water
- Biodiversity and ecosystem

Assets

- State-of-the-art manufacturing plants
- Employees
- Know-how and skills
- Experience

Key Elements Creating Value



Strong Brand Equity among farming community

- Large production area across India with a loyal 'producer farmer' network
- High credibility with the farmers
- Focused programmes to spread awareness among the farming community on new products in the market



Comprehensive pan-India operations

- Network of over 15,000 direct/ indirect distributors across the country
- Over 200 highly motivated marketing professionals on a pan- India basis
- Utilise more than 8,000 man-months of Promoters to communicate about best farming practices to farmers

Outcomes

1

Return on investment for growers and shareholders

2

Sustainable intensification of agriculture to provide food security

Financial Capital

- Financial structure
- Robust balance sheet

Governance structure

- Strong corporate governance system and risk management framework
- Proper internal management and control systems

Operational Efficiency

~130 MT/hour
Total average throughput

14,000 MT
Total cold storage capacity

2,900 MT/cycle
Maize cob drying facility

16 MT/day
Environment-friendly cotton delinting capacity

8 MT/day
Ginning capacity



Among the largest processing capacities

- 7 company-owned plants across key locations in India with a combined processing capacity of approx. 130 tonnes per hour
- Modern equipment for pre-cleaning, grading, cob drying, storage, packing
- Maize cob drying facility with a capacity of 2,900 tonnes per cycle
- Greenhouses for screening, uniform blast nursery for disease/pest screening
- Cotton delinting facility



State-of-the-art warehouse capabilities

- Warehouses across India with combined storage space of around 6,00,000 square feet
- Dehumidified, climate-controlled storage facilities
- Storage godowns of ~1,35,000 square feet (cold) and ~2,80,000 square feet (ambient) with holding capacity of ~25,000 MT

3

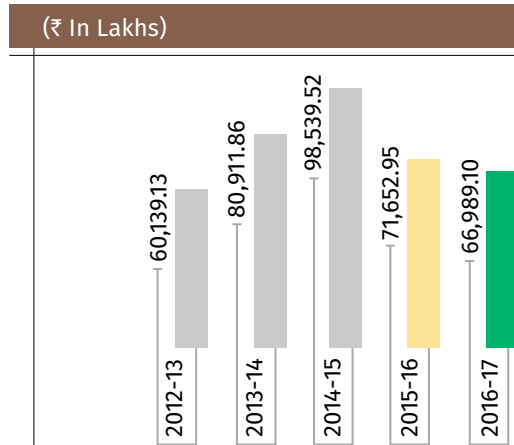
Grower and customer satisfaction

4

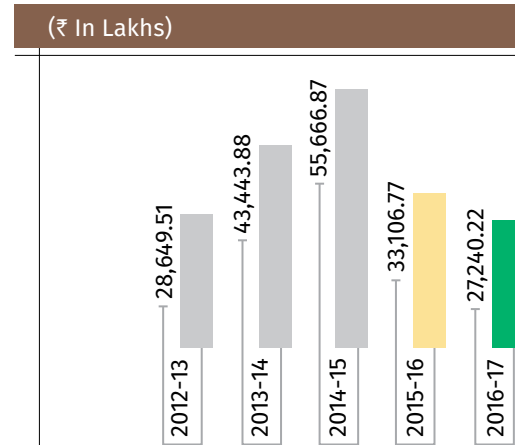
Economic value shared with employees, suppliers and governments

Key Performance Indicators

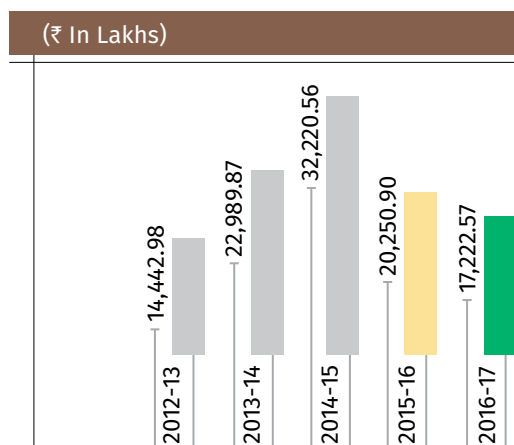
Revenue from Operations



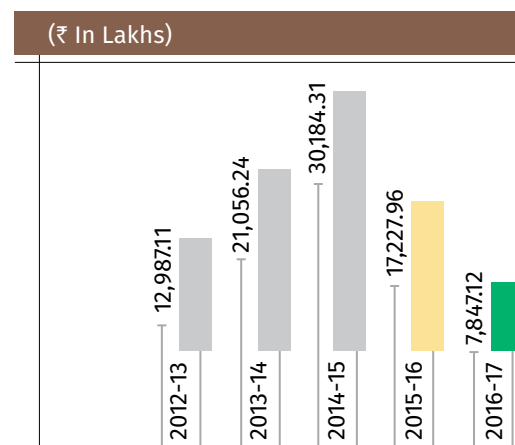
Operating Profit



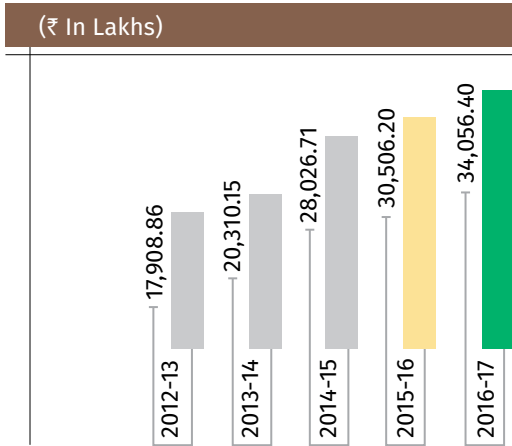
EBIDTA



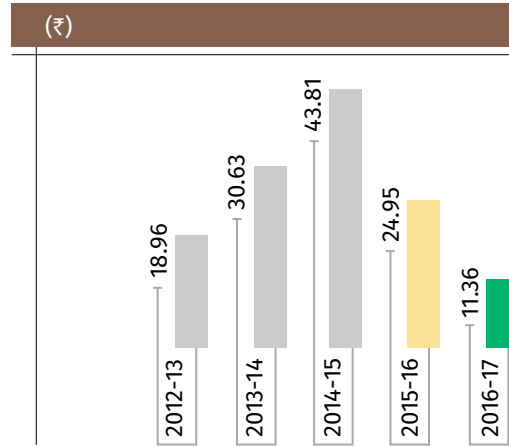
Net Profit



Gross Block



Earnings Per Share



Key Ratios

	2012-13	2013-14	2014-15	2015-16	2016-17
Liquidity					
Current ratio	1.39	1.71	2.38	2.71	2.58
Quick ratio	0.44	0.71	1.10	1.45	1.56
Asset management					
Inventory turnover	0.79	0.76	0.87	0.73	0.79
Fixed asset turnover	3.77	4.23	4.11	2.45	2.08
Receivable days	29.33	29.57	29.82	41.05	36.22
Profitability					
Return on assets	0.18	0.14	0.28	0.13	0.05
Return on Equity	9.48	15.34	21.93	12.49	5.68
Return on sales	0.48	0.54	0.56	0.46	0.41
Operating margin	0.46	0.52	0.55	0.43	0.36
Leverage					
Debt to equity	0.01	0.01	0.01	0.01	0.01
Debt ratio	0.60	0.49	0.34	0.31	0.33

Chairman's Insight



Dear Shareholders

Our planet is home to 7.2 billion people; and the population is expected to touch 9.3 billion by 2050. The result is a growing demand for food. However, the constant depletion of arable land across the world will put added pressure on countries to raise their production of food crops.

On the other hand, farm acreage remains stagnant as expanding farmlands carry high environmental risks, posed by the conversion of forests into agricultural lands. Therefore, the critical need for India is to enhance the use of high-yielding quality seeds to increase productivity.

Global crop output per acre is declining significantly owing to the disproportionate use of resources.

At the same time, water scarcity is driving enhanced research efforts to develop abiotic stress-tolerant crops that consume less water in the fields. In India, the demand for high-quality seeds is expected to grow to enhance farm yield at a time, when erratic rainfall patterns are becoming a concern for farmers.

Our performance

At Kaveri Seeds, we are committed to strengthen India's food and nutritional security by consolidating our fundamental strengths. During the year, we made significant progress in developing a clear framework for measuring and tracking our various operations. Initiatives, such as better and timely production planning and focus on geographic diversity for

production have enabled us to minimise the production-related risk.

A prolonged period of volatility was created in the market in 2015, following severe drought across large parts of India. However, a relatively better monsoon in 2016 enabled us to gain a favourable position, backed by several effective interventions.

We reported a lower net sales of ₹ 669.89 Crores in 2016-17, compared to ₹ 716.52 Crores 2015-16. Simultaneously, our EBIDTA decreased to ₹ 172.23 Crores in 2016-17 vis-à-vis ₹ 202.51 Crores in 2015-16. Our net profit stood at ₹ 78.47 Crores in 2016-17 against ₹ 172.28 Crores in 2015-16 and our earnings per share stood at to ₹ 11.36 in 2016-17, compared to ₹ 24.95 in 2015-16.

Holistic excellence

Our steady investments to bolster R&D initiatives have translated into encouraging outcomes. We have launched new hybrids in our mandate crops. We have witnessed remarkable success in major crops, such as cotton, maize, rice, bajra and vegetables. Our new breeding strategies will enable us to strengthen our R&D efforts further. We will continue to excel in innovation and development of new products.

During the year, we further fortified our position by penetrating into various markets, relying on the performance of our products and catering to the requirements of customers. We are focusing on

India's predominantly agricultural belts to enhance our business opportunities.

At the same time, we are engaging with farmers and providing them with critical information to increase their farm productivity. We are also making them aware of the quality of our products. More initiatives like farmer incentive programmes, merchandise distribution, decorated vans to educate farmers are waiting to be rolled out. These initiatives will progressively strengthen our brand recall.

Our key crops comprise cotton, rice, maize, and bajra. Despite the temporary market slowdown due to demonetisation, our market share in most of the crops grew significantly.

Our market share for cotton grew encouragingly owing to proactive initiatives, such as engaging more with farmers and making them aware of our products and their advantages. We reached out to the retailers extensively, especially in the state of Maharashtra.

Maize showed promising growth in terms of volumes and market share. This was particularly because of identifying new markets in the western, central and northern regions of India.

Although the hybrid rice didn't perform as we had expected, we saw significant growth in our selection rice. The market for bajra remained stable; and we could introduce two new products this year.

We strengthened our vegetable seed business with increasing investment in R&D, supply chain, marketing and the launch of new products. Vegetable seeds are low-volume and high-value crops and provide a new opportunity for Kaveri. In the coming years, this portfolio will help to diversify our risk and contribute to our growth.

Team and the community

In our drive to achieve holistic excellence on all fronts, our team has always played a pivotal role. The management has also adopted best-in-class employee engagement practices to motivate team members and strengthen their capabilities.

I am sure that Kaveri Seeds has innovative skills, creativity, good expertise and experience, as well as the right product portfolio in different crops to fulfil the aspirations of farmers and consumers of India.

Our business initiatives primarily empower farmers and our community efforts are an extension of this corporate philosophy. Kaveri acts as a vehicle of social transformation.

We undertake several community outreach programmes in some of the most remote villages of Telangana. Our area of operations includes education, community development and farmer welfare.

Our future priorities comprise

- Improving customer experience and to grow market share
- Increasing investment in R&D to develop products as per the changing needs of farmers

- Enhancing footprint in markets where our presence is low currently
- Diversifying our risk by developing vegetable business and foraying into international market
- Creating appropriate framework to achieve targeted goal in all the areas
- Developing talent in the organisation to support growth

On behalf of my colleagues on the Board, I would like to express my sincere gratitude to all our customer, employees, suppliers, business partners, shareholders for being with us throughout this transformational journey. I would particularly like to thank all the employees of Kaveri Seeds for their dedication, hard work and commitment towards the Company. We look forward to another successful year ahead with several new initiatives planned.

Sincerely,

G.V.Bhaskar Rao

Chairman and Managing Director

“



Guaranteeing a good yield

I have been using Kaveri Seed Company's paddy seeds for the past nine years. I was very impressed when I used the company's Supreme Sona variety for the first time in 2008. I still remember how it significantly increased the paddy production of my field that year. The next year, I sowed selection paddy varieties Sampurna and Chintu and hybrid variety Kaveri 9090 in my fields. All the varieties gave excellent yield. Since then, I have been using Kaveri Seeds and recommending it to all the farmers in my village. The selection paddy variety Sampurna is offering impressive yield everywhere, compared to seeds of other companies. The quality of rice that is being produced is superb and has a rich taste. I can call myself a Kaveri Seeds loyalist.

Arvind Kumar Chaudhary

Paddy farmer

Bharathwaliya, Sant Kabir Nagar, Uttar Pradesh

“



Farming without worries

I started using Kaveri Seeds Company's hybrid paddy last year after one of the company staff recommended the product to me. I planted paddy hybrid KPH 468 in my 1-acre field, which gave an output of approximately 31 quintals of paddy. The commercial value of the crop was also higher, compared to other company hybrids. This year, I have sown hybrid paddy KPH 468 seed (20 kg) in more than three acres of my fields. I also suggested other farmers of my village to use Kaveri seeds in their fields. Kaveri's Seeds hybrid paddy KPH 468 benefited the farmers, who cultivate potato and mustard in their fields after paddy harvesting. The hybrid seeds are giving a good yield in short duration with excellent commercial grain value. I am thankful to Kaveri Seeds.

Om Prakash Verma

Paddy farmer

Patmau, Barabanki, Uttar Pradesh



Unmatched endurance

Earlier we used to sow maize without fear. We were getting good harvest every year. However, I really don't know from where did this menace called post-flowering stalk rot (PFSR) come. I tried almost every variety of seeds available in the market. But none of the hybrids could survive the onslaught of PFSR disease and I incurred a huge loss. It is when I came to know about Kaveri Seeds Company's Drona hybrid. Drona came as a saviour to me when I had almost decided to give up maize cultivation. The tight husk doesn't allow rainwater to enter the cob and the plants remain green till maturity. It is a brilliant green fodder for my cattle. Drona is highly input responsive and gives higher yields. The cobs after harvest can be stored for a long time without getting deteriorated. I am thankful to Kaveri Seeds for producing uncompromising quality seeds.

Hanumantappa Pujar

Maize farmer
Medur, Haveri, Karnataka



Trust built over years

I have been cultivating Kaveri hybrid cotton in my fields for the past many years. I use two variants of cotton -- Jaadoo and ATM. I also follow the management practices recommended by Kaveri's sales team. The Company has benefited me every time giving satisfactory yields. I am recognised in my village as a loyal Kaveri farmer. Other farmers in my village have also adopted Kaveri Seeds hybrids after they observed that my fields were giving better yields. Kaveri Hybrid Cotton seeds Jaadoo and ATM helped me grow financially and live respectfully in my village. I convey my gratitude, as well as on behalf of my fellow farmers to Kaveri Seeds for producing such promising seeds.

Ammireddy Jaya Kumar

Cotton farmer
Lingapuram, Warangal, Telangana

Innovation is The Engine of Our Progress

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



We have a reliable track record of launching many new products and we have a strong pipeline tailored to specific needs of the farming community. We are 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.

Our smart breeding approach produces results with a consistent focus on producing more from less. We look at each crop through the eyes of the grower, and

we understand the grower's concerns and grievances. We have integrated our business, so that we can combine a broad range of technologies that will have the greatest impact on yields, quality and resource efficiency. We are making significant progress by developing suitable high yielding products for different segments of our country.

We are blending traditional breeding with advanced biotechnology, Candidate Gene Strategy and Association Mapping, among others. This will enable us to develop superior hybrids and inbred varieties that are high-yielding under optimum input use and stress environments.

Our 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.

Our Company is uniquely equipped with infrastructure and people to have an edge over our competitors. Our strong and highly enthusiastic R&D team comprises about 100 personnel, including more than 20 scientists.

R&D developments

Our 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.

Products development for the year		
Crop	Commercial hybrids developed & released	Hybrids under demonstration
Cotton	-	KCH 108, Money maker
Maize	KMH 2852, KMH 5510 and Drona, KMH 1311	KMH 463, KMH 5332
Rice	Shireen, KPH 468	KPH 475, Coastal King, Elito, Tino, Atom, Prize
Bajra	KBH 6080, Maximo, KBH 3580 (Singham)	KBH 5424, KBH 4252

- We have developed over 600 acres of dedicated research farms with varying agro-climatic conditions in and around Hyderabad.
- We have developed a satellite centre for rice in Lucknow and for vegetables in Guntur.
- We have 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.
- Product testing was conducted in over 170 trial centres situated in different locations across India.
- We invest in the blending of traditional breeding with cutting-edge biotechnology. We have 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 we have 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).

Germplasm progress

We have developed varieties of new germplasm. Our gene bank maintains over 8,000 propriety germplasm accessions in field crops and vegetables, which facilitates genetic enhancement and multidisciplinary crop improvement research programmes.

Summary of germplasm available in different crops

Crop	Accessions available
Maize	1,000+
Paddy	1,000+
Bajra	1,000+
Vegetables	1,000+
Cotton	2,000+
Others	1,000+
Total	8,000+

Efficient Supply Chain Drives Seamless Operations

At Kaveri, supply chain management involves planning of seed production, field production of hybrid and foundation seeds, transportation of raw materials, processing, storage and delivering finished products to domestic and export markets.

Our supply chain model





In FY 2016-17, we undertook the following initiatives to strengthen our supply chain management

- Implemented a comprehensive seed production planning process to accomplish delivery of target production volumes, despite challenging seed production scenario
- Organised seed production in multiple geographies
- Introduced direct seed grower payment-based production model in a few villages to optimise costs and fortify grower loyalty
- Established new vegetable seed production locations and successfully produced vegetable seeds in Kharif and Rabi season
- Strengthened seed production research (SPR) process by multi-location testing of parents of new hybrids; and conducted productivity trials of newly introduced products
- Organised seed production technical training sessions for different crops at multiple production geographies to enhance the capability of field production personnel
- Implemented field quality maintenance, followed by improved drying operational excellence in maize. Special effort was made in Cotton to further improve quality of seeds
- Conducted pilot seed production using GMS technology in Cotton that is likely to help improve genetic purity, minimise labour intensity, reduce production costs and increase profitability in the future
- Registered substantial improvement in cotton good seed recovery
- Completed the first season intake, storage and processing of research paddy varieties at the newly commissioned processing plant at Molangoor, successfully
- Inaugurated a dedicated storage warehouse for non-seed inventory to facilitate physical verification and control
- challenges, leveraging different locations, grower base and accurately forecasting production volumes through scientific yield estimations
- Sustain established vegetable seed production locations through capable co-operative organisers and skilled seed growers; explore alternative vegetable seed production geographies to reduce risk on dependence of few location
- Enrich quality by implementing field quality metrics
- Operational efficiency by optimising procurement, minimising seed-quality failures, inventory write-offs, seed compensations; maximising plant and cold storage capacity; efficient sales return seed management; implementing cost-effective completion of projects and maintenance of plants
- Improve logistics planning and execution to deliver products in time to meet customer requirement.

Future Initiatives
Going forward, we are planning to implement the following

- Maximise seed yields through an improved production strategy by applying several measures that include anticipating seasonal

Reaching out Aggressively

We are expanding our marketing initiatives to reach out to more dealers and farmers. We have over 15,000 direct and indirect distributors in our network across the country. More than 200 highly motivated marketing professionals on a pan- India basis drive our marketing momentum across India.





who significantly contribute to our growth.

Engaging the farming community

On-farm technology demonstration

To strengthen the confidence and trust of farmers on our brand, we conduct farmer education programmes across geographies and make them aware of our new and high-yielding products. We engage with them and introduce them to our wide product portfolio. We impart them knowledge on best-in-class farming techniques.

Krishi melas

Our team sponsors and participates in various agricultural festivals at district and state levels. These festivals are organised in collaboration with the State Department of Agriculture, State Agricultural Universities and ICAR institutions. Through these initiatives, we provide knowledge on new technologies and better farming techniques among farmers.

Other initiatives

- Our promoters educate farmers about our products and agronomy practices to be followed in specific geographies
- We engage in several BTL and ATL branding initiatives for targeted audiences
- We are expanding our footprint in under-represented market like Jharkhand



Initiatives to engage our distributors

Meetings with distributors

Distributor meetings at regional levels are organised every year, where we share our business plans with distributors. Additionally, we discuss about ways and means to strengthen the demand of our products and reach a larger consumer segment.

Key performers

Special family trips are organised for our 'high-performing' distributors, every alternate year. These trips are small token of appreciation and recognition for those distributors,



Yielding happiness

I have been sowing Kaveri Seed Company's paddy in my fields for the past 13 years. For the first time in 2004, I had sown the hybrid variety KPH 9090, which gave remarkable production. Since then, I have been using selection paddy varieties Sampurna, Supreme Sona, Sleek and Chintu and hybrid varieties KPH 468 and KPH 475 in my fields. All these varieties are disease-free and high-yielding. That is why, I have been suggesting to all my peers to use products by Kaveri Seeds. Kaveri Seeds has given them not only good production but greater profits. I am fond of Kaveri Seeds and will continue to use it every year.

Rakesh Chandra Singh

Paddy farmer

Siloni, Faizabad, Uttar Pradesh



Better crops everytime

Farming in my area gets affected by the vagaries of monsoon every year. Under such circumstances, getting a good harvest has become quite challenging. However, Kaveri Seeds Company's maize hybrid 25K55 came as a blessing to me. Despite receiving scanty rainfall in the last year's Kharif season, with the help of irrigation, I got a satisfactory yield. I am highly impressed by 25K55's features like kernel weight, disease tolerance and drought resistance. Kernels of the variety fetch me higher price at government procurement centres. Even if prices are not attractive, I can store the harvest safely for a long period. Kaveri Seeds has given me immense satisfaction and I'll continue to use their seeds.

Hanumantappa Shivanagutti

Maize farmer

Kalalbandi, Koppal, Karnataka



Partnering growth

I have been a distributor of Kaveri Seeds for the past 12 years, and I am selling the company's seeds in my district. All the variety of seeds produced by Kaveri are of excellent quality, and farmers also prefer these seeds every year for their yield. Both the product quality and produce quality are better than any other seeds available in the market. I feel extremely proud for being a distributor of Kaveri Seeds Company Limited. Over the years, the company has become a trusted name, consistently producing high-quality seeds.

Ramesh Kumar Maurya

Distributor, Proprietor of Ramesh Beej Bhandar,
Gola Bazar, Sant Kabir Nagar, Uttar Pradesh



Delivering excellence

I have a friendly and conducive association with Kaveri Seeds for over 25 years. I am particularly happy with their consistency in quality of supplies and customer-friendly policies. Every year, the company embraces newer strategies to keep the brand abreast with better products and excellent field support in a highly-competitive business scenario. Because of their high-quality products, we never had to face any serious complaints from our customers. Kaveri is the brand leader in field crops in our territory. Their products have value added features like disease and drought tolerance, early maturity, higher yields and wider acceptability across geographies. Also, the Company takes immediate steps to resolve any problem. It's a win-win situation for all of us.

B.V. Basavaraj

Channel Partner, Proprietor of Karnataka Hybrid Seeds Corporation
K.C. Road, Bellary, Karnataka

Excellence Driven by Teamwork

We consistently try to attract industry relevant talent, sharpen their skill sets, and align their career objectives with the larger organisational goals.



Our aim is to create an ecosystem that allows our teams to excel, despite challenges. We provide various opportunities to our people to build their strengths and efficiency. Today, our workforce comprises over 750 strong members.

Training initiatives

We train our employees on several developmental programmes to enhance their managerial and behavioural skills. We engage with our people through various communication meetings.

We motivate our people, provide them challenges and groom their inter-personal skills. We invest in providing quality training to our scientists, who are offered knowledge sessions by consultants having vast experience in plant breeding, seed science, technology, agronomy and allied fields.

Faculty improvement programmes are organised for our field members to impart them knowledge on production, quality control, agronomy, and plant protection, among others. Line managers conduct interactive sessions with new employees.

We underwent a significant restructuring to manage the span of control, which is now more streamlined and structured. Every employee is assigned a reporting authority, who reviews their performance regularly and provides need-based feedback and support for future improvement.

Employee engagement

Our HR department engages employees through a variety of programmes, which involves sports and games, and celebration of different festivals around the year. Besides, we dedicate the last Saturday of every month for recreational activities.

Employee benefits

Our HR team ensures that we provide the right benefits to our people, who work relentlessly towards achieving our shared goals. We have put in place dedicated insurance schemes for them. Moreover, mediclaims and gratuities are linked with their life insurance policies.

Awards

To keep our people motivated and focused on organisational goals, we have introduced an award programme. The awards recognise top performers from various departments, including research and development (R&D), seed production, sales and marketing, among others.

Sowing Seeds of Community Welfare

As a responsible corporate citizen, we undertake several sustainability initiatives for the well-being of communities. Our interventions help farmers improve their lives and be a part of India's socio-economic progress.

We adopted three villages in Telangana – Gatla Narsingapur, Ramnagar and Bollena Pally, where we conducted several programmes during the year:

- Constructed new school buildings at Siddipet town and Gatla Narsingapur village in Karimnagar district
- Disbursed salaries of Vidya volunteers of Upper Primary School (UPS) and Zilla Parishad High School (ZPHS) at Gatla Narsingapur village,
- Built a mineral water plant at Gatla Narsingapur to supply potable water
- Distributed books and school bags among students of several UPS and ZPHS in Bheemdevarpally Mandal, Karimnagar district, for the academic year 2016-17
- Made furniture for a school at Gatla Narsingapur village and several colleges in Karimnagar district
- Funded school maintenance expenses like electricity charges of school buildings, upkeep of canteens and arranged sports and cultural activities at UPS and ZPHS in Gatla Narsingapur village
- Built new roads and improved the existing road and drainage facilities in the three villages
- De-silted a tank at Gatla Narsingapur to ensure better water storage facility
- Provided a school bus to Gatla Narsingapur village to facilitate smooth journey of the village children from home to school and back
- Installed computers at the Gatla Narsingapur village school for students to learn the nuances of technology
- Donated funds to 'Swarna Bharath Trust' for rural development activities
- Constructed a community hall
- Led massive plantation drives in three villages under the 'Haritha Haram' programme
- Adopted three schools in three villages to ensure education and empowerment of school-going children
- Provided scholarships to school and college students from socially backward communities, encouraging them to pursue higher studies



Board of Directors



Mr. G. V. Bhaskar Rao
Chairman & Managing Director

Mr. Rao has a bachelor's degree in Science (Agriculture) from Andhra Pradesh Agriculture University. He is our founder promoter and has built this organisation from scratch. He has been the Chairman-cum-Managing Director of the Company since its inception. He spearheaded the Company's growth to its current stature and recognition levels with his vision and rich experience. His vision to bring about a change in farming communities by developing high-yielding varieties of hybrid seeds in crops like cotton, corn, sunflower, paddy, grain, sorghum, bajra and other vegetable seeds has positively influenced millions of farmers and generated employment for many. Under his leadership, Kaveri Seeds has become a pioneer and a trendsetter in India's seed industry. He continues to steer the Company by guiding the team to explore new opportunities. He is actively involved in giving back to the rural community by various community development initiatives.



Dr. G. Pawan
Vice Chairman - Non Executive

For over a decade, Dr. G. Pawan has contributed immensely to the Company's growth and sustainability. He has served as a Director for the preceding 12 years and has recently been appointed as Vice Chairman (Non-Executive) of the Company. Dr. Pawan is an MBBS from Jawaharlal Nehru University, Belgaum, Karnataka and he has completed Doctor of Medicine (MD) from Illinois State University, Chicago, USA. His consistent focus on strategic issues and long-term business plans and operations of the Company will help it elevate to a new orbit of competitiveness and value creation. Dr. Pawan has been instrumental in formulating strategic and long-term business plans, assisting the Chairman and Managing Director to do justice to his role and take vital decisions for sustainable value creation for all stakeholders.



Mrs. G. Vanaja Devi
Whole Time Director

Mrs. Devi has been associated with the Company since its incorporation. She is the founder Director, who has immense knowledge in production and processing. She oversees the corporate social responsibility (CSR) initiatives and the processing plants. Besides, she has been assisting the MD on development of various aspects of the business. With her instinct to bring innovative ideas on table, she is the ideal foil and support to the MD in managing the Company. She is also a guiding force to take up various social works in the Karimnagar district.



Mr. C. Vamsheedhar
Whole Time Director

Mr. Vamsheedhar is associated with the Company for the past decade. He is an Executive Director, as well a key player and growth driver in 'Team Kaveri'. He has a rich experience in marketing; and also advises in the general management of the Company. He has been instrumental in the exceptional growth of the Company's sales and marketing. He looks after the overall marketing activities, product development and quality management of the Company.



Mr. C. Mithun Chand
Whole Time Director

Mr. Chand is associated with Kaveri Seeds for the past ten years as an Executive Director. He has significantly contributed in sales and marketing of Kaveri Microteck and Kexveg India Private Limited, which are the subsidiaries of the Company. Besides, he looks after the day-to-day activities of administration, finance and accounts departments. Mr. Chand has a wealth of experience in marketing and finance; and advises the management about financial issues of the Company. He envisioned new business platforms and is dedicated towards growing the business with innovations.



Mr. M. Srikanth Reddy
Independent Director

Mr. Reddy holds a bachelor's degree in Science (Agriculture), from Andhra Pradesh Agricultural University. He has vast experience in various agricultural and business fields. He actively participates and advises on various policies and functions of the Company. His contribution to the organisation is invaluable.



Mr. P. Vara Prasad Rao
Independent Director

Mr. Rao is a science graduate with over three-and-a-half decades of experience in general management and finance. He is an expert in business transactions and negotiations and advises the Company from time to time.



Dr. Y. L. Nene
Independent Director

Dr. Nene is a renowned agriculture scientist and science administrator. He pursued his PhD from the University of Illinois, Urbana, USA. Soon after his return to India, he taught at a College of Agriculture at Pantnagar. He is an outstanding researcher, who published many scientific papers in peer-reviewed journals and guided several students on their PhDs. He is one of the Company's well-respected and honoured scientist. Dr. Nene has worked as a professor and Head of the Department of Plant Pathology at GB Pant University of Agriculture, Pantnagar. He served as a member of the governing body of ICAR.



Dr. S. Raghuvardhan Reddy
Independent Director

Dr. Reddy is a PhD (Agriculture) and Ex-Vice-Chancellor of Acharya N. G. Ranga Agricultural University, with a vast experience in agriculture and research activities. He has won several awards, including the 'Jawaharlal Nehru Birth Centenary Award' for his lifetime contribution towards the development of science and technology, especially in agricultural sciences.



Mr. K. Purushotham
Independent Director

Mr. Purushotham is a science graduate in agriculture. He has 36 years of experience in the banking sector. He has held several prominent professional positions, including General Manager of Indian Overseas Bank (IOB).



Dr. S. M. Ilyas
Independent Director

Dr. S. M. Ilyas is an M.Sc. in Agricultural Engineering from Indian Agricultural Research Institute, New Delhi and D.Sc. in the same subject from the University of Novi Sad (Yugoslavia). He retired as a Director of National Academy of Agricultural Research Management (NAARM), Hyderabad. Having a vast experience in agriculture and research activities and other international assignments, he has been re-employed as Project Director (Distance Education) of National Institute of Rural Development (NIRD), Hyderabad. Dr. Ilyas has held several eminent professional positions including the Vice-Chancellor of Narendra Deva University of Agriculture and Technology, Faizabad (UP). 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).

Five years at a glance

₹ in Lakhs

Statement of Profit and Loss	2012-13	2013-14	2014-15	2015-16	2016-17
Total revenue	60,638.78	81,878.87	1,00,101.75	72,819.78	70,424.00
EBIDTA	14,442.98	22,989.87	32,220.56	20,250.90	17,222.57
Depreciation	1,060.39	1,437.03	1,227.89	2,498.29	2,849.21
Finance costs	150.71	15.95	15.42	16.90	12.27
Profit before exceptional items and tax	13,231.88	21,536.89	30,977.25	17,735.71	14,361.09
Exceptional items	133.71		(33.25)	-	5,923.80
Profit before tax	13,365.59	21,536.89	30,944.00	17,735.71	8,437.29
Tax	378.48	480.65	759.69	507.75	590.17
Profit after tax	12,987.11	21,056.24	30,184.31	17,227.96	7,847.12
EBIDTA / Revenue	23.82%	28.08%	32.19%	27.81%	24.46%
PBT / Revenue	22.04%	26.30%	30.91%	24.36%	11.98%
PAT / Revenue	21.42%	25.72%	30.15%	23.66%	11.14%
Balance sheet	2012-13	2013-14	2014-15	2015-16	2016-17
Share capital	1,370.22	1,374.84	1,377.92	1,381.10	1,381.10
Reserves and surplus	33,214.02	50,484.94	74,496.27	92,243.41	1,01,020.30
Share Appln. Money	78.64	52.36	54.03		
Networth	34,662.88	51,912.14	75,928.22	93,624.51	1,02,401.40
Non-current liabilities					
Long-term liabilities and provisions	450.20	539.05	599.87	775.75	733.18
Deferred tax liability	0.13	(24.82)	(32.33)		
Current liabilities	51,739.55	49,721.70	38,120.58	41,048.71	48,569.12
Total liabilities	86,852.76	1,02,148.07	1,14,616.34	1,35,448.97	1,51,703.70
Non-current assets					
Gross fixed assets	17,544.00	19,143.86	21,861.22	28,555.20	31,189.82
Accumulated depreciation	4,236.05	5,606.31	6,647.09	9,075.96	11,784.00
Capital work in progress	364.86	1,166.30	6,165.50	1,951.00	2,866.58
Net fixed assets	13,672.81	14,703.85	21,379.63	21,430.24	22,272.40
Investments	924.75	802.30	2,222.69	2,272.04	3,217.76
Other non-current assets	480.99	1,460.36	232.88	353.79	670.29
Current assets	71,774.22	85,181.57	90,781.14	1,11,392.90	1,25,543.25
Total assets	86,852.76	1,02,148.07	1,14,616.34	1,35,448.97	1,51,703.70
Return on capital employed	38.11%	41.11%	40.52%	18.81%	8.19%
Return on networth	37.47%	40.56%	39.75%	18.40%	7.66%
Debt/Equity Ratio	0.01	0.01	0.01	0.01	0.01
Current Ratio	1.39	1.71	2.38	2.71	2.58
Per share	2012-13	2013-14	2014-15	2015-16	2016-17
Book value per share - ₹	252.97	75.52	110.21	135.58	148.29
Earnings per share - ₹	94.78	30.63	43.81	24.95	11.36
Dividend per share - ₹	16.00	**4.8	**7.5	**2.5	-
No. of shareholders	4,836	7,934	13,477	32,821	29,167

**Each of ₹ 10/- equity share of the company has been split into 5 equity shares of ₹ 2/- each during the financial year 2013-14.

Management Discussion and Analysis

Indian economy

India's GDP grew at 7.1% in FY 2016-17, led by growth in private consumption and robust policy initiatives by the Government. The agriculture GDP is expected to grow above trend at 4.1% to ₹ 1.11 trillion (US\$ 1,640 billion), according to Central Statistics Office (CSO).

India's GDP growth

				(%)
2013-14	2014-15	2015-16	2016-17	
6.9	7.3	7.6	7.1	

FY 2016-17 will remain a significant year for India's economy owing to several bold policy reforms implemented by the Government. The reforms include the creation of Insolvency and Bankruptcy Code (IBC), Monetary Policy Committee (MPC), the incorporation of Goods and Services Tax (GST) Act; redesigning of the Fiscal Responsibility and Budget Management (FRMB) framework and demonetisation.

GST is anticipated to be a significant reform in India, as it will bring greater transparency in India's indirect tax structure. Due to demonetisation and non-availability of cash, farmers failed to purchase hybrid seeds in required quantity from the market and used farm saved seeds. Despite causing some temporary hardship, the demonetisation of high denomination notes is expected to yield long-term benefits for the country. It would bring formalisation and digitalisation of the economy.

Moreover, several other reforms announced by the government is set to increase the consumer demand across India. Factors like higher agricultural credit, increased allocation for irrigation projects, power projects, minor irrigation schemes, crop insurance schemes and enhanced allocations for MGNREGA in the Union Budget will help to augment rural income. Moreover, implementation of the Seventh Pay Commission will further increase consumer demand across semi-urban and rural India.

India is expected to grow sustainably in days to come, owing to macroeconomic stability, increase in domestic demand, a growing consumption and consistent government impetus towards reforms.

Particularly, rural India is undergoing a rapid transformation. Consumption patterns are experiencing a change, which is facilitated by improved networking. People in rural India are seeking information proactively from multiple conventional and digital sources.

Sector-wise GDP growth

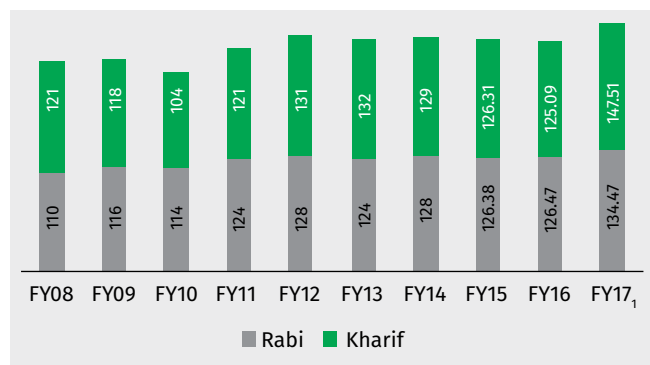
Sectors	2014-15	2015-16	2016-17
Agriculture and food management	1.1	1.1	4.1
Industry	5.9	7.4	5.2
Services	9.1	8.9	8.8

Source: CSO

Agricultural Sector of India

The agricultural sector plays a critical role in India's economy. Over 58% of rural households depend on agriculture as their principal means of livelihood. India holds the 2nd largest agricultural land in the world with 157.35 million hectares under cultivation. In FY 2016-17, total food grain production in India was recorded at 273.83 million tonnes, which increased from 253.16 million tonnes in FY 2015-16. India is the largest producer of cotton, spices, pulses, milk, tea, cashew and jute; and the 2nd largest producer of wheat, rice, sugarcane, oilseeds, fruits and vegetables.

Production of food grains in Kharif and Rabi season (million tonnes)



Source: Finance Ministry, Ministry of Agriculture, Tech.Sci. Research 1 - Data is 2nd Advance Estimate

Agricultural sector - Union Budget 2017-18

The Union Budget 2017-18 provided impetus to agricultural reforms by increasing funding for crop insurance and rising farm credits. The moves were aimed to tackle distress in rural India. The Budget further urged the National Bank for Agriculture and Rural Development (NABARD), the apex rural bank, to implement schemes to improve access to irrigation and develop the dairy sector. The Government further stressed on working closely with states to delist perishables, such as vegetables and fruits from Agriculture Produce Marketing Committees. This will enable farmers to sell their produce directly to consumers to get a better price. The significant announcements made in the Union Budget for agricultural sector, include:

- Allocation of ₹ 187,223 crore, which is 24% higher than last year
- Target for agriculture credit to be fixed at ₹ 10 lakh crore
- Extension of tenure of loans under Credit Linked Subsidy Scheme of the Pradhan Mantri Awas Yojana from 15 to 20 years
- Issuance of soil health cards and establishing mini-labs in Krishi Vigyan Kendras
- Increase funding for Pradhan Mantri Fasal Bima Yojana to USD1.96 billion (Source:IBEF)
- Invest ₹ 5,000 crore in micro irrigation fund for village water provisions for farming
- Establish dairy processing infrastructure fund under NABARD, with fund of ₹ 8,000 crore

Key drivers of agricultural growth

Exponential demand

The vast population of India serves as a key driver of demand for agricultural products in the country. Additionally, the rising levels of income among the urban and rural population have further aided the demand growth. Also, the export demand for the country's agricultural produce is growing, especially in other emerging markets.

Widening opportunities

In recent years, there has been a steady rise in demand for agricultural inputs, such as hybrid seeds and fertilisers. Besides, the Government is expanding the potential storage capacity of agricultural produce under its 12th Five Year Plan.

Policy support

- **Agricultural Technology Management Agency (ATMA):** This technique facilitates retrieval of data and data entry from the internet-based web portals, without actually having internet by using a simple mobile phone. More than a dozen services of innovative technology like USSD are being operationalised for farmers and other stakeholders.
- **Pradhan Mantri Krishi Sinchayee Yojana (PMKSY):** Under the scheme, allocation of USD7.64 billion has been made for investment in irrigation, expanding cultivable area, improve efficiency of on-farm water to reduce wastage, and enhance adoption of precision irrigation, among others. Most of the state Governments are funding agriculture sector and taking appropriate measures to achieve the targeted growth rate and address the issues being faced by farmers.
- **Pradhan Mantri Fasal Bima Yojana (PMFBY):** In 2016, Central Government launched PM Mantri Fasal Bima Yojana for providing financial support to farmers and cover their crop losses. PMFBY is a crop insurance policy scheme, covering commercial crops as well as annual horticultural crops.
- **Paramparagat Krishi Vikas Yojana (PKVY):** This scheme ensures the promotion of organic farming. Adoption of farming will promote the balanced use of chemical fertilisers and enhance the quality of farm produce.

Outlook

India's agricultural sector is likely to gain better momentum in the coming days, owing to further investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storages. Further, the enhanced usage of genetically modified crops will significantly improve the yields.

Seed industry insight

Seed is a medium to deliver improved technologies to farms. Cost-effectively, seed integrates production, protection and quality enhancement technologies in a single entity. At present, the global seed market is estimated to be around US\$ 43 billion and is expected to grow to ~ US\$ 92 billion by 2020. In India, with the rising preference for branded seeds among farmers, the seed industry is growing. Today, farmers prefer branded seeds that enhance yield and are resilient to harsh climates and diseases, instead of relying on seeds saved from the previous harvest. Moreover, the commercialisation of genetically modified (GM) cotton

changed the scenario of the India's seed industry. According to ICRA, the Indian seed industry is the sixth largest in the world, accounting for about 4.5% of global industry preceded by the US (27%), China (22%), France (6%), Brazil (6%) and Canada (4.8%). Despite being one of the largest seed markets, India's seed exports continue to remain low. India imports seeds of field and vegetable crops worth approximately US\$23 million and US\$52 million, respectively. However, the industry is predicted to grow twice the average of the world's seed industry, going forward.

India's agriculture sector has the largest share of a country's total land area and it is far more than the US or China. Yet India's global agricultural output is significantly low in terms of food grains and oilseeds, compared to USA and China, and trails behind China in terms of fruits and vegetables production. The reasons for lower productivity include low usage of high-quality seeds; inadequate and unbalanced use of fertilisers; low usage of plant protection chemicals; lower farm mechanisation; small holders, fragmented cultivation, resource poor farmers, weak credit facilities; market linkages and a shortage of water. Over the last four decades, enhanced seeds have played a crucial role in supporting India's agricultural growth, with productivity gains and the expansion of the domestic seed industry moving in tandem.

There is a paramount importance of improved quality seeds in the livelihood of millions of farming families, the quality in terms of yield and consistency in performance.

Strength of Indian Seed Sector

India has varied climatic conditions including tropical, sub-tropical and temperate climates, wherein all kinds of crops can be grown. This has allowed India's seed industry to flourish. All India Coordinated Research Projects (AICRPs) has so far released 8187 varieties and hybrids of different crops. India is also rich in Plant Genetic Resources (PGR) in all crop species, which could be used for crop development. India has a well-established seed regulation legislative framework, and a research base with a network of public and private stakeholders. India has several private seed companies with good quality research and development facilities. In addition, the country has 14 dedicated state seed corporations and a National Seed Corporation (NSC) promoted by the Government. For quality assurance, there exists fairly a good network of seed certification agencies and 126 seed testing laboratories that support a robust Quality Certification System. Certification centres are present in both public and private sectors, which will help quality control for the supply of quality seed for domestic and export of seeds.

Entry Barriers

Entry into India's seed industry can be quite challenging with quite a few obstructions. High investments in R&D are required in the industry, where the average lead time taken from R&D to commercial introduction of products is seven to eight years. Developing an effective hybrid involves a complicated procedure and various high-value skills are required to choose the right kind of lines. Also, a diverse portfolio of seeds requires a wide distribution network across India to reach various markets in the country. Further, any new entrant to the market must first establish its credibility with farmers because farmers will not risk their years of income on un-established company seeds.

Outlook

Going forward, India's seed industry is projected to grow robustly. The growth of modern retail channels with the foraying of prominent national and multinational brands is likely to support the market growth. Additionally, growing demand due to increased subsidies and renewed government focus on the use of high yielding varieties is also expected to provide impetus to the overall seed market in India. Improvement in seed replacement rate (SRR) and farmers opting for hybrid seeds are further expected to fuel the growth. The demand for crops is rising, whereas the area of arable land available in the country remains limited; thus, quality seeds have become an essential component to increase the agricultural production and productivity.

World of Kaveri Seeds

Kaveri Seed Company Ltd. is one of the fastest-growing and premier seed companies in the country. Kaveri Seed was started in 1976, after Sri G. V. Bhaskar Rao, an agriculture graduate, ventured into the seed business. Today, it has grown to be India's largest seed company. The Company is backed by a strong research and development base for developing quality hybrids in key Indian crops. It has a huge network of over 15,000 distributors and dealers spread across the country with a strong product line of hybrids. Kaveri has a comprehensive portfolio of high yield hybrid and varietal seeds. The Company's presence in a broad spectrum of crops helps to meet different requirements of farmers, which has earned it a tremendous goodwill.

Core strengths

Powered by Research and Development (R&D)

Seed business requires continuous product development. Thus, Kaveri's R&D is critical for the success of the Company. Over the years, Kaveri has systematically built its robust R&D programme and now has an organised R&D system, dedicated research farms and technically competent personnel.

Focused on market and Pan-India operations

Kaveri is focused on its end-user, the farmer. The Company takes a need-based approach to reach farmers directly with its field force and indirectly through its channel partners. Over the years, Kaveri has strengthened its relationship with farmers by offering them cutting-edge products and imparting agronomic knowledge to them so that they can increase their income. The Company's dedicated network of loyal channel partners help it to tap unreached markets. It has a strong presence in Telangana, Andhra Pradesh, Karnataka, Maharashtra and Tamil Nadu.

Dedicated network of grower farmers

- Large production area across India with a loyal seed growers network
- 33,000 production growers across multiple agro-climatic zones
- Over 50,000 acres of land under seed production.
- High credibility with the farmers (about 70 % year-on-year grower retention).

State-of-the-art storage facilities, among the largest capacities

- Seven state-of-the-art plants across major locations in India with a total average throughput of 100 MT per hour
- Seamless equipment for grading, pre-cleaning, cob drying, storage and packing
- Maize cob drying facility with a capacity of 2,900 MT per cycle of drying
- Dehumidified, climate-controlled cold storage facilities with a long-term capacity storage for about 12,000 tons
- 6,00,000 sq.ft of cumulative warehouse space at multiple strategic locations across India

Growth opportunities

Surging demand

With a rise in world population, agricultural produce needs to grow proportionately to feed its teeming millions. This will lead to higher demand for agricultural raw materials. An increase in disposable income will enhance the demand for better quality food like protein, fruits and vegetables. According to United Nations Food and Agriculture Organisation, food production needs to be increased by 70%

by 2050 to meet the demands of 9 billion and growing world population.

Seed Replacement Rate (SRR)

Seed Replacement Rate is the percentage of area sown out of total area of crop planted in the season using certified or quality seeds as against the farm saved seed. There is a need for higher SRR because the quality of farm-saved seed deteriorates in successive generations. Hybrid seed, however, has to be replaced every year, on the other hand, varieties/Open Pollinated Varieties every three to four years. In India, SRR has sufficient ground for improvement. Today, farmers and vegetable producers are using branded seed because of its proven efficiency and higher yields over farm saved. Moreover, there is a growing prominence of producing more, while using fewer inputs in India

Widespread geography

Kaveri Seeds is continuously expanding its geographical presence beyond India and it has targeted Asia-Pacific region and Africa as places where it can gain a significant traction.

Prospects for increased cotton market share

Jaadoo, the Company's exclusive variety of cotton is performing relatively much better than its competitors. On the other hand, the ATM hybrid is gaining popularity in Maharashtra and Gujarat.

Crops

Rice: In India, rice is the staple food for a large population and occupies the largest area under any crop. Traditionally, farmers use their own seed for planting, but there is a rapid shift towards using packed seeds. The farming community is moving to hybrid seeds in some markets and upgrading to packed selection variety seeds in other markets, which are made available by private players. The Government's initiatives to promote the usage of hybrids and effort by industry to educate farmers on the benefit of hybrid paddy have helped to enhance the usage of hybrid rice. Currently, paddy hybrid products available in the market do not address the needs of all the markets. The market for selection variety rice is growing rapidly. Kaveri Seeds is addressing both segments of paddy market and it has an extensive portfolio of products in hybrid rice and selection rice to take advantage of this opportunity. The Company commercially released rice hybrid -KPH 468 in Medium early segment.

While two rice hybrids -KPH 272, first aerobic hybrid and KPH 467 in medium duration segment were released and notified under Central Variety Release Committee Government of India (CVRC-GOI).

Kaveri possesses a wide range of products in selection rice. Shireen, a fine grain premium rice was commercially released. Other promising rice variants in the pipeline include Coastal King, Elito, Glory and Tino.

Maize: Maize in India is emerging as one of the important crops due to its increasing trend in area, production and productivity in recent years. Kaveri Seed Company is focusing on important aspects of maize improvement namely germplasm characterisation, diversification and enhancement; development of new hybrids of different maturity to suit varied agro-climatic conditions of the country. Genetic improvement of maize germplasm continued to be the primary focus of the maize research at Kaveri Seeds. The crop improvement programme mainly focused on germplasm acquisition and characterisation; germplasm development for resistance to various biotic and abiotic stresses; enhancement of quality traits; and development of new hybrids of different maturity to suit varied agro-climatic conditions of the country. Induction of new germplasm is one of the important processes to diversify the existing germplasm base to support the inbred-hybrid development programme of maize continuously.

Kaveri is able to design, develop and deliver specific hybrids of maize to suit different climatic conditions of India. This helped Kaveri significantly increase sales of hybrid maize seeds.

In kharif 2016, four hybrids were identified namely, KMH 1311, KMH 463, KMH 3981 and KMH 5332. The Company decided to commercially launch KMH 1311 in Bihar. Moreover, KMH 1411 was identified in varietal identification committee (VIC).

Bajra: Bajra remains an attractive segment in the market. Owing to concerted research efforts, the Company could launch three commercial hybrids -- Maximo, KBH 6080 and KBH 3580 (Singham). These new hybrids are expected to contribute to significant growth in the future.

Sunflower: In sunflower, the area of production and productivity is on a declining trend due to various reasons. Though the Company developed certain promising hybrids, the market of sunflower is not so attractive. It was decided to redeploy Sunflower research resource to other crops.

Vegetables: The building blocks for vegetables business were established in the year. Resourcing in R&D, supply

chain and marketing was increased to address this new growth segment.

Cotton: In certain states, governments had advised farmers to grow other crops, rather than cotton in FY 2016-17. Hence, farmers switched to alternative crops. Thus, the area under cotton cultivation drastically declined in few states, thereby affecting sales of cotton seeds. BG II conversion is progress in the elite lines. Kaveri diversified its cotton portfolio to meet the demand according to different zones. Jadoo and ATM variants of cotton are still contributing large part of revenue to the Company but the effort is being made to introduce new products in Cotton.

Molecular breeding: Smart breeding or marker assisted selection (MAS) or marker assisted breeding (MAB) is done by using genetic markers that are linked to the desired trait(s). Because of the speed and accuracy of MAS, smart breeding can dramatically fast-track conventional breeding efforts. Resistance breeding by MAS is highly efficient and precise, compared to conventional approaches. It not only offers the opportunity to speed up variety development, but also provides a unique method for pyramiding (or combining traits) and thus to achieve durable resistance to both diseases and pest. MAS is seen as having potential to facilitate the development of crops tolerant to biotic and abiotic stresses. The Company is progressing in this direction, to incorporate the resistant genes for BLB, BLAST, and BPH diseases through MAS approach in rice. Introgression of Bt genes (Cry Ac, Cry Ab) in cotton is being done using conjunct use of biotech and conventional breeding approaches. It is also used for assessing genetic diversity of germplasm for the development of commercial hybrids through molecular marker applications. We are incorporating desired genes for grain yield and drought tolerance using marker-assisted recurrent selection (MARS). Further we are tagging genes/QTL for resistance to post-flowering stalk rot disease complex in maize.

Risk Management Production

Ever changing climatic conditions -- continuous dry spell, high temperature, erratic rainfall, and excess rainfall -- can impact the Company's commercial seed production.

Mitigation: To mitigate this risk, the Company grows its seeds in multiple locations and try to select favourable seed production areas to achieve targeted seed.

Climate

Change in rainfall patterns urge farmers to move from one crop to another to suit growing conditions.

Mitigation: This risk is mitigated by Kaveri's diverse crop portfolio and having robust products, which can withstand under harsh weather conditions to a greater extent.

Competition

Competition from business peers can impact the Company's trade.

Mitigation: The Company heavily invests in R&D for cutting-edge products, supply chain capability, and aggressive marketing, which helps it to be one step ahead of the competition.

Dependency

Reliance on a particular product may affect the Company's growth prospects.

Mitigation: The Company's wide array of products minimises its dependence on any single hybrid or crop. Besides, the Company is expanding its product portfolio by phasing out old products time to time and rapidly introducing promising products.

Product life cycle

Increased product innovation and development through technology advances impact the life of a product.

Mitigation: The Company monitors and seeks regular feedback on product performance and replaces products on regular basis to manage product life cycle.

Outlook

After sluggish growth of agricultural production due to consecutive weak monsoon, optimism returned in FY 2016-17 with a good monsoon. This led to strong recovery for the overall agri-input space. According to India Meteorological Department (IMD), the kharif season is likely to receive normal or above normal level rainfall in FY 2017-18. Historically, improved monsoons drive higher demand for premium seeds. There is likely to be an increase in demand for food and agricultural products. The Central Government's regulation of seed prices reduces uncertainty and improves business viability for all seed companies. From the perspective of Kaveri, FY 2017-18 is expected to

post robust growth. The Company expects to capture a higher market share driven by its diverse portfolio, well-established national footprint and availability of adequate quantity of seeds, despite difficult growing conditions in the previous year.

The Company is reinforcing its sales effort in Cotton by engaging in field promotion activities to retain share in markets of Andhra Pradesh, Telangana and Karnataka. It expects to gain further market share in Maharashtra and Gujarat. Simultaneously, the Company is focused on strengthening its network beyond South and Central India, to northern, eastern and western geographies. The Company expects strong momentum in markets of Chhattisgarh, Jharkhand, West Bengal and Odisha will help it to set its foothold in these markets. Rising demand for Maize and higher seed penetration of hybrid paddy remain the key drivers for Kaveri. The Company has developed a sizeable and well-diversified farmer-centric portfolio, which has been progressively gaining prominence in the marketplace and has served us well against crop shifts. In the next three to five years, Kaveri expects to introduce new products in cotton, maize, pearl millet, paddy and vegetables. Going forward, it is developing farmer-centric product pipeline for future to suit under different segments of Indian situations.

Human Resources

Kaveri consistently focuses on bringing talent on-board. The Company provides its people with relevant training to drive its long-term growth. The Company trains employees on several developmental programmes to enhance their managerial and behavioural skills. The Company is strengthening employee involvement through communication meetings.

The Company organises regular training programmes for its field staffs to impart them knowledge on crop production, quality control, agronomy, and plant protection, among others. New employees go through formal induction programme and given interactive sessions with their line managers. Besides, specialised training programmes are conducted for R&D and marketing staff, as well as other departments. The Company has introduced a reward programme to recognise top performers from various departments.

The leadership team of the Company has wealth of experience in seed and crop production industry. It has a team of more than 50 dedicated scientists comprising breeders, agronomists, biotechnologists and seed technologists, along

with dynamic sales and marketing professionals. Currently, the workforce includes over 793 members, who are driving the levers of growth.

Indian Accounting Standards – IFRS Converge Standards

The Ministry of Corporate Affairs vide its notification dated 16th February 2015 notified the Companies (Indian Accounting Standards) Rules, 2015. In pursuance of the said notification, the Company adopted Indian Accounting Standards with effect from 1st April 2016 with the comparatives for the period ending 31st March 2016. The implementation of Indian Accounting Standards (IAS) was a significant change for which the Company set up a dedicated team and provided desired resources for its completion within the time frame.

Internal Control Systems and Their Adequacy

The Company has laid down set of standards which enables to implement internal financial control across the organisation and ensure that the same are adequate and operating effectively. The Audit Committee of the Board of Directors 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 apprised of the internal audit findings and corrective actions taken. 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. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

Internal Financial Controls

The internal financial controls (IFC) framework at Kaveri Seeds encompasses internal controls over financial reporting (ICFR) 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 sound 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 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.

NOTICE

Notice is hereby given that the 30th Annual General Meeting of the members of Kaveri Seed Company Limited will be held on **Monday the 25th day of September 2017 at 12.15 PM** at FTAPCCI 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, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Standalone & Consolidated Balance Sheet as at 31st March 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on 31st March 2017 along with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.Vamsheedhar (DIN :01458939) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible offers himself for reappointment.
3. To appoint Statutory Auditors of the Company and fix their remuneration 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 pursuant to the provisions of Section 139 & 142 and other applicable provisions of the Companies Act, 2013 if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and based on the recommendations of the Audit Committee, M/s. M. Bhaskar Rao & Co., Chartered Accountants (ICAI Firm Registration No. 000459S) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. P.R.Reddy & Co., Chartered Accountants (Firm Registration No.0003268S) the retiring Auditors, to hold office from the conclusion of this 30th Annual General Meeting until the conclusion of 35th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, at such remuneration as may be decided by the Board of Directors of the Company.

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED
Sd/-

Date: 24.05.2017
Secunderabad

G V BHASKAR RAO
MANAGING DIRECTOR

NOTES:

1. **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.

2. The Register of Members and Share Transfer Books of the Company will remain closed from **23rd September 2017 to 25th September 2017 (both days inclusive)**.
3. Shareholders who have not claimed their dividend for the years 2009-10 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 2009-10 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.
4. The annual report for the financial year 2016-17 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 2016-17, free of cost, upon sending a request to the Company Secretary at 513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad – 500 003.
5. 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.
 6. 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.
 7. 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.
 8. 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.
 9. 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.
 10. Brief resume of Director(s) of those proposed to be 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 the Corporate Governance Report forming part of the Annual Report.
 11. 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., 18th September 2017, 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 **Friday the 22nd day of September 2017 at 9.00 A.M. and ends on Sunday the 24th day of September 2017 at 5.00 P.M.** The detailed instructions for E-voting are given as a separate attachment to this notice.
 12. The route map showing directions to reach the venue of the 30th AGM is available on the reverse of the attendance slip.

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

Sd/-

G V BHASKAR RAO
MANAGING DIRECTOR

24.05.2017
Secunderabad

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 30th Annual General Meeting to be held on 25th September, 2017. 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
170819050	22.09.2017	24.09.2017

These details and instructions form an integral part of the notice for the Annual General Meeting to be held on 25th September 2017.

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins from **Friday the 22nd day of September 2017 at 9.00 A.M. and ends on Sunday the 24th day of September 2017 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 18.09.2017**, 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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • 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)	<p>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.</p> <ul style="list-style-type: none"> • 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 Friday the 22nd day of September 2017 at 9.00 A.M. and ends on Sunday the 24th day of September 2017 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 18.09.2017, 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 18.09.2017 they not casting their vote electronically, may only cast their vote at the Annual General Meeting.

- c. Mr. L.Dhanamjai 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 18.09.2017.
- 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 30th Annual General Meeting of the Company on 25th September 2017 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 30th Annual General Meeting of the Company.

24.05.2017
Secunderabad

By Order of the Board of Directors
For KAVERI SEED COMPANY LIMITED
Sd/-
G V BHASKAR RAO
MANAGING DIRECTOR

DIRECTORS' REPORT

Dear Members, Kaveri Seed Company Limited

The Directors have pleasure to present their 30th Annual Report and the audited Annual Accounts for the Year ended 31st March 2017.

FINANCIAL RESULTS:

Particulars	Rs. in Lakhs	
	Year ended 31st March 2017	Year ended 31st March 2016
Total Income	70424.00	72819.78
Profit before Depreciation	11286.50	20234.00
Profit before Tax	8437.29	17735.71
Profit After Tax	7847.12	17227.96
Transfer to General Reserve	-	1000.00

PERFORMANCE REVIEW

A prolonged period of volatility was created in the market in 2015 following severe drought across large parts of India. However, a relatively better monsoon in 2016 enabled us to gain a favourable position, backed by several effective interventions. During the financial year, your Company posted a net profit after tax of Rs.7847.12 Lakhs as compared to previous year PAT of Rs.17227.96 Lakhs (54.45% decline). An overall deficit monsoon in the Kharif season 2016 resulted in the Company's turnover of Rs.66989.10 Lakhs compared to Rs.71652.95 Lakhs for the previous year (decline 6.50%)

During the financial year, the consolidated revenue from operations of Rs.70635.76 Lakhs against the previous year Rs.74530.27 Lakhs (5.23% decline) and the Consolidated net profit of Rs.7783.34 Lakhs compared to previous year PAT of Rs.16788.41 Lakhs (decline by 53.64%). As per the agreement with M/s. Mahyco Monsanto Biotech India Limited, during the financial year the company has made a provision of Rs.5923.80 Lakhs for payment of royalty against the short provided royalty in the previous years. In this regard, the issue has been settled in arbitration with the above said technical provider.

FUTURE PROSPECTS & OUT LOOK:

India's economy is largely dependent on the country's agricultural sector. After sluggish growth of agricultural production due to the consecutive weak monsoon, optimism has returned in FY 2016-17 with a good monsoon. It led to substantial recovery for the overall agri-input space.

According to Indian Meteorological Department (IMD), the Kharif season is likely to receive normal or above average level rainfall in FY 2017-18. Besides, the sector is likely to gain better momentum, owing to further investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storages. The demand for food and agricultural products is anticipated to increase. It would invariably lead to a surge in production of commercial seeds.

India's seed industry is projected to thrive in the coming days. Market growth will be facilitated by the growth of modern retail channels -- the foraying of prominent national and multinational brands. Moreover, amplifying demand due to increased subsidies and the Government's focus on the use of high yielding varieties is likely to provide impetus to the overall seed market in India. Enhancement in seed replacement rate (SRR) and farmers opting for hybrid seeds are further expected to bolster the growth. On the one hand, the demand for crops is rising, whereas on the contrary, the area of arable land available in the country remains limited. Hence, today, quality seeds have become a crucial component to augment the agricultural production and productivity.

DIVIDEND:

Your Directors have not recommended dividend during the year 2016-17.

BUYBACK OF EQUITY SHARES:

The Board of Directors of the Company at its meeting held on 27th March 2017 has approved buyback up to 29,62,963 Equity Shares of Rs.2/- each, on a proportionate basis, at a price of Rs.675/- per equity share payable in cash for an aggregate consideration not exceeding Rs.200.00 Crores, excluding transaction costs viz. brokerage, applicable taxes such as securities transaction tax, service tax, stamp duty etc., by way of a Tender offer route through Stock Exchange Mechanism. This is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Buy Back of Securitas) Regulations, 1998, and other applicable laws and regulations.

The buyback is a capital allocation decision taken with the objective of seeking a fairer valuation of the company's stock while improving the company's Return on Equity and increasing shareholder value in the longer term. The offer

size of the buyback is within the prescribed limit of 25% of the aggregate of paid up capital and free reserves of the company and represents 4.29% of the total issued and paid up equity share capital of the company as on 31st March 2016.

RESEARCH AND DEVELOPMENT

Your Company has consistently invested in R&D initiatives to strengthen our portfolio. Moreover, realising the immense potential of biotechnology in fostering and fortifying traditional breeding, we have formulated an integrated programme of molecular breeding. We have developed research collaborations with several national and international institutions for product development in line with evolving consumer preferences; and in view of developing tolerance to biotic and abiotic stresses and the looming threat of climate change. Our relentless innovation has helped to enhance farmer yields enormously and earned us goodwill among farmers and distributors. Our multi-crop portfolio, superior R&D, brand salience, human capital efficiencies laid firm foundation for long-term success.

Your Company has equipped with the state - of - the - art Seed Technology laboratory at Pamulaparthu plants. Our supply chain management involves meticulous planning and execution of maintenance breeding of basic seed, seed production, field production of hybrid seed, transportation of inbound raw materials, plant processing of the products, sending it to storage, and delivering finished quality products to domestic and export markets. We are producing high-quality seeds with focus on time to market to enhance productivity of farms.

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 27th Annual General Meeting (AGM) held on 18th September 2014, had appointed M/s. P.R. Reddy & Co., Chartered Accountants as Statutory Auditors for a period of 3 years i.e. up to the conclusion of the 30th AGM to be held in the year 2017. The present term of M/s. P.R.Reddy & Co., Statutory Auditors would expire at the conclusion of the ensuing AGM.

The Board of Directors of the Company has proposed the appointment of M/s. M. Bhaskar Rao & Co. Chartered Accountants (Firm Registration No. 000459S) are proposed to

appoint as Statutory Auditors of the Company to hold office from the conclusion of 30th AGM until the conclusion of 35th AGM of the Company, based on the recommendation of Audit Committee. The Company has received written confirmation from M/s. M. Bhaskar Rao & Co., Chartered Accountants, confirming that they are eligible for appointment, if made, would be in conformity with the limits specified in the said section and subject to the approval of the Members of the Company.

INTERNAL AUDITORS

The Board of Directors of the Company has appointed a professional firm of M/s. M. Anandam & Co., Chartered Accountants to conduct internal audit of the Company for the financial year ended 31st March 2018. The Internal Audit Reports are being reviewed by the Audit Committee of the Company.

TRANSFER TO RESERVE:

The Company has not transferred any amount to general reserve out of the profits of the year.

SUBSIDIARY COMPANIES

The Company has 4 subsidiaries as of March 31, 2017. 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 and are not attached with the Annual Accounts 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.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the provisions 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, 2017, 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 Audit Committee of the Board of Directors 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 apprised of the internal audit findings and corrective actions taken. 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. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

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.

INTERNAL FINANCIAL CONTROLS

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 sound 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 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.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(3)(C) of the Companies Act, 2013 your Directors confirm that:

- i) The applicable accounting standards have been followed in the preparation of the Annual Accounts.
- ii) Such Accounting policies have been selected 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 and of the profit of the Company for that period.
- iii) Proper and sufficient care has been taken 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) The Directors have prepared the annual accounts on a going concern basis.
- v) Proper Internal Financial Controls were in place to be followed by the Company and that the financial controls were adequate and were operating effectively.
- vi) Proper systems devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

DIRECTORS

Changes in Directors and Key Managerial Personnel:

During the year under review there was no change in the Directors or Key Managerial Personnel.

Appointment of Dr. G.Pawan, Director as Vice Chairman of the Company:

Dr. G. Pawan, Director has been appointed as Vice Chairman (Non-Executive) of the Company with effect from 24th May 2017. He has completed Doctor of Medicine (MD) from Illinois State University, Chicago, USA. His services are very much needed to assist the Chairman & Managing Director in strategic issues and long term business plans of the Company and to repose confidence with investors, employees and all other stake holders for further betterment of the company. His active involvement on strategic issues and long term business plans and operations of the company will surely bring in to the Company a new blend of flavor to promote to further level.

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, Mr. C. Vamsheedhar, retires by rotation at the ensuring Annual General Meeting and being eligible, offers himself for re-appointment.

DECLARATION FROM INDEPENDENT DIRECTORS

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

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

NOMINATION AND REMUNERATION COMMITTEE:

Your Company has a Nomination and Remuneration Committee and further details are set out in the Corporate Governance Report forming part of the Directors' Report. The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Persons (KMP), Senior Management and their remuneration. The Nomination and Remuneration Policy as adopted by the Board is placed on the Company's website: www.kaveriseeds.in

CORPORATE GOVERNANCE:

A detailed Report on Corporate Governance prepared in substantial compliance with the provisions of Schedule V (C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as a separate section forming part of this report.

The Certificate issued by M/s. P.R.Reddy & Co., Chartered Accountants, Hyderabad, with regard to compliance of conditions of Corporate Governance as stipulated under Schedule V (E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the Report 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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered with Related Parties for the year under review were on arm's length basis and in the ordinary course of business. There are no material related party transactions during the year under review with the Promoters, Directors or Key Managerial Personnel. The company has developed a Related Party Transactions frame work through standard operation procedures for the purpose of identification and monitoring of such transactions.

All Related Party Transactions are placed before the Audit Committee as also to be Board for approval. The particulars of contracts or arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 disclosed in Form No. **AOC – 2** and is set out as Annexure and forms part of this report.

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 an integral part of this report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made there under, the Company has appointed M/s. L.D.Reddy & Co., a firm of Company Secretaries in Practice (C.P.No.3725) to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is included as

Annexure – B and forms on integral part of this 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 Mr. M. Srikanth 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."**

During the year, the Board has approved and incorporated a separate company in the name of 'Kaveri Bhaskar Rao Charitable Trust' under Section 8 of the Companies Act, 2013 to undertake charitable activities under Corporate Social Responsibility policy and other related activities.

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.**

PARTICULARS OF EMPLOYEES:

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.

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.

PERFORMANCE EVALUATION OF 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, 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 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.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2017 to the date of signing of the Director's Report.

NUMBER OF MEETINGS OF THE BOARD

The details of the number of meeting of the Board and Committees held during the Financial Year 2016-17 forms part of the Corporate Governance Report.

PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS BY COMPANY

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

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 Whistle Blower Policy has been posted on the website of the company. (www.kaveriseeds.in)

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

SHARE CAPITAL

During the year, there was no change in the Paid-up Share Capital of your Company.

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

The dividends which remain un-paid/un-claimed for a period of seven years, have been transferred on due dates

by the company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Pursuant to Section 124 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies shall apart from transfer of dividend that has remained unclaimed for a period of seven years from the unpaid dividend account to the Investor Education and Protection Fund (IEPF), also transfer the corresponding shares with respect to the dividend, which has not been claimed for seven consecutive years or more to IEPF. Accordingly, the dividends that remain unclaimed for seven years and also the corresponding shares would be transferred to IEPF account on due dates.

PUBLIC DEPOSITS:

Your Company has not accepted any public deposits and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet.

RISK MANAGEMENT POLICY

In today's economic environment, Risk Management is a very important part of business. The main aim of risk management is to identify, monitor and take precautionary measures in respect of the events that may pose risk for the business. Your Company's risk management is embedded in the business process. The Company has established Enterprise Risk Management process to manage risks with the objective of maximizing shareholders value.

ENVIRONMENT AND 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 consistently focuses on bringing talent on-board. The Company provides its people with relevant training to drive its long-term growth. The Company trains employees on several developmental programmes to enhance their managerial and behavioural skills. The Company is strengthening employee involvement through communication meetings.

The Company organises regular training programmes for its field staffs to impart them knowledge on crop production, quality control, agronomy, and plant protection, among

others. New employees go through formal induction programme and given interactive sessions with their line managers. Besides, specialised training programmes are conducted for R&D and marketing staff, as well as other departments. The Company has introduced a reward programme to recognise top performers from various departments.

The leadership team of the Company has wealth of experience in seed and crop production industry. It has a team of more than 50 dedicated scientists comprising breeders, agronomists, biotechnologists and seed technologists, along with dynamic sales and marketing professionals. Currently, the workforce includes over 793 members, who are driving the levers of growth.

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.

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/-

Sd/-

Secunderabad, 24th May 2017
G.V.BHASKAR RAO
Managing Director

G.VANAJA DEVI
Whole time Director

Form 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)

Part 'A' Subsidiaries

Sl. No.	Particulars	₹ in Lakhs			
		Details	Details	Details	Details
1	Name of the Subsidiary	Aditya Agritech Pvt. Ltd	Kaveri Microteck Pvt. Ltd	Genome Agri Tech Pvt. Ltd	Kexveg India Pvt. Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA	NA	NA	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of foreign subsidiaries	INR	INR	INR	INR
4.	Share capital	110.00	1,453.64	18.00	1,415.00
5.	Reserves & Surplus	190.23	162.60	(353.16)	(1,089.02)
6.	Total Assets	1,884.48	2,607.42	387.63	394.32
7.	Total Liabilities	1,584.25	991.19	722.79	68.35
8.	Investments	-	-	0.06	0.01
9.	Turnover	3,781.17	2,237.47	753.42	269.10
10	Profit before taxation	75.54	251.21	(161.49)	(177.29)
11.	Profit for taxation	17.33	103.70	(14.86)	-
12.	Profit after taxation	58.21	147.51	(146.63)	(177.29)
13.	Proposed Dividend	-	-	-	-
14.	% of shareholding	70	100	51	100

Note:

- Names of subsidiaries which are yet to commence operations : NIL
- Names of subsidiaries which have been liquidated or sold during the year : NIL

Place: Secunderabad,
Date: 24.05.2017

Sd/-
G.V.BHASKAR RAO
MANAGING DIRECTOR

For and on behalf of the Board of Directors
Sd/-
G.VANAJA DEVI
WHOLE TIME DIRECTOR

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

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/ Land lease paid/ arrangements/ transaction	Land lease paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f.01.04.2015 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 Rs.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 Executive 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.01.04.2015 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 Rs. 8.49Lakhs 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.01.04.2015 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	51.22 Acres Land on Lease for a period of 2 years at Rs.12.31Lakhs p.a.,

Sl.No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G. Madhushree Daughter of Managing 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.01.04.2015 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	49.38Acres Land on Lease for a period of 2 years at Rs.10.80Lakhs p.a.,

Sl.No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	C. Vamsheedhar Executive 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.01.04.2015 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	20.23Acres Land on Lease for a period of 2 years at Rs.4.48Lakhs 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.01.04.2015. b. Godown Lease Agreement for 5 years w.e.f.01.04.2012
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a. 31.19 Acres Land on Lease for a period of 2 years at Rs.7.71Lakhs p.a., b. 33000SftGodown on Lease for a period of 5 years at Rs.33.87 Lakhs p.a.,

Sl.No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	R. VenumanoharRao.HUF Ex. 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.01.04.2015 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	24Acres Land on Lease for a period of 2 years at Rs.4.52Lakhs 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.01.04.2015 respective agreements.
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 Rs.10.87Lakhs 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 Leases Received
c)	Duration of the contracts/ arrangements/transaction	Two Agreements each for a period of Twenty years w.e.f.01.04.2012& 01.04.2014 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Leased 76.11 Acres for a period of 20 years at Rs.14.23Lakhs p.a.,

Sl.No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Aditya Agriteck Pvt. Ltd Subsidiary 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 Rs.2796.16 Lakhs during the financial year 2016-17.

Sl.No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Genome Agriteck Pvt. Ltd Subsidiary 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 Rs.598.35 Lakhs during the financial year 2016-17.

For and on behalf of the Board

	Sd/-	Sd/-
Secunderabad, 24th May 2017	G.V.BHASKAR RAO Managing Director	G.VANAJA DEVI Whole time Director

ANNEXURE - A

EXTRACTS OF ANNUAL RETURN FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31/03/2017

[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:- L01120AP1986PLC006728
- 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/ services	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

S. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Kexveg India Pvt. Ltd.,	U01210AP 2011PTC077738	Subsidiary	100%	2(87)
2	Aditya Agri Tech Pvt. Ltd.,	U01119AP 2013PTC087066	Subsidiary	70%	2(87)
3	Genome Agritech Pvt. Ltd.,	U74999AP 2004PTC044959	Subsidiary	51%	2(87)
4	Kaveri Microteck Pvt. Ltd.,	U01403TG 2013PTC088536	Subsidiary	100%	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	39702749	Nil	39702749	57.49	37584900	Nil	37584900	54.43	(3.06)
(1) Indian									
g) Individual/ HUF									
h) Central Govt									
i) State Govt (s)									
j) Bodies Corp.									
k) Banks/FI									
l) Any Other..									
Sub-total (A) (1):-	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	Nil
(2) Foreign a) NRIs - Individuals									
b) Other - Individuals									
c) Bodies Corp.									
d) Banks / FI									
e) Any Other....									
Sub-total (A) (2):-	39702749	Nil	39702749	57.49	37584900	Nil	37584900	54.43	(3.06)
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	39702749	Nil	39702749	57.49	37584900	Nil	37584900	54.43	(3.06)
B. Public Shareholding	6376550	Nil	6376550	9.23	4985463	Nil	4985463	7.22	(2.01)
1. Institutions									
a) Mutual Funds	30483	Nil	30483	0.04	38854	Nil	38854	0.06	0.02
b) Banks/FI									
c) Central Govt	NA	NA	NA	NA	NA	NA	NA	NA	NA
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies	13581293	Nil	13581293	19.67	10386071	Nil	10386071	15.04	(4.63)
g) FIs									
h) Foreign Venture Capital Funds									
i) Others (specify)	0	Nil	0	0	4055410	Nil	4055410	5.87	5.87
Sub-total (B)(1):-	19988326	Nil	19988326	28.95	19465798	Nil	19465798	28.20	(0.75)
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	2323688	Nil	2323688	3.36	3661032	Nil	3661032	5.30	1.94
ii) Overseas									
b) Individuals	5147999	25071	5147999	7.45	5892230	25021	5892230	8.53	1.08
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	351001	Nil	351001	0.51	1480771	Nil	1480771	2.14	1.63
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	319983	Nil	319983	0.46	286605	Nil	286605	0.42	(0.04)
c) Others (specify)	288278	Nil	288278	0.41	650142	Nil	650142	0.94	0.54
NRIs.									
Clearing members	300	Nil	300	0.0004	33617	Nil	33617	0.049	0.05
Trusts									
OCBs.	932771	Nil	932771	1.35	0	Nil	0	0	0
Sub-total (B)(2):-	9364020	25071	9364020	13.56	12004397	25021	12004397	17.38	3.82
Total Public Shareholding (B) = (B)(1) + (B)(2)	29352346	25071	29352346	42.51	31470195	25071	31470195	45.58	3.07
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)	69055095	25071	69055095	100	69055095	25021	69055095	100	0.00

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of 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	% change in share holding during the year
1	G.V.BHASKAR RAO	6031990	8.74	0	6031990	8.74	0	0
2	G.V.BHASKAR RAO(HUF)	11240645	16.28	0	11240645	16.28	0	00
3	G.PAWAN	2509000	3.63	0	2509000	3.63	0	0
4	R.VENU MANOHAR RAO*	2117849	3.07	0	0	0	0	(3.07)
5	G.VANAJA DEVI#	15775050	22.84	0	15775050	22.84	0	0
6	C MITHUN CHAND	928895	1.34	0	928895	1.35	0	0
7	VAMSHEEDHAR CHENNAMANENI *	1099320	1.59	0	1099320	1.59	0	0
	Total	39702749	57.49	0	37584900	54.43	0	(3.07)

* Reduction in Shareholding Pattern is due to request received from Mr. Rangineni Venumanohar Rao for re-classify the status of his name from Promoter group to Public Category under sub-regulation (2) read with (7) of Regulation 31A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the same has been approved by all concerned authorities.

(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
	At the beginning of the year	39702749		57.49	
	*Mr. R. Venu Manohar Rao	-2117849		-3.07	37584900 54.43
	At the end of the year	37584900		54.43	37584900 54.43

* Reduction in Shareholding Pattern is due to request received from Mr. Rangineni Venumanohar Rao for re-classify the status of his name from Promoter group to Public Category.

(iv) 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			Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	Date			No. of Shares	% of total shares of the company
1	ASHOKA PTE LTD	4790301	6.94	01-Apr -16			4790301	6.94
					-4790301	Sell	0	0
					4790301	Buy	4790301	6.94
					-4790301	Sell	0	0
					4790301	Buy	4790301	6.94
					-1916120	Sell	2874181	4.16
					-718000	Sell	2156181	3.12
		2156181	3.12	31-Mar-17			2156181	3.12

Sr. No	Name of the Share Holder	Shareholding at the beginning/End of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
2	MACQUARIE EMERGING MARKETS ASIAN TRADING PTE. LTD.	18000	0.03	01-Apr -16			18000	0.03
					10500	Buy	28,500	0.04
					-28500	Sell	0	0.00
					9750	Buy	9,750	0.01
					57000	Buy	66,750	0.10
					-60000	Sell	6,750	0.01
					-6750	Sell	0	0.00
					118500	Buy	1,18,500	0.17
					7500	Buy	1,26,000	0.18
					1500	Buy	1,27,500	0.18
					69030	Buy	1,96,530	0.28
					114750	Buy	3,11,280	0.45
					186750	Buy	4,98,030	0.72
					195000	Buy	6,93,030	1.00
					141750	Buy	8,34,780	1.21
					52500	Buy	8,87,280	1.28
					-4500	Sell	8,82,780	1.28
					-51000	Sell	8,31,780	1.20
					-55500	Sell	7,76,280	1.12
					-37500	Sell	7,38,780	1.07
					-223504	Sell	5,15,276	0.75
					-112500	Sell	4,02,776	0.58
					-7500	Sell	3,95,276	0.57
					-55500	Sell	3,39,776	0.49
					96000	Buy	4,35,776	0.63
					-435776	Sell	0	0.00
					426776	Buy	4,26,776	0.62
					-426776	Sell	0	0.00
					401276	Buy	4,01,276	0.58
					-282000	Sell	1,19,276	0.17
					-40500	Sell	78,776	0.11
					-30000	Sell	48,776	0.07
					-46500	Sell	2,276	0.00
					6000	Buy	8,276	0.01
					9000	Buy	17,276	0.03
					1500	Buy	18,776	0.03
					-1500	Sell	17,276	0.03
					-16500	Sell	776	0.00

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
					1500	Buy	2,276	0.00
					7500	Buy	9,776	0.01
					18000	Buy	27,776	0.04
					28500	Buy	56,276	0.08
					-4500	Sell	51,776	0.08
					6000	Buy	57,776	0.08
					115500	Buy	1,73,276	0.25
					-1500	Sell	1,71,776	0.25
					78000	Buy	2,49,776	0.36
					16500	Buy	2,66,276	0.39
					1880120	Buy	21,46,396	3.11
					3000	Buy	21,49,396	3.11
					-229895	Sell	19,19,501	2.78
					261142	Buy	21,80,643	3.16
					39372	Buy	22,20,015	3.21
					-300000	Sell	19,20,015	2.78
					39195	Buy	19,59,210	2.84
		19,59,210	2.84	31-Mar-17			19,59,210	2.84
3	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE INTERNATIONAL EQUITY FUND-PLAN B	1210347	1.75	01-Apr -16			1210347	1.75
					-833100	Sell	0	0.00
					833100	Buy	8,33,100	1.21
					44667	Buy	8,77,767	1.27
					-877767	Sell	0	0.00
					877767	Buy	8,77,767	1.27
					405000	Buy	12,82,767	1.86
		12,82,767	1.86	31-Mar-17			12,82,767	1.86
4	HDFC TRUSTEE COMPANY LIMITED A/C HDFC BALANCED FUND	844500	1.22	01-Apr-16			844500	1.22
					-82000	Sell	7,62,500	1.10
					-75000	Sell	6,87,500	1.00
					-687500	Sell	0	0.00
					687500	Buy	6,87,500	1.00
					-687500	Sell	0	0.00
					687500	Buy	6,87,500	1.00
		6,87,500	1.00	31-Mar-17			6,87,500	1.00

Sr. No	Name of the Share Holder	Shareholding at the beginning/End of the year		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company				No. of Shares	% of total shares of the company
5	FIDELITY NORTHSTAR FUND	650000	0.94	01-Apr-16			650000	0.94
					-650000	Sell	0	0.00
					650000	Buy	6,50,000	0.94
					-650000	Sell	0	0.00
					650000	Buy	6,50,000	0.94
		6,50,000	0.94	31-Mar-17			6,50,000	0.94
6	SURYATEJ ADVISORS LLP	450000	0.65	01-Apr-16			450000	0.65
					-450000	Sell	0	0.00
					450000	Buy	4,50,000	0.65
					-450000	Sell	0	0.00
					450000	Buy	4,50,000	0.65
			170000	Buy	6,20,000	0.90		
		6,20,000	0.90	31-Mar-17			6,20,000	0.90
7	NATIONAL WESTMINSTER BANK PLC AS TRUSTEE OF THE JUPITER INDIA FUND	0	0	01-Apr-16			0	0
					580000	Buy	580000	0.84
					580000		580000	0.84
		580000	0.84	31-Mar-17			580000	0.84
8	BIRLA SUN LIFE TRUSTEE COMPANY PRIVATE LIMITED A/C BIRLA SUN LIFE DIVIDEND YIELD PLUS	570300	0.83	01-Apr-16			570300	0.83
		5,70,300	0.83	31-Mar-17			5,70,300	0.83
9	FIDELITY PURITAN TRUST FIDELITY SERIES INTRINSIC OPPORTUNITIES FUND	550000	0.80	01-Apr-16			550000	0.80
					-550000	Sell	0	0.00
					550000	Buy	5,50,000	0.80
					-550000	Sell	0	0.00
					550000	Buy	5,50,000	0.80
		550000	0.80	31-Mar-17			5,50,000	0.80
10	ASHISH KACHOLIA	200000	0.29	01-Apr-16			200000	0.29
					200000	Buy	400000	0.58
					35000	Buy	435000	0.63
					103194	Buy	538194	0.78
		538194	0.78	31-Mar-17			5,38,194	0.78

(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	6031990	8.74	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	6031990	8.74	6031990	8.74
	G.V.BHASKAR RAO(HUF)				
	At the beginning of the year	11240645	16.28	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	11240645	16.28	11240645	16.28
2	G.VANAJA DEVI, Whole time Director				
	At the beginning of the year	15775050	22.84	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	15775050	22.84	15775050	22.84
3	G.PAWAN, Director				
	At the beginning of the year	2509000	3.63	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	2509000	3.63	2509000	3.63
4	C. VAMSHEEDHAR, Whole time Director				
	At the beginning of the year	1099320	1.59	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	1099320	1.59	1099320	1.59
5	C MITHUN CHAND, Whole time Director				
	At the beginning of the year	928895	1.34	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	928895	1.34	928895	1.34
6	M.SRIKANTH REDDY, Independent Director				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
7	Dr. Y.L NENE, Independent Director				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
8	PUSKAR VARA PRASAD 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
9	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	-	-	-	-
10	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	-	-	-	-
11	K.PURUSHOTHAM, Independent Director				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
12	G. VIJAY KUMAR, Chief Financial Officer				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
13	G. SATISH, Chief Operating Officer				
	At the beginning of the year	-	-	-	-
	Increase/decrease in Promoters shareholding during the year	-	-	-	-
	At the end of the year	-	-	-	-
14	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	-	-	-	-

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	163.86			163.86
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	8.67			8.67
Total (i+ii+iii)	172.53			172.53

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Change in Indebtedness during the financial year				
• Addition				
• Reduction	-	-	-	-
Net Change	-	-	-	23,96,000
Indebtedness at the end of the financial year				
i) Principal Amount	163.86			163.86
ii) Interest due but not paid	-			-
iii) Interest accrued but not due	11.94			11.94
Total (i+ii+iii)	175.80	-	-	175.80

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	Total Amount – Rs.
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17174778	10675494	5268485	4393071	37511828
	(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					
	- as % of profit	Nil	Nil	Nil	Nil	Nil
	- others, specify...					
5.	Others, please specify	Nil	Nil	Nil	Nil	Nil
	Total (A)	17174778	10675494	5268485	4393071	37511828
	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 Directors							Total Amount
		
	Independent Directors	M. Srikanth Reddy	P. Varaprasad Rao	Dr. Y. L. Nene	Dr. S. Raghuvardhan Reddy	Dr. S. M. Ilyas	K. Purushotham	Dr. G. Pawan	Total Amount

• Fee for attending board committee meetings									
• Commission	130,000	110,000	90,000	110,000	110,000	130,000	40,000	720,000	
• Others, please specify									
Total (1)	130,000	110,000	90,000	110,000	110,000	130,000	40,000	720,000	
4. Other Non-Executive Directors									
• Fee for attending board committee meetings									
• Commission	-	-	-	-	-	-	-	-	-
• Others, please specify									
Total (2)	-	-	-	-	-	-	-	-	-
Total (B) = (1 + 2)	130,000	110,000	90,000	110,000	110,000	130,000	40,000	720,000	
Total Managerial Remuneration	130,000	110,000	90,000	110,000	110,000	130,000	40,000	720,000	
Overall Ceiling as per the Act									*Refer Note*

Note: In terms of the provisions of the Companies Act, 2013, the remuneration payable to Non-executive and Independent Directors shall not exceed 1% of the net profit of the Company. The company is paying only sitting fee to all Non-Executive and 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		
		G. Vijay Kumar, CFO	G. Satish, COO	Total
	Gross salary			
1.	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6849992	13910016	20760008
	(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
3.	Sweat Equity	Nil	Nil	Nil
	Commission			
4.	- as % of profit	Nil	Nil	Nil
	- others, specify...			
5.	Others, please specify	Nil	Nil	Nil
	Total	6849992	13910016	20760008

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:
NO PENALTIES PAID BY THE COMPANY DURING THE FINANCIAL YEAR 2016-2017

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

For KAVERI SEED COMPANY LIMITED

 Sd/-
 G.V.BHASKAR RAO
 Managing Director

 Sd/-
 G.VANAJA DEVI
 Whole Time Director

 24th May 2017
 Secunderabad

ANNEXURE - B

Secretarial Audit Report

For the Financial Year Ended 31-03-2016
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
M/s. Kaveri Seed Company Ltd.
513B, 5th Floor, Minerva Complex,
Secunderabad- 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 our opinion thereon.

Based on our verification of 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 our opinion, the Company has, during the audit period ended on 31-03-2017, 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 M/s. Kaveri Seed Company Ltd (**"The Company"**) for the financial year ended on 31-03-2017 according to the provisions of:
 - i) The Companies Act, 2013 (the Act) and the Rules made there under;
 - 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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- 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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2008;
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2008;
 - i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

- vi) The Factories Act, 1948
 - vii) The Payment of Wages Act, 1936
 - viii) The Minimum Wages Act, 1948
 - ix) Employees Provident Fund And Misc. Provisions Act, 1952
 - x) Employers State Insurance Act, 1948
 - xi) The Environment (Protection) Act, 1986
 - xii) Electricity Act, 2003
 - xiii) Income Tax Act 1961 and Indirect Tax Law
 - xiv) The Payment of Gratuity Act, 1972
 - xv) Service tax
 - xvi) Value Added Tax Act, 2005
 - xvii) Water (Prevention & Control of Pollution) Act 1974 and rules there under
 - xviii) Air (Prevention & Control of Pollution) Act 1981 and rules there under
 - xix) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
 - xx) Newspaper Publications
 - xxi) The Seed Act, 1996 and Seed (Control) Order 1983
 - xxii) Trade Mark Act 1999
2. We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with the BSE Limited, National Stock Exchange of India Limited.
 - 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 on its Members, Auditors and the Registrar of Companies;
 - Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act;
 - 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;
 - Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
 3. 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 and the Memorandum and Articles of Association of the Company, with regard to:
 - Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
 - Appointment and remuneration of Statutory Auditors;
 - uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
 - 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 the Companies Act 2013
 - Report of the Board of Directors;
 - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;
4. 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 year 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.
5. We Further Report That:
- The Company is paying wages to all employees as per the provisions of The Payment of Wages Act, 1936
 - The Company has obtained consent of Telangana State Pollution Control Board, as per the provision
- of Water (Prevention & Control of Pollution) Act, 1974 and;
- The Company is regular in paying all statutory dues like PF, ESI, Service tax, etc.
 - The company is regular in payment of gratuity as per the rules of the Payment of Gratuity Act, 1972 and has provided 100% provision in the books of accounts.
 - The company is regular in publishing Audited and Unaudited Financial Result.
 - The Company has renewed the Insurance Policy under Employees State Insurance Act, 1948
 - 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.
6. 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.
7. We further Report that during the audit Period the Company has
- No Public /Right/Preferential Issue of Shares/ Debentures/Sweat Equity etc.,
 - No Redemption/Buy-back of Securities
 - 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: 24.05.2017
Place: Hyderabad
- For L.D.Reddy & Co.,
Company Secretaries
Sd/-
L. Dhanamjay Reddy
(Proprietor)
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.

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 M. Srikanth Reddy, Member
3. Average net profit of the Company for last three financial years	Rs. 22,373.14 Lakhs
4. Prescribed CSR expenditure 2% of the amount in item no. 3 above	Rs. 447.46 Lakhs
5. Details of CSR Spend for the financial year	
(a) Unspent Amount at the beginning of the financial year:	Rs. 393.24 Lakhs
(b) Total amount spent during the financial year:	Rs. 839.94 Lakhs
(c) Amount unspent at the end of the year, if any:	Rs. 0.76 Lakhs

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

Statement of CSR Expenditure for the Period 01.04.2016-31.03.2017

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 programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects Sub heads: (1) Direct on projects or programs (2) Overheads	Accumulative expenditure upto the reporting period i. e March 31, 2017
I.	Spent Through Kaveri Seed Company Limited (Direct)					
A.	Education and Related Expenditure					
1	Construction of School Building	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	4.00	3.41	162.12
2	Scholarships to the Students	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	6.00	4.50	4.50
3	Providing Books & School Bags to the Students	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	8.00	7.67	7.67
4	Providing Furniture to the School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	5.00	3.97	52.38
5	Providing Computer Lab to the School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	12.00	9.18	9.18
6	Providing New School Bus to the School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	16.00	17.14	17.14
7	School Maintenance Expenses, Electricity Charges of School Building, Maintenance of School Canteen and Arranging Sports & Cultural activities of UPS & ZPHS Schools	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	5.00	2.98	2.98

B. Rural Development and Related Expenditure						
9	Conservation of Water Resources	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	10.00	7.42	7.42
10	Providing New Borewell	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	1.00	0.50	0.50
10	Providing Tree Guards	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.00	1.09	1.09
11	Distribution of dairy products during Summer	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.50	2.22	2.22
Total				76.50	64.94	269.08
II. Spent Through Kaveri Bhaskar Rao Charitable Foundation* (CSR Trust)						
A. Education and Related Expenditure						
1	Construction of New School Building	Education	Siddipet Town & District. Telangana	106.50	16.31	16.31
2	Construction of New School Building	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	110.00	8.66	8.66
3	Salaries of Vidyavalanteers of UPS & ZPHS	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	3.00	2.68	2.68
4	Providing Furniture to the Schools & Colleges	Education	Bheemdevarapally Mandal, Warangal Urban District, Telangana	85.00	80.94	80.94
5	Providing Computer Lab to the School	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	2.00	1.49	1.49
6	School Maintenance Expenses, Electricity Charges of School Building, Maintenance of School Canteen and Arranging Sports & Cultural activities of UPS & ZPHS	Education	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	4.00	2.21	2.21
B. Rural Development and Related Expenditure						
7	Providing Cement Benches	Rural Development	GNPoor Village, Bheemdevarapally Mandal, Warangal Urban District, Telangana	1.00	0.50	0.50
8	Donation made to Swarna Bharat Trust.	Rural Transformation - Partnerships with Non-Government Organisations	Venkatachalam, Nellore Dist. Andhra Pradesh	10.00	10.00	10.00
C. Amount Contributed to Kaveri Bhaskar Rao charitable Foundation and yet to spent					652.63	
Total				321.50	775.00	122.37
Grand Total				398.00	839.94	391.45

6. Kaveri Bhaskar Rao Charitable Foundation is a company within the meaning of section 8 of the companies act, 2013. We have contributed Rs 775.00 Lakhs towards CSR activities to the Foundation, out of 775.00 Lakhs Rs. 122.37 Lakhs is spent for various CSR activities by the Foundation. The balance amount will be spent during the financial year 2017-18.

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

Place: Secunderabad,
Date: 24.05.2017

Sd/-
G.V.BHASKAR RAO
MANAGING DIRECTOR

For and on behalf of the Board of Directors
Sd/-
G.VANAJA DEVI
WHOLE TIME DIRECTOR

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

(B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption
Technology/ Absorption is not involved as 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:

Particulars	Rs. In Lakhs	
	2016-17	2015-16
Capital	79.02	88.36
Recurring	1166.36	1087.99
Total	1245.38	1176.35
Total R&D expenditure as percentage of total turnover	1.86%	1.39%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a) Earnings: Rs.1457.49 (994.18) Lakhs
- b) Out go : Rs.136.66 (150.07) Lakhs

Secunderabad,
24th May 2017

Sd/-
G.V.BHASKAR RAO
Managing Director

For and on behalf of the Board
Sd/-
G.VANAJA DEVI
Whole time Director

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	85.50:1
2.	Mrs. G.Vanaja Devi, Whole time Director	53.14:1
3.	Mr. C.Vamsheedhar, Whole time Director	26.23:1
4.	Mr. C.Mithunchand, Whole time Director	21.87:1

(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	10.43
2.	Mrs. G.Vanaja Devi, Whole time Director	10.38
3.	Mr. C.Vamsheedhar, Whole time Director	10.09
4.	Mr. C.Mithunchand, Whole time Director	10.00
5.	Mr. G. Vijay Kumar, Chief Financial Officer*	-

Dr. Y.L.Nene, Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Mr. M.Srikanth Reddy, Mr. P.Varaparasad Rao and Mr. K. Purushotham, Independent Directors were paid only sitting fees for attending the Board Meetings.

*Mr. G.Vijay Kumar, was appointed as CFO of the Company with effect from 21.03.2016

(iii) The percentage increase in the median remuneration of employees in the financial year was 7.78%

(iv) The number of permanent employees on the rolls of the Company as on March 31, 2017 was 793.

(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 2017.

(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 (Rs. In Lakhs)per annum	Qualification & Experience	Date of Commencement of Age employment	The last employment held by such employee before joining the company	
1	Bhaskar Rao GV	Managing Director	17,174,778	-	27-Aug-86	67	
2	G S Satish	Chief Operating Officer	13,910,076	PGDM & 21.10	11-May-15	48	BASF, Singapore

Sl. No.	Name	Designation	Remuneration received (Rs. In Lakhs) per annum	Qualification & Experience	Date of Commencement of employment	Age	The last employment held by such employee before joining the company
3	Vanaja Devi G	Director	10,675,494	-	27-Aug-86	64	
4	Vijayasankara Nagesh Kumar Gudla	Chief Financial Officer	6,849,992	ICAI, ICWAI & 20.1	21-Mar-16	47	Pitti Lamination Limited, Hyderabad
5	Vamsheedhar C	Executive Director	5,268,485	-	1-Apr-00	46	
6	Vasudeva Rao K	Head-Supply chain	5,350,080	M.Sc & 33	8-Jun-15	59	Syngenta India, Hyderabad
7	Hari Singh Chauhan	Head-Sales & Marketing	5,002,920	B.Sc(Horti) & 19	10-Feb-15	48	Savannah Seeds, Hyderabad
8	Chandrasekhar J	General Manager	4,408,320	M.Sc (Ag) & 33	6-May-04	40	Tulasi Seeds, Guntur
9	Mithun Chand C	Executive Director	4,393,071	-	15-Nov-06	41	
10	Rajesh Varma	Head-Sales & Marketing	3,500,004	B.Sc (Ag), AGMP & 22	6-Feb-16	47	Nunhems Vegetable Seeds, Hyderabad

Employees drawing a remuneration of Rs.1.02 crore or above per annum

Sl. No.	Emp. ID No.	Employee Name	Designation	Head Quarter	State	Department	Remuneration received (Rs. In Lakhs)	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 Chief	Secunderabad	Telangana	Director	17,174,778			67	
2	101398	G S Satish	Operating Officer	Secunderabad	Telangana	HR&Admin.	13,910,016	PGDM & 21.10	11-May-15	48	BASF, Singapore
3	100002	Vanaja Devi G	Director	Secunderabad	Telangana	Director	10,675,494			64	

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

Sl.No.	Name	Designation	Remuneration received (Rs. In lakhs)	Qualification & experience	Date of Commencement of employment	Age	The last employment held by such employee before joining the Company
NIL							

Note:

- Gross remuneration includes salary, taxable allowances, value of perquisites as per the Income Tax Rules, 1962 and company contribution to provident fund.
- Nature of employment and duties: Contractual and in accordance with terms and conditions as per company's rules.
- 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.
- 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.

 Secunderabad,
24th May 2017

 Sd/-
G.V.BHASKAR RAO
Managing Director

 For and on behalf of the Board
Sd/-
G.VANAJA DEVI
Whole time Director

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, is one of India's premier quality seed-producing companies. High yielding hybrid crops such as cotton, corn, paddy, bajra and sunflower are the major crops for which the company enjoys a strong leadership position in the seed production and marketing. The Company's R&D activities are recognized by the Department of Scientific and Industrial Research (DSIR), Govt., of India. The main thrust of R&D is to blend traditional breeding with frontier technologies like Biotechnology to be on the forefront of developing new generation hybrids that excel in the home and markets abroad. The Company has built seven state-of-the-art processing facilities, spread over in the states of Telangana, Andhra Pradesh and Karnataka. A nationwide marketing and distribution network manned by technically competent and commercially skilled marketing team is an important asset of the company.

Section A : General Information about the Company

1. Corporate Identity Number (CIN) of the Company	LO1120AP1986PLC006728				
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 2016 to 31st March 2017				
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	<table border="1"> <thead> <tr> <th>NIC code</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>011</td> <td>Seed production</td> </tr> </tbody> </table>	NIC code	Description	011	Seed production
NIC code	Description				
011	Seed production				
8. List three key products/services that the Company manufactures/provides (as in balance sheet)	Produce the Cotton, Maize and Paddy				
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 processing and storage plants including R&D Center				
10. Markets served by the Company – Local/State/National/International	The Company operations are mainly carried out from Hyderabad with manufacturing divisions in Pamulparthy Plant and exports its seed to Bangladesh.				

Section B: Financial details of the Company

1. Paid up Capital (INR)	Rs.1381.10 Lakhs
2. Total Turnover (INR)	Rs.66989.10 Lakhs on standalone basis
3. Total profit after taxes (INR):	Rs.7847.12 Lakhs on standalone basis
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	CSR spent during the financial year 2016-17 was Rs.839.94 Lakhs (10.70% of standalone profit after tax)
5. List the activities in which expenditure in 4 above has been incurred.	Education Rural Development Support to charitable for social causes

Section C: Other Details

1.	Does the Company have any Subsidiary Company/ Companies	Yes. The Kaveri has 4 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 parent company undertakes majority of the BR initiatives
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?	Entities like suppliers, distributors do not participate in the company BR initiative in the reporting period.

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 : 0892232 Tel.No.04049192344 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)

Sl. No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/policies for					Yes				
2.	Has the policy being formulated in consultation with the relevant stakeholders?					Yes				
3.	Does the policy conform to any national /international standards?					Company Policies are in line with the best global practices.				
4.	Has the policy being approved by the Board? Is yes, has it been signed by MD/owner/CEO/appropriate Board Director?					Yes, the policies are approved by the Board and signed by the appropriate Board Director.				
5.	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?					Yes				
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.					Yes				
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 evaluation by the internal audit team and some of the policies are assessment is done 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**
Annually

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

This is the first Business Responsibility Report of the company is a part of Annual Report for the financial year 2016-17.

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, 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?**
We did not receive any significant stakeholder complaints during the financial year

Principle 2 - Product Life Cycle Sustainability.

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 of delinted processed seed to enhance recovery & the per day output of the ready-to-pack cotton seed.
 - A centralized & dedicated stores warehouse was created for non-seed inventory (primary & secondary packing material & seed treatment chemicals) which helped in systematic stacking of the products, proper tagging of the stacked products & correct physical verification of the inventory on periodical basis.
 - Provided field safety shoes to entire field production team to mitigate the risk of foot injuries & snake bites during the course of their regular production field visits.
 - Provided cost-free plant protection chemical (Cobalt Chloride) to several hundreds of cotton seed farmers to ward-off the leaf reddening impact caused by physiological disorders influenced by the adverse climatic conditions.

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

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

Reduction of manpower requirement by about 40% in mechanical grading of the delinted processed cotton seed & time reduction in terms of making seed available for timely blending, treating & packing.

- ii. Reduction during usage by consumers (energy, 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, regular tracking of indents vs. dispatches & focused logistics.

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

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.

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?**

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? Also, provide details thereof,**
The company has established systems to recycle a) the seed treated chemical wash water back in to the treatment process which helps overcome hazardous waste disposal challenges, b) the maize shanks generated following dry cob shelling, back in to the heat generation process that helps heat up 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 - Employee well being

1. **Please indicate the Total number of employees.**
The company has 793 employees as on 31.03.2017
2. **Please indicate the Total number of employees hired on temporary/ contractual/casual basis.**
The company has 400 contractual employees as on 31.03.2017
3. **Please indicate the Number of permanent women employees.**
The company has 32 women employees as on 31.03.2017
4. **Please indicate the Number of permanent employees with disabilities**
Nil
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. Further, there is continuous skill based trainings imparted to over 70% of our employees.
 - Permanent women employees: No separate record is maintained.
 - Casual/temporary/contractual employees: All our contractual employees are imparted with trainings.
 - Employees with disabilities: -NA-

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?**
Yes
3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders?**
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?**
Non was received

Principle 6 - 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 environmentally friendly manner while protecting 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?**

Nil

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.

No pending notices as on 31.03.2017

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 TG and AP Chambers of Commerce & Industry (FAPCCI)
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 addressing critical social, environmental and economic needs of the marginalized/underprivileged/ downtrodden sections of the society.

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?

Kaveri has spent Rs.893.94 Lakhs on CSR activities during the financial year 2016-17. The amount was spent on areas as referred in point 1.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community?

The community development program revolves around education development, rural development, health and sanitation etc. Overall, these programs have benefitted many students and villagers of Warangal Urban and Siddipet Districts of Telangana during the year. All our community development initiatives are heart fully welcomed and adopted by the community and well appreciated by leaders and social activists.

Further details on the CSR projects undertaken during 2016-17 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, 2017 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 2017, 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 intention for coming season. We conduct crop torus by crops functional team with user farmers to understand product performance in farmer field conditions.

REPORT ON CORPORATE GOVERNANCE

VALUE 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 in to 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 (LODR) Regulations, 2015.

BOARD OF DIRECTORS

As of the date of the Report, the Board of Kaveri Seed had Eleven Directors, comprising Four Executive Directors

including the Chairman & Women Director, one non-executive non independent Director and Six are the Independent Directors. The composition of the Board is in conformity with SEBI (LODR) 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.

The Company has complied with SEBI (LODR) Regulations, 2015 of the Stock Exchange, which deals with the compliance of Corporate Governance requirements as detailed below:

i) Composition of Board, their positions, other Directorships and memberships of Committees held by each of them as on 31st March 2017:

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on 27.09.2016	Number of Directorships in other companies	Number of committee positions held in other public companies Chairman - Member
Sri G.V. Bhaskar Rao	Chairman cum Managing Director	6	Yes	10	-
Smt. G. Vanaja Devi	Executive Director	7	No	5	-
Sri C.Vamsheedhar	Executive Director	7	Yes	3	-1
Sri C. Mithun Chand	Executive Director	7	Yes	2	-2
Dr. G.Pawan	Non-Executive – Non Independent Director	2	No	2	-
Sri M. Srikanth Reddy	Non- Executive Independent Director	6	Yes	11	1-3
Dr. Yeshwant Laxman Nene	Non-Executive Independent Director	4	No	1	-
Sri P.Vara Prasad Rao	Non-Executive Independent Director	5	Yes	3	1-2
Dr. S.Raghuvardhan Reddy	Non-Executive Independent Director	5	Yes	2	- 1
Dr. S.M.Ilyas	Non-Executive Independent Director	5	Yes	1	-
Sri K.Purushotham	Non-executive Independent Director	6	Yes	4	1 -1

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) Leave of absence was granted on request to those directors who could not attend the meeting(s).
- 4) Sri G.V.Bhaskar Rao, Smt. G.Vanaja Devi and Dr. G.Pawan are related to each other.
- 5) 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 Director(s) reappointment by retirement by rotation:

Mr. C. Vamsheedhar, retire by rotation and being eligible offer himself for re-appointment as Director of the Company:

Mr. C.Vamsheedhar aged about 45 years is a Graduate. He is experienced in marketing and advises in general management of the company. He has been associated with our Company for the past eleven years. He has been instrumental in the exceptional growth of sale and marketing of the company. He looks after overall the marketing and product development & quality management of the company. He is a director on the Board of subsidiaries of Aditya Agri Teck Private Limited and Genome Agritech Private Limited and he holds 10,99,320 Equity Shares of Rs.2/- each of the Company. He is related to Mr. C. Mithunchand, Whole time Director of the Company.

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 time a year, with a maximum time gap of four months 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 Seven times during the financial year under review on 10th May 2016, 14th July 2016, 14th September 2016, 13th December 2016, 9th January 2017, 31st January 2017 and 27th March 2017.

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

Date of Meeting	Board Strength	No. of Directors Present
10.05.2016	11	9
14.07.2016	11	4
14.09.2016	11	10
13.12.2016	11	9
09.01.2017	11	8
31.01.2017	11	10
27.03.2017	11	10

iv) 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 show cause, 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 records 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.

v) 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 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>

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 function as is mentioned in the terms of reference of the Audit Committee under the Listing Agreement and Companies Act, 2013.
- ii) Composition and other details of Audit Committee**
- The Audit Committee comprises of four members, out of four, three members are Independent Non - Executive Directors.
- Mr. K. Purushotham, Chairman of Audit Committee, is a Non-Executive, Independent Director having expertise in accounting and financial management. Mr. M. Srikanth Reddy, Mr. P. Varaprasad Rao 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 five times on 10th May 2016, 14th July 2016, 14th September, 2016, 13th December 2016 and 31st January 2017.
- The attendance at the Audit Committee meetings during the financial year 2016-17 is as under:

Member	No. of Meetings	Attendance
Mr. K. Purushotham	5	5
Mr. P. Varaprasad Rao	5	4
Mr. M. Srikanth Reddy	5	5
Mr. C. Mithun Chand	5	5

NOMINATION AND REMUNERATION COMMITTEE/ COMPENSATION COMMITTEE:

The Committee specifically looks into the remuneration payable to Executive Directors, Key Managerial Personnel (KMP) of the Company.

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 out evaluation of every director's performance;

Formulation of the criteria for determining qualifications, positive attributes and independence of a director; and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;

Formulation of the criteria for evaluation of Independent Directors and the Board;

Devising a policy on Board diversity;

To grant, issue and allot of options to eligible employees and administering the employee stock option scheme from time to time.

Any other matter as the Board may decide from time to time.

The composition of the Nomination and Remuneration/ Compensation Committee comprises of three Non-Executive Independent Directors and two members. The Chairman of the Committee is a Non-Executive Independent Director.

Mr. P. Varaprasad Rao, Chairman of the Committee and Mr. M. Srikanth Reddy and Dr. S.Raghuvardhan Reddy are the members of the Committee. During the year, the Nomination and Remuneration/ Compensation Committee met two times.

The attendance at the Nomination and Remuneration/ Compensation Committee meetings during the financial year 2016-17 is as under:

Member	No. of Meetings	Attendance
Mr. P. Varaprasad Rao	2	2
Mr. M. Srikanth Reddy	2	2
*Dr. S.Raghuvardhan Reddy	2	1
#Mr. C.Vamsheedhar	2	1
#Mr. K. Purushotham*	2	1

* Dr. S.Raghuvardhan Reddy was appointed as member with effect from 14.09.2016. He attended one meeting after his appointment.

Mr. C.Vamsheedhar and Mr. K. Purushotham are ceased to be a member with effect from 14.09.2016. Hence, they are attended one meeting during their tenure.

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/Committee.

The nomination and remuneration policy as adopted by the Board is placed on the Company's website at www.kaveriseeds.in

REMUNERATION OF DIRECTORS:

a. Executive Directors:

(Amount in Rs.)

Name of the Director	Salary per annum	Contribution to PF & Gratuity	Total
Sri G.V. Bhaskar Rao	17030778	144000	17174778
Smt. G. Vanaja Devi	10531494	144000	10675494
Sri C. Vamsheedhar	5066789	201696	5268485
Sri C. Mithun Chand	4191375	201696	4393071
TOTAL	36820436	691392	37511828

b. Non-Executive Independent Directors:

(Amount in Rs.)

Name	Designation	Sitting Fee
Sri M.Srikanth Reddy	Non-Executive Independent Director	130000
Dr. Yeshwant Laxman Nene	Non-Executive Independent Director	90000
Sri P.Vara Prasad Rao	Non-Executive Independent Director	110000
Dr. S.Raghuvardhan Reddy	Non-Executive Independent Director	110000
Dr. S.M.Ilyas	Non-Executive Independent Director	110000
Sri K. Purushotham	Non-Executive Independent Director	130000
Dr. G.Pawan	Non-Executive and Non Independent Director	40000

ii) 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.

All the independent directors of the Company shall strive to be present at such meetings. The meeting shall review the performance of non-independent directors and the Board as a whole; review the performance of the chairman of the board, taking into account the views of the executive directors and non-executive directors; assess the quality, quantity and timeliness of flow of information between the management and the board that is necessary for it to effectively and reasonably perform its duties. A meeting of the independent directors was held on 31st day of January 2017 wherein all the independent directors as on that date have attended the meeting.

STAKEHOLDERS RELATIONSHIP COMMITTEE:

The main functions of the Shareholders Relationship Committee are to review and redress shareholders'/ investors' grievance pertaining to:

- Transfer, transmission, split and consolidation of investors holding
- Dematerialisation/rematerialisation of shares
- Non-receipt of dividends and other corporate benefits
- Replacement of lost/mutilated/stolen share certificates
- Non-receipt of Annual Reports and change of addresses, etc.,

Constitution of the Committee:

Name	Designation
Mr. M.Srikanth Reddy	Chairman
Mr. C.Vamsheedhar	Member
Mr. C.Mithun Chand	Member

Name and designation of Compliance Officer:

Mr. V.R.S.Murti, Company Secretary & Compliance Officer

Email ID for investor grievances: cs@kaveriseeds.in

The Committee meets every fortnight for effecting transfers, transmissions, split, consolidation, etc and also for review of the redressal of investor complaints. The Committee

expresses its satisfaction with the Company's performance in dealing with investor grievances and its share transfer system.

During the year the Company has received 1+1+1+0 grievances from the investors and the same were resolved. As on 31st March 2017 there were no investor grievances pending and no transfers were pending for approval.

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

Mr. M. Srikanth 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 29th July 2016 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
27th Annual General Meeting 2013-14	September 18, 2014	11.15 AM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	15
28th Annual General Meeting 2014-15	September 29, 2015	11.15 AM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	1
29th Annual General Meeting 2015-16	September 27, 2016	11.15 AM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	5

i. Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2016-17.

MEANS OF COMMUNICATION:

The Company has a website viz., www.kaveriseeds.in. The quarterly and half yearly financial statements are not sent to the individual households of the shareholders, however the same are placed on the Company's website for the information of shareholders and general public and also published in leading news papers in English and Telugu (Regional Language). 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. It 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.

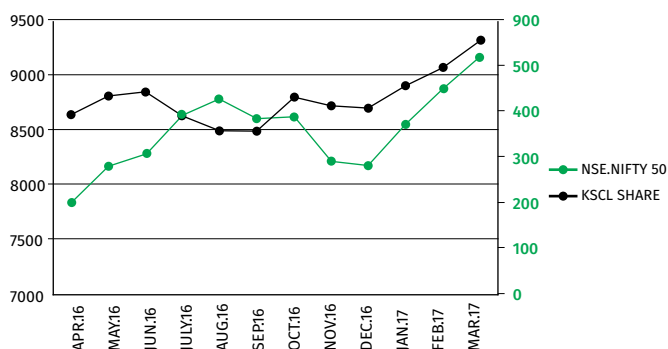
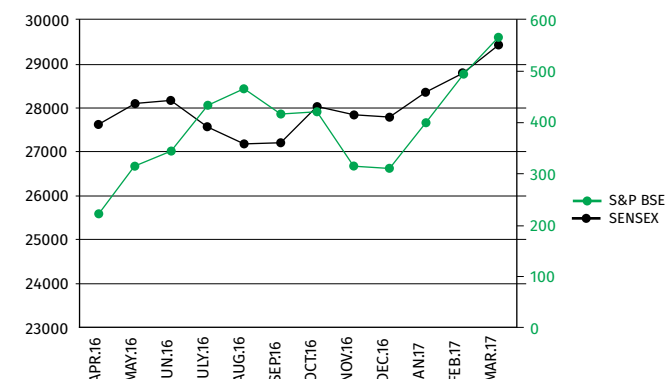
Your Company's Annual Reports are also available on the Company's web site www.kaveriseeds.in

GENERAL SHAREHOLDERS INFORMATION:

i.	30th Annual General Meeting - Date and Time - Venue	25.09.2017 at 12:15 PM FTAPCCI Auditorium, 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 : Financial calendar (tentative and subject to change) of the financial year 2017-18	April to March
	1st Quarter	14th August 2017
	2nd Quarter	14th November 2017
	3rd Quarter	14th February 2018
	4th Quarter	30th May 2018 (Audited)
iii.	Date of Book Closure	23.09.2017 to 25.09.2017 (both days inclusive)
iv..	Payment of Dividend	The company has not paid Dividend during the year 2016-17.
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 2017-2018
vii.	Stock Code: Bombay Stock Exchange Limited National Stock Exchange of India Ltd	532899 KSL

viii. 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-16	404.70	393.65	395.45	385807	428.00	350.40	396.25	1459660
May-16	452.00	434.25	436.10	507079	454.90	379.30	437.15	2211246
Jun-16	445.50	440.00	444.30	828133	472.00	425.00	444.35	1064404
Jul-16	398.00	387.50	390.95	536579	452.90	370.35	390.85	1414232
Aug-16	373.75	357.55	359.70	592034	393.60	354.50	359.50	1173410
Sep-16	361.85	345.80	358.15	247640	374.85	325.25	359.70	1707779
Oct-16	434.90	424.00	432.85	44583	450.70	355.55	432.15	1475395
Nov-16	418.80	412.45	415.30	197910	440.00	358.40	415.10	1148351
Dec-16	414.45	406.60	409.70	259951	446.00	381.00	410.55	1203535
Jan-17	478.00	447.40	458.90	1219853	499.00	401.00	458.80	1609169
Feb-17	499.15	468.95	496.60	2114969	498.65	449.10	495.60	2878981
Mar-17	572.00	537.10	558.20	1092733	568.00	482.50	552.35	2512992

STOCK PERFORMANCE OF KAVERI SEED COMPANY LIMITED Vs. NATIONAL STOCK EXCHANGE CNXNIFTY

STOCK PERFORMANCE OF KAVERI SEED COMPANY LIMITED Vs. BOMBAY STOCK EXCHANGE SENSEX


ix. There was no suspension of trading in securities of the Company during the year under review.

x. 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

xi. 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 99.96% of the Company's share capital are dematerialized as on 31st March 2017.

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 455101029

xii. Distribution Schedule & Shareholding Pattern as on 31st March 2017

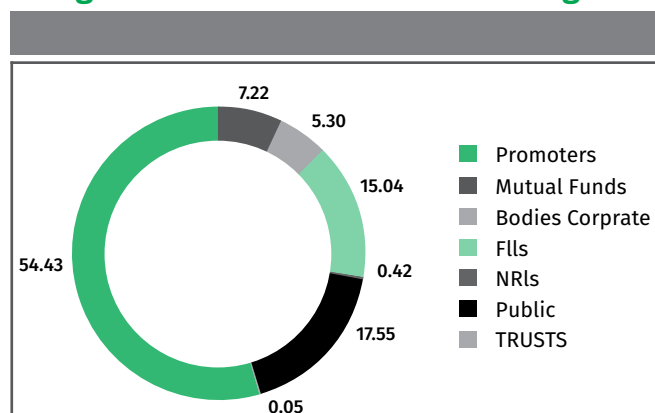
Category of Shares	No. of Shareholders	No. of Shares	% of total capital
1 - 500	26805	2172999	3.1468
501 - 1000	898	685817	0.9931
1001 - 2000	732	993856	1.4392
2001 - 3000	189	458919	0.6646
3001 - 4000	129	457574	0.6626
4001 - 5000	74	343830	0.4979
5001 - 10000	153	1071400	1.5515
10001 - and above	190	628707000	91.0443
Total	29170	69055095	100%

Details of shares of the Company held by the Directors as on March 31, 2017

Name	No. of Shares
Sri G.V.Bhaskar Rao	6031990
Sri G.V.Bhaskar Rao – HUF	11240645
Smt. G.Vanaja Devi	15775050
Sri C.Vamsheedhar	1099320
Sri C.Mithun Chand	928895
Dr. G.Pawan	2509000
TOTAL	37584900

Categories of Equity Shareholders as on 31st March 2017:

Category	No. of Shares	%
Promoters	37584900	54.43
Mutual Funds	4985463	7.22
Bodies Corporate	3661032	5.30
Flls.	10386071	15.04
NRIs	286605	0.42
Public	12117407	17.55
Trusts	33617	0.05
TOTAL	69055095	100%

Categories of Shareholder & Percentages**xiii. 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 2017.

xiv. 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.

xv. 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.
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, Pamulaparthi 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, Pamulaparthi Village, Markook Mandal, Siddipet District, Telangana State.

xvi. Registered Office & CIN of the Company

Kaveri Seed Company Limited
CIN: L01120AP1986PLC006728
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

xvii. 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 of the listing agreement 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. The policy is placed on the Company's website: <http://www.kaveriseeds.in>

vi) Non compliance 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.

vii) 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:

Internal auditor reports directly to the Audit Committee.

viii) 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

ix) Compliance Certificate of the Auditors:

Certificate from the Auditors of the Company M/s. P.R.Reddy & Co., Chartered Accountants, 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.

x) 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.

xi) 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.

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 2017.

For KAVERI SEED COMPANY LTD.

Sd/-

Secunderabad,
24th May 2017

G.V.BHASKAR RAO
Managing Director

Certificate on compliance with the conditions of Corporate Governance under Regulation 34(3) read with Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To

The Members of
M/s. KAVERI SEED COMPANY LIMITED

We have examined the compliance of conditions of Corporate Governance by Kaveri Seed Company Limited, (the Company) for the financial year ended March 31, 2017, as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to review the procedures and implementation thereof, adopted by the Company, for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Hyderabad,
24th May 2017

For P.R.REDDY & CO.
Firm Regn., No.003268S
Chartered Accountants
Sd/-
P.RAGHUNADHA REDDY
Partner
Membership No.23758

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 2017 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/-
G. VIJAY KUMAR
Chief Financial Officer

24th May 2017
Secunderabad

Independent Auditor's Report

**TO
THE MEMBERS OF**

M/S. KAVERI SEED COMPANY LIMITED

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of M/S. KAVERI SEED COMPANY LIMITED ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss (Including the other comprehensive income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information. [herein after referred to as "Standalone Ind AS financial statements"]

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, cash flows and changes in equity 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 Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2017, in the case of the Statement of Profit and Loss, of the Profit for the year ended on that date, in the case of the Cash Flow Statement, of the cash flows for the year ended on that date, and in the case of Statement of

Changes in Equity, of the changes in equity of the year ended on that date.

Report on Other Legal and Regulatory Requirements:

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 Companies Act, 2013, we give in the "Annexure – A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our Knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
- (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".
- (g) 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 knowledge and belief and according to the information and explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The company has provided requisite disclosures in the Standalone Ind AS financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with books of account maintained by the company and as produced to us by the Management.

For P R REDDY & CO
Firm Regn No.003268S
CHARTERED ACCOUNTANTS

sd/-

P. RAGHUNADHA REDDY
Partner
Membership No. 23758

Place: Hyderabad,
Date: 24th May, 2017.

Annexure - A referred to in the Auditors' Report to the Members of M/S.KAVERI SEED COMPANY LIMITED for the year ended 31st March, 2017. We report that:

- i. a. The company has maintained proper records, showing full particulars, including quantitative details and situation of fixed assets.
- b. The fixed assets were physically verified during the year by the management in accordance with regular programme of verification which, in our opinion, provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us, and on the basis of our examination of records of the company, the title deeds of immovable properties shown in the fixed asset schedule are held in the name of company.
- ii. The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification between the physical stocks and the book records are not material and they have been properly dealt with in the books of accounts.
- iii. 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 Companies Act, 2013, during the year. Accordingly paragraph 3(iii) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us, The Company has not given any loans, made any investments, given any guarantees and securities to any person to which provisions of the section 185 and 186 of the companies Act 2013 are applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the CARO 2016 are not applicable to the Company.
- vi. According to the information and explanations given to us, the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, has not been prescribed by the Central Government for the Company.
- vii.
 - a. The Company is regular in depositing with appropriate authorities' undisputed statutory dues, including provident fund, Employees' state insurance, income-tax, sales-tax, service tax, customs duty, duty of excise, Value added tax, cess and other material statutory dues as applicable to it. According to the information and explanations given to us, there are no undisputed amounts payable in respect aforesaid dues, as at 31st March, 2017 for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no dues of income-tax, service tax and customs duty, which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of Sales tax and Duty of Excise have not been deposited by the company an account of disputes.

Name of the Statute	Nature of Dues	Amount ₹	Period to which the amount Relates	Forum where dispute is pending
Central Excise Act	Excise Duty	2,76,58,572*#	April,2010 To March 2014	Directorate General of Central Excise - Intelligence, Zonal Unit, Begumpet, Hyderabad.
Karnataka VAT Act	VAT, Penalty & Interest	5,61,55,366 \$	April,2009 To March 2010	Deputy Commissioner of Commercial Taxes (Audit), Davangere, Karnataka
APGST Act	Purchase Tax	22,36,467 &	April,2003 To March 2004	Deputy Commissioner (C.T) , Abids Division, Hyderabad.

*. Net of Amounts paid under protest

#. The company has filed an appeal before Commissioner of Customs & Central Excise , Hyderabad IV Commissionerate, Hyderabad.

\$. The company has submitted application to the Deputy Commissioner of Commercial Taxes, Davangere, Karnataka for rectification of the Assessment Order.

&. The company has filed appeal before Hon'ble High Court of Andhrapradesh, Hyderabad.

- viii. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks, Government or dues to debenture holders.
- ix. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of the term loans for the purposes for which they were raised and has not raised money by way of initial public offer/further public offer (Including debt instruments) during the year. Accordingly, the provisions of Clause 3(ix) of the Order are not applicable to the Company.
- x. In our opinion and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, Managerial remuneration paid or provided with requisite approvals mandated in the provision of section 197 read with schedule V to the Companies Act 2013.
- xii. In our opinion, the company is not a nidhi, therefore provisions of clause 3(xii) of companies (Auditors Report) Order, 2016 as amended are not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions entered by related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Standalone Ind AS financial Statements as required by applicable accounting standards.
- xiv. According to the information and explanations given to us, the company has not made any preferential allotment of shares or private placement of shares or fully or partly convertible debentures during the year under the review. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, during the year the company has not entered in to any non-cash transactions with directors or persons connected with him. Accordingly, paragraph – 3(xv) of the order is not applicable.
- xvi. In our opinion and according to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For P R REDDY & CO
Firm Regn No.003268S
CHARTERED ACCOUNTANTS

sd/-

P. RAGHUNADHA REDDY
Partner
Membership No. 23758

Place: Hyderabad,
Date: 24th May, 2017.

Annexure - B referred to Independent Auditor's Report to the Members of M/S.KAVERI SEED COMPANY LIMITED for the year ended 31st March, 2017.

Referred to in the Independent Auditor's Report of even date to the members of Kaveri Seed Company Limited on the standalone Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the company") as of March 31, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting [the "Guidance Note"] issued by the Institute of Chartered Accounts 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 preventing 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

3. 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 ICAI. Those standards

and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

4. 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 depending on the auditor's judgment, including the assessment of the risks of the material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.
5. 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

6. 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 purpose 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 transaction are recorded as necessary to permit preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of the 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

7. 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, projection 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

8. In our opinion, the company has, in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accounts of India.

For P R REDDY & CO
Firm Regn No.003268S
CHARTERED ACCOUNTANTS

sd/-

P. RAGHUNADHA REDDY
Partner
Membership No. 23758

Place: Hyderabad,
Date: 24th May, 2017.

Balance Sheet

(₹ in Lakhs)

S No	Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS					
(1)	Non-current assets				
	(a) Property, Plant and Equipment	5	19,365.54	19,441.02	15,194.68
	(b) Capital work-in-progress	6	2,737.18	1,951.00	6,165.50
	(c) Goodwill	7	-	-	-
	(d) Other Intangible assets	8	40.28	38.22	54.90
	(e) Intangible assets under development	9	129.40	-	-
	(f) Financial Assets				
	(i) Investments	10	3,217.76	2,272.04	2,250.11
	(ii) Others	11	375.00	-	-
	(g) Deferred tax assets (net)	12	32.39	15.50	-
	(h) Other non-current assets	13	262.90	338.29	232.88
	Total Non Current assets		26,160.45	24,056.07	23,898.07
(2)	Current assets				
	(a) Inventories	14	43,997.22	49,749.10	48,676.40
	(b) Bio-logical Assets	15	5,556.82	1,674.17	4,875.73
	(c) Financial Assets				
	(i) Investments	10	65,447.28	50,566.51	30,579.74
	(ii) Trade receivables	16	6,982.67	6,310.58	9,807.84
	(iii) Cash and cash equivalents	17	1,692.31	678.15	406.25
	(iv) Bank balances other than (iii) above	18	12.49	13.67	-
	(v) Loans	19	-	740.00	642.00
	(d) Current Tax Assets (Net)	20	397.61	-	-
	(e) Other current assets	21	1,456.85	1,660.72	3,052.11
	Total Current assets		1,25,543.25	1,11,392.90	98,040.07
	TOTAL ASSETS		1,51,703.70	1,35,448.97	1,21,938.14
EQUITY AND LIABILITIES					
Equity					
	(a) Equity Share capital	22	1,381.10	1,381.10	1,377.92
	(b) Other Equity	23	1,01,020.30	92,243.41	77,927.93
	Total Equity		1,02,401.40	93,624.51	79,305.85
LIABILITIES					
(1)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	24	163.86	163.86	139.90
	(b) Provisions	25	22.90	103.39	181.76
	(c) Deferred tax liabilities (Net)	12	-	-	3.12
	(d) Other non-current liabilities	26	546.42	508.50	501.98
	Total Non Current liabilities		733.18	775.75	826.76
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Trade payables	27	27,715.65	21,206.05	20,761.83
	(ii) Other financial liabilities	28	24.43	22.34	5.47
	(b) Other current liabilities	29	18,877.82	19,209.67	18,792.42
	(c) Provisions	30	1,951.22	610.65	2,205.75
	(d) Current Tax Liabilities (Net)	31	-	-	40.06
	Total Current liabilities		48,569.12	41,048.71	41,805.53
	TOTAL EQUITY AND LIABILITIES		1,51,703.70	1,35,448.97	1,21,938.14
See accompanying notes to the financial statements		1-56			

As per our report of even date attached

 Firm Registration No.003268S
 for P.R.REDDY & CO.,
 CHARTERED ACCOUNTANTS

 Sd/-
P.RAGHUNADHA REDDY
 PARTNER
 Membership No.23758
 Place: Secunderabad
 Date: 24.05.2017

 Sd/-
G. VIJAY KUMAR
 Chief Financial Officer

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

For and on behalf of the Board

 Sd/-
G.V.BHASKAR RAO
 Managing Director

 Sd/-
G.VANAJA DEVI
 Wholtime Director

Statement of Profit and Loss

(₹ in Lakhs)

S No	Particulars	Note	Year Ended March 31, 2017	Year Ended March 31, 2016
I	Income			
a)	Revenue from Operations	32	66,989.10	71,652.95
b)	Other Income	33	3,434.90	1,166.83
	Total Income		70,424.00	72,819.78
II	Expenses			
a)	Cost of Material Consumed	34	37,842.31	36,348.57
b)	Changes in Inventories of Finished Goods and Work in Progress	35	1,906.57	2,197.61
c)	Employee Benefit Expenses	36	3,245.18	3,122.99
d)	Finance Costs	37	12.27	16.90
e)	Depreciation & Amortisation Expenses	38	2,849.21	2,498.29
f)	Other Expenses	39	10,207.37	10,899.71
	Total Expenses		56,062.91	55,084.07
III	Profit before Exceptional Items and Tax (I-II)		14,361.09	17,735.71
IV	Exceptional Item (Refer Note No.43)		(5,923.80)	-
V	Profit before Tax (III+IV)		8,437.29	17,735.71
VI	Less : Tax expense			
	Current Tax		1,159.84	526.37
	Earlier Years Tax		(375.59)	
	Mat Credit Entitlement		(177.18)	
	Deferred Tax		(16.89)	
			590.17	(18.62)
				507.75
VII	Profit for the Year (V-VI)		7,847.12	17,227.96
VIII	Other Comprehensive Income			
(i)	Items that will not be reclassified to Profit or loss			
	Fair value of Investments through other comprehensive Income		1,452.44	1,888.14
	Actuarial gain/(loss) on employee benefits through other comprehensive Income		(43.91)	-
			1,408.53	1,888.14
(ii)	Income tax relating to items that will not be reclassified to profit or loss			
	Current tax on fair value of investments through other comprehensive Income		(478.76)	(641.78)
			929.77	1,246.36
IX	Total Comprehensive Income for the period (VII+VIII) Comprising Profit / (loss) and Other Comprehensive Income for the Period		8,776.89	18,474.32
X	Earnings Per Equity Share (for continuing operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		11.36	24.95
(2)	Diluted (equity shares, par value ₹ 2 each)		11.36	24.95
XI	Earnings Per Equity Share (for discontinued operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		-	-
(2)	Diluted (equity shares, par value ₹ 2 each)		-	-
XII	Earnings Per Equity Share (for discontinued & Continuing operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		11.36	24.95
(2)	Diluted (equity shares, par value ₹ 2 each)		11.36	24.95
	Notes on Financial Statements	1-56		

As per our report of even date attached

Firm Registration No.003268S
for **P.R.REDDY & CO.**,
CHARTERED ACCOUNTANTSSd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758
Place: Secunderabad
Date: 24.05.2017

For and on behalf of the Board

Sd/-
G. VIJAY KUMAR
Chief Financial OfficerSd/-
G.V.BHASKAR RAO
Managing DirectorSd/-
V.R.S.MURTI
Company SecretarySd/-
G.VANAJA DEVI
Wholetime Director

Statement of Changes in Equity

A. Equity Share Capital

(₹ in Lakhs)

	Amount
Issued and paid up equity share capital	
Balance as at 01 April 2015	1,377.92
Changes in equity share capital during the year	3.18
Balance as at 31 March 2016	1,381.10
Changes in equity share capital during the year	-
Balance as at 31 March 2017	1,381.10

B. Other Equity

Particulars	Capital Subsidy	Securities Premium Reserve	General Reserve	Retained Earnings	Share Application Money	ESOP Outstanding	Other Comprehensive Income	Total
Balance as on March 31st 2015	0.88	6,537.13	7,000.17	60,933.24	54.02	24.85		74,550.29
India AS adjustments for								-
(i) Recognition of Biological assets				164.68				164.68
(ii) Restatement of Grant and Subsidies				(6.54)				(6.54)
(iii) Dividend Adjustment				2,077.83				2,077.83
(iv) Fair Value adjustment of Investments				1,177.12				1,177.12
(v) Tax on above adjustments				(35.45)				(35.45)
Ind AS Restated balance as on April 1st 2015	0.88	6,537.13	7,000.17	64,310.88	54.02	24.85		77,927.93
Balance at the beginning of the reporting period as on April 1st, 2015	0.88	6,537.13	7,000.17	64,310.88	54.02	24.85	-	77,927.93
Other Comprehensive Income for the year							1,246.36	1,246.36
Dividend and Dividend Tax				(4,155.67)				(4,155.67)
Transfer from Retained earnings			1,000.00					1,000.00
Transfer from Capital subsidy			0.88					0.88
Transfer to General Reserve	(0.88)			(1,000.00)				(1,000.88)
ESOP Allotment		75.70			(54.02)	(24.85)		(3.18)
Profit for the year				17,227.96				17,227.96
Balance at the end of the reporting period as on March 31st, 2016	-	6,612.83	8,001.05	76,383.18	-	-	1,246.36	92,243.41
Balance at the beginning of the reporting period as on April 1st, 2016	-	6,612.83	8,001.05	76,383.18	-	-	1,246.36	92,243.41
Other Comprehensive Income for the year							929.77	929.77
Profit for the Year				7,847.12				7,847.12
Balance at the end of the reporting period as on March 31st, 2017	-	6,612.83	8,001.05	84,230.30	-	-	2,176.13	1,01,020.30

As per our report of even date attached

For and on behalf of the Board

 Firm Registration No.003268S
 for P.R.REDDY & CO.,
 CHARTERED ACCOUNTANTS

 Sd/-
P.RAGHUNADHA REDDY
 PARTNER
 Membership No.23758
 Place: Secunderabad
 Date: 24.05.2017

 Sd/-
G. VIJAY KUMAR
 Chief Financial Officer

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

 Sd/-
G.V.BHASKAR RAO
 Managing Director

 Sd/-
G.VANAJA DEVI
 Wholtime Director

Statement of Cash Flow

(₹ in Lakhs)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Cash flows from operating activities		
Profit before taxation and exceptional items	14,361.09	17,735.71
Adjustments for:		
Depreciation & Amortisation	2,849.21	2,498.29
(Profit)/Loss on sale of Fixed Assets	(23.33)	(3.08)
Dividend Received	(0.54)	(6.11)
Gain from Investments	(3,250.81)	(1,024.51)
Interest received	(118.07)	(82.90)
Finance charges	12.27	16.90
Operating profit before working capital changes	13,829.82	19,134.30
(Increase) / Decrease in Inventories and Biological Assets	1,869.24	2,128.85
(Increase)/Decrease in Trade Receivables and other receivables	(672.09)	3,497.26
(Increase)/Decrease in Loans & Advances (Other assets)	(510.24)	1,270.48
Increase/(Decrease) in Trade Payables	6,509.60	444.22
Increase/(Decrease) in Provisions	1,260.08	(1,673.47)
Increase/(Decrease) in Other liabilities	(291.85)	397.45
Taxes paid during the year	(590.17)	(507.75)
Net cash provided by operating activities	21,404.38	24,691.34
Cash flows from investing activities		
Payments for property, plant and equipment	(3,564.38)	(2,520.32)
Proceeds from disposal of property, plant and equipment	47.02	23.25
Payments for investment	(88,178.97)	(85,091.37)
Proceeds from disposal of investments	74,057.25	66,329.03
Payments for intangible assets	(150.70)	(13.29)
Proceeds from earmarked deposits with Bank	1.18	(13.67)
Loans given to subsidiaries	(44.60)	(109.51)
Loans repaid by subsidiaries	784.60	11.51
Investment in subsidiaries	(775.00)	
Dividend Received	0.54	6.11
Gain from Investments	3,250.81	1,024.51
Interest received	118.07	82.90
Net Cash used for investing activities	(14,454.17)	(20,270.85)
Cash flows from Exceptional Items	(5,923.80)	-
Cash flows from financing activities		
Proceeds from borrowings		23.96
Dividend including Tax on Dividend	-	(4,155.66)
Finance charges	(12.27)	(16.90)
Net cash provided by financing activities	(12.27)	(4,148.60)
Net increase in cash & cash equivalents	1,014.15	271.90
Cash & Cash equivalents at the beginning of the period	678.15	406.25
Cash & Cash equivalents at the end of the period	1,692.31	678.15

As per our report of even date attached

Firm Registration No.003268S
for **P.R.REDDY & CO.,**
CHARTERED ACCOUNTANTSSd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758
Place: Secunderabad
Date: 24.05.2017

For and on behalf of the Board

Sd/-
G. VIJAY KUMAR
Chief Financial OfficerSd/-
G.V.BHASKAR RAO
Managing DirectorSd/-
V.R.S.MURTI
Company SecretarySd/-
G.VANAJA DEVI
Wholtime Director

Notes forming part of Financial Statements for the year ended March 31, 2017

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.

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. These are the Company's first financial statements prepared in accordance with Ind AS and Ind AS 101 First time adoption of Indian Accounting Standards has been applied.

Upto the year ended March 31, 2016, the company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2015.

2.2 Basis for preparation of financial statements:

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS. 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 on a pro-rata basis on the WDV method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Upon first-time adoption of Ind AS, the Company has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2015.

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.

Notes

forming part of Financial Statements for the year ended March 31, 2017

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;
- (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 on initial recognition and at the end of each reporting period at its fair value less costs to sell.

A gain or loss arising on initial recognition of biological asset at fair value less costs to sell is included in retained earnings and thereafter in profit or loss for the period in which it arised.

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 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 company 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

Notes forming part of Financial Statements for the year ended March 31, 2017

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:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Company retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, schemes, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc

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 initially 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 initial recognition of financial asset or financial liability.

Notes forming part of Financial Statements for the year ended March 31, 2017

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 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 in other comprehensive income subsequent changes in fair value of investments not held for trading.

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.

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.

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 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.

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 and its subsidiaries.

Notes forming part of Financial Statements for the year ended March 31, 2017

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 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.

Notes

 forming part of Financial Statements for the year ended March 31, 2017

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.

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.

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 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.

3 Explanation of Transition to Ind AS

The Transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The exemptions and exceptions applied by the company in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with previous GAAP to Ind AS are explained below.

The company has applied the following exemptions:

- (a) Deemed cost for property, plant and equipment and intangible assets

The company has elected to continue with the carrying value of all its property, plant and equipment, investment property, and intangible assets recognised as of 01 April 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

- (b) Investment in subsidiaries

The Company has elected to measure its investments in subsidiaries at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS.

Notes

forming part of Financial Statements for the year ended March 31, 2017

4 Reconciliation between previous GAAP and Ind AS

(a) Equity Reconciliation

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
Total Equity as per Previous GAAP		91,562.59	75,928.21
(i) Recognition of Biological assets	a	65.87	164.68
(ii) Restatement of Grant and Subsidies	b	(8.67)	(6.54)
(iii) Fair value adjustment of Financial Assets	c	(4.14)	-
(iv) Fair value of Investments	d	1,981.79	1,177.12
(v) Dividend and Dividend Tax	e	-	2,077.83
(vi) Tax on above adjustments	f	27.07	(35.45)
Total Equity as per Ind AS		93,624.51	79,305.85

(b) Total Comprehensive Income Reconciliation

(₹ in Lakhs)

Particulars	Notes	As at March 31, 2016
Net Profit as per previous GAAP		17,712.20
(i) Recognition of Biological assets	a	(98.80)
(ii) Restatement of Grant and Subsidies	b	(2.13)
(iii) Fair value adjustment of Financial Assets	c	(4.14)
(iv) Profit on sale of Investments	d	(441.68)
(v) Dividend and Dividend Tax	e	-
(vi) Tax on above adjustments	f	62.51
Net Profit as per India AS		17,227.96
Other Comprehensive Income (net of tax) as per Ind AS	d	1,246.36
Total Comprehensive Income as per India AS		18,474.32

(c) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statement of Cash Flow as reported under previous GAAP.

Notes to Reconciliations between previous GAAP and Ind AS

(a) Recognition of Biological Assets :

The company has recognised Standing Crop as Biological Asset from April 1, 2015 as result of India AS. This has resulted in an increase in equity by ₹ 65.87 Lakhs and ₹ 164.68 Lakhs as at March 31, 2016 and April 1, 2015 respectively and decrease in net profit by ₹ 98.80 Lakhs for the year ended March 31, 2016.

(b) Restatement of Grant and Subsidies :

Under Previous GAAP, Fixed Assets acquired with the Grants/Subsidy are accounted net of the Grant/Subsidy in books of account. Now as per India AS the extent of Grant/Subsidy reduced from Fixed Assets are re-instated in the books as Fixed Assets along with the Grant/Subsidy as Liability. The value of the Fixed Assets re-instated will be depreciated as per schedule II of Companies Act 2013 and Grant/Subsidy re-instated will be charged to profit & loss a/c over the life time of those assets in equal instalments. Net difference of Depreciation and Grant/Subsidy charged to Profit & loss a/c has resulted in equity decrease by ₹ 8.67 Lakhs and ₹ 6.54 Lakhs as at March 31, 2016

Notes forming part of Financial Statements for the year ended March 31, 2017

and April 1, 2015 respectively and decrease net profit by ₹ 2.13 Lakhs for the year ended March 31, 2016.

(c) Fair Value Adjustments of Financial Assets:

Under India AS, historical percentage of receivables written off over the years need to be provided from sales and the same should be reduced in sales and as well as in trade receivables. This has resulted in decrease of equity by ₹ 4.14 Lakhs and ₹ Nil as at March 31, 2016 and April 1, 2015 respectively and decrease in net profit by ₹ 4.14 Lakhs for the year ended March 31, 2016.

(d) Fair Value of Investments :

Under previous GAAP, current investments were measured at cost less diminution in value, under India AS investments are measured at fair value. Net increase in fairvalue after reducing provision for current tax has resulted in increase of equity by ₹ 1981.79 Lakhs and ₹ 1177.12 Lakhs as at March 31, 2016 and April 1, 2015 respectively.

The fairvalue difference as on April 1, 2015 is effected to retained earnings and later increase/ decrease is effected to Other Comprehensive

Income (OCI). For the year ended March 31, 2016 this has resulted in increase in Other Comprehensive Income (OCI) by ₹ 1246.36 Lakhs net of provision for current tax and decrease in net profit by ₹ 441.68 Lakhs due to redemption of investment held on April 1, 2015 on those fairvalue difference is already effected to retained earnings.

(e) Dividend and Dividend Tax :

Under India AS, dividend to holders of equity instruments is recognised as a liability in the year in which the obligation to pay is established. Under previous GAAP, dividend payable is recorded as a liability in the year to which it relates. This has resulted in an increase in equity by ₹ Nil and ₹ 2077.83 Lakhs as at March 31, 2016 and April 1, 2015 respectively.

(f) Tax Adjustments :

Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS. These adjustments have resulted in an increase in equity under Ind AS by ₹ 27.07 Lakhs and ₹ (35.45) Lakhs as at March 31, 2016 and as at April 1, 2015 respectively and increase in net profit by ₹ 62.51 Lakhs as at March 31, 2016.

Notes forming part of Financial Statements for the year ended March 31, 2017

5 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01-04-2015	5,552.57	5,201.42	9,159.96	444.32	1,125.81	103.86	132.88	21,720.83
Additions	39.05	2,284.04	4,183.92	32.28	163.30	13.70	18.53	6,734.82
Deletions	-	-	53.13	0.37	40.60	2.07	2.96	99.13
Balance as at 31-03-2016	5,591.62	7,485.46	13,290.76	476.23	1,248.51	115.49	148.46	28,356.53
Additions	-	1,566.70	969.56	71.21	85.23	28.29	57.21	2,778.20
Deletions	-	-	-	-	147.77	6.31	10.78	164.86
Balance as at 31-03-2017	5,591.62	9,052.15	14,260.33	547.43	1,185.97	137.47	194.88	30,969.87
Accumulated Depreciation/ Amortisation								
Balance as at 01-04-2015	-	1,460.66	3,994.14	204.34	681.50	72.80	112.72	6,526.16
Additions	-	471.70	1,716.31	66.87	180.24	17.38	15.82	2,468.31
Deletions	-	-	41.65	0.35	32.19	1.97	2.81	78.96
Balance as at 31-03-2016	-	1,932.35	5,668.80	270.86	829.55	88.22	125.73	8,915.51
Additions	-	631.95	1,943.51	64.53	147.16	19.08	23.75	2,829.98
Deletions	-	-	-	-	125.23	5.80	10.14	141.17
Balance as at 31-03-2017	-	2,564.30	7,612.30	335.40	851.48	101.51	139.34	11,604.32
Net Carrying Amount								
Balance as at 01-04-2015	5,552.57	3,740.76	5,165.83	239.97	444.32	31.06	20.16	15,194.68
Balance as at 31-03-2016	5,591.62	5,553.10	7,621.97	205.37	418.96	27.27	22.73	19,441.02
Balance as at 31-03-2017	5,591.62	6,487.85	6,648.02	212.04	334.50	35.97	55.55	19,365.54

6 Capital work-in-progress

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01-04-2015	-	2,001.50	4,161.80	2.20	-	-	-	6,165.50
Additions	-	1,656.11	447.36	31.41	-	-	0.28	2,135.15
Deletions	-	2,307.46	4,023.64	18.56	-	-	-	6,349.66
Balance as at 31-03-2016	-	1,350.14	585.53	15.05	-	-	0.28	1,951.00
Additions	-	2,947.29	212.59	38.32	-	-	2.06	3,200.26
Deletions	-	1,578.81	785.77	47.16	-	-	2.34	2,414.08
Balance as at 31-03-2017	-	2,718.62	12.35	6.21	-	-	-	2,737.18

Notes

 forming part of Financial Statements for the year ended March 31, 2017

7 Goodwill		(₹ in Lakhs)
Particulars	Amount	
Gross Carrying Amount		
Balance as at 01-04-2015		-
Additions		-
Deletions		-
Balance as at 31-03-2016		-
Additions		-
Deletions		-
Balance as at 31-03-2017		-
Accumulated Depreciation/Amortisation		
Balance as at 01-04-2015		-
Additions		-
Deletions		-
Balance as at 31-03-2016		-
Additions		-
Deletions		-
Balance as at 31-03-2017		-
Net Carrying Amount		
Balance as at 01-04-2015		-
Balance as at 31-03-2016		-
Balance as at 31-03-2017		-

8 Other Intangible Assets		(₹ in Lakhs)		
Particulars	Software	Patents	Total	
Gross Carrying Amount				
Balance as at 01-04-2015	185.38	-	185.38	
Additions	13.29	-	13.29	
Deletions	-	-	-	
Balance as at 31-03-2016	198.67	-	198.67	
Additions	21.30	-	21.30	
Deletions	-	-	-	
Balance as at 31-03-2017	219.97	-	219.97	
Accumulated Depreciation/Amortisation				
Balance as at 01-04-2015	130.47	-	130.47	
Additions	29.98	-	29.98	
Deletions	-	-	-	
Balance as at 31-03-2016	160.45	-	160.45	
Additions	19.23	-	19.23	
Deletions	-	-	-	
Balance as at 31-03-2017	179.68	-	179.68	
Net Carrying Amount				
Balance as at 01-04-2015	54.90	-	54.90	
Balance as at 31-03-2016	38.22	-	38.22	
Balance as at 31-03-2017	40.28	-	40.28	

Notes forming part of Financial Statements for the year ended March 31, 2017

9 Intangible assets under development

(₹ in Lakhs)

Particulars	Software	Total
Carrying Amount		
Balance as at 01-04-2015	-	-
Additions	-	-
Deletions	-	-
Balance as at 31-03-2016	-	-
Additions	129.40	129.40
Deletions	-	-
Balance as at 31-03-2017	129.40	129.40

10 Investments

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Non Current Investments			
Equity Investments of Subsidiaries	2,975.93	2,200.93	2,200.93
Equity Investments of Associates	0.54	0.54	0.55
Equity Investments - Others	115.99	70.27	48.33
Investment in Government Securities	0.30	0.30	0.30
Investment in Real Estate Portfolio Management Fund	125.00	-	-
	3,217.76	2,272.04	2,250.11
Current Investments			
Liquid Mutual Fund Units	9,872.42	8,309.23	8,098.33
Fixed Maturity Plan Mutual Fund Units	7,058.78	3,729.03	1,101.81
Non convertible Debentures	-	1,090.48	2,575.82
Other Debt Mutual Fund Units	49,636.61	38,079.55	18,803.77
	66,567.81	51,208.29	30,579.74
Less: Provision for Tax on OCI	(1,120.53)	(641.78)	-
	65,447.28	50,566.51	30,579.74

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	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 (P) Ltd	7,70,000	77.00	7,70,000	77.00	7,70,000	77.00
Equity shares of ₹ 10 each fully paid up in Kaveri Microtech Pvt Ltd	1,45,36,360	1,453.64	1,45,36,360	1,453.64	1,45,36,360	1,453.64
Equity shares of ₹ 10 each fully paid up in Genome Agritech Pvt Ltd	91,800	30.29	91,800	30.29	91,800	30.29
Equity shares of ₹ 10 each fully paid up in Kexveg India Pvt Ltd	1,41,50,000	1,415.00	64,00,000	640.00	64,00,000	640.00
		2,975.93		2,200.93		2,200.93

Notes

 forming part of Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
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	0.54	3,600	0.54	3,600	0.55
Equity Shares of ₹ 10 each in Swadeshi Biotechnics Ltd -fully paid up	700	-	700	-	700	-
		0.54		0.54		0.55
Investment in Government Securities						
(Investments Carried at Cost)						
National Savings Certificates	2	0.30	2	0.30	2	0.30
		0.30		0.30		0.30
Investment in Real Estate Portfolio Management Fund						
(Investments Carried at Fair Value through Other Comprehensive Income)						
ASK Real Estate Special Situations Mutual Fund	125	125.00				
		125.00				-
QUOTED						
Equity Investments - Others						
(Other than trade)						
(Investments Carried at Fair Value through Other Comprehensive Income)						
Equity shares of ₹ 10 each In Vijay Textiles Ltd - fully paid up	1,99,425	84.56	1,99,425	37.59	1,99,425	13.96
Equity shares of ₹ 10 each in Bank of Maharashtra - fully paid up	1,900	0.64	1,900	0.55	1,900	0.71
Equity shares of ₹ 10 each in Indian Overseas Bank - fully paid up	9,700	2.59	9,700	2.94	9,700	4.16
Equity Shares of ₹ 1 each in Tata Consultancy Services Ltd - full paid up	1,160	28.21	1,160	29.19	1,160	29.50
		115.99		70.27		48.33
Current Investments						
Unquoted						
(Other than trade)						
(Investments Carried at Fair Value through Other Comprehensive Income)						
Liquid Mutual Fund Units						
BSL Cash Plus - Growth - Direct Plan	4,66,126	1,218.03	-	-	-	-
HDFC Floating Rate IF-LT-DP-Growth	1,12,41,614	3,233.76	1,12,41,614	2,969.40	1,12,41,614	2,740.91
HDFC Floating Rate IF-ST-DP-WS-Grow	-	-	96,71,591	2,524.30	-	-
HDFC Liquid-DP-Growthoption	-	-	13,388	400.34	-	-
IDFC Money Manager Fund-Investment Plan-Growth-(Direct Plan)	-	-	-	-	83,06,568	1,806.88
IDFC Cash Fund-Growth-(Direct Plan)	29	0.57	57,091	1,051.51	71,636	1,218.24
ICICI Money Market Fund-Drt Growth-P8101	-	-	-	-	3,10,225	600.25

Notes forming part of Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
ICICI Prudential Liquid - Direct Plan - Growth	5,50,425	1,324.97	-	-	-	-
Kotak Liquid Direct Plan Growth	41,629	1,373.24	-	-	-	-
Reliance Liquid Fund-Cash Plan-Direct Growth Plan	-	-	55,761	1,363.67	76,836	1,732.07
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	26,403	1,047.93	-	-	-	-
Tata Money Market Fund Direct Plan-Growth-ISI	65,310	1,673.91	-	-	-	-
		9,872.42		8,309.23		8,098.33
Fixed Maturity Plan Mutual Fund Units						
DSP Blackrock FMP S151-12M-Dir-G-Mat Dt 20.03.17	1,00,00,000	1,292.70	1,00,00,000	1,200.33	1,00,00,000	1,101.81
HDFC FMP Feb,2017 Direct Growth -Series 37	1,90,00,000	1,920.39	-	-	-	-
HDFC FMP Feb,2017 Direct Growth -Series 37	50,48,573	510.27	-	-	-	-
FMP Series 78-95 D Plan K DP Cum-P8972	-	-	2,50,00,000	2,528.70	-	-
ICICI Prudential Fixed Maturity Plan Series 80-1150 Days Plan N Direct Plan Cumulative	78,04,662	784.32	-	-	-	-
HDFC FMP 1302 D SEPTEMBER 2016 (1) - SERIES 37 REG - G	2,42,73,023	2,551.09	-	-	-	-
		7,058.78		3,729.03		1,101.81
Non-Convertible Debentures						
NCD of Kotak Mutal Fund India Limited			100	1,090.48	100	1,002.22
NCD of Power Finance Corporation Limited			-	-	5,00,000	527.29
NCD of Damodar Valley Corporation			-	-	10,00,000	1,046.32
				1,090.48		2,575.82
Other Debt Mutual Fund Units						
BSL Dynamic Bond Fund-Retail-Growth-Direct	1,42,99,891	4,249.58	-	-	-	-
IDFC Credit Opportunities Fund Direct Plan -Growth	78,23,282	789.46	-	-	-	-
IDFC Credit Opportunities Fund Direct Plan -Growth	50,36,080	508.20	-	-	-	-
BSL Treasury Optimizer Plan-Gr.-Direct	13,34,170	2,806.33	9,48,711	1,802.67	9,48,711	1,655.12
BSL Savings Fund-Growth-Direct	-	-	-	-	4,37,995	1,180.93
BSL Floating Rate Fund STP Gr.-Direct	1,87,896	407.46	-	-	-	-
BSL Medium Term Plan-Growth-Direct	1,33,69,214	2,798.94	-	-	-	-
HDFC Corporate Debt Opportunities Fund - DG	2,85,10,870	3,969.94	-	-	-	-
IDFC Corporate Bond Fund Direct Plan-Growth	1,01,80,095	1,141.79	-	-	-	-
ICICI Banking & PSU Debt Plan-Drt Growth-P8104	1,78,26,158	3,374.38	1,78,26,158	3,031.78	1,50,95,591	2,354.10
ICICI Prudential Corporate Bond Fund	1,46,91,815	3,865.62	-	-	-	-
ICICI Prudential Income Opportunities Fund	1,77,40,169	4,138.11	-	-	-	-
Invesco India Credit Opportunities Fund-Direct Plan Growth(CO-D1)	-	-	-	-	75,701	1,212.82
Invesco India Short Term Fund-Direct Plan Growth(ST-D1)	-	-	-	-	79,465	1,515.09
Invesco India Medium Term Bond Fund-Direct Plan Growth(MT-D1)	-	-	3,27,845	5,092.16	-	-

Notes forming part of Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
Bonus on JM Arbitrage Advantage Fund(Direct)-Annual Bonus option-Principal Units	-	-	95,49,934	1,027.61	-	-
Kotak Income Opp.Fund-Direct Plan-Growth	2,23,63,110	4,174.66	-	-	-	-
Reliance Regular Savings Fund-Debt Plan-Direct Growth Plan Growth Option	88,98,578	2,090.47	-	-	-	-
Reliance Corporate Bond Fund-Direct Growth Plan	4,08,18,805	5,498.09	-	-	-	-
SBI Magnum Insta Cash Fund-Direct Plan-Growth	-	-	-	-	30,707	950.50
SBI SDFS-366 Days 52-Direct Growth	-	-	1,00,00,000	1,202.41	1,00,00,000	1,108.03
Sundaram Income Plus Direct Plan-Growth	70,18,628	1,706.09	1,13,82,210	2,538.35	73,66,591	1,514.84
Ultra Short Term Fund Direct Plan-Growth	-	-	1,21,75,463	2,554.31	-	-
Tata Short Term Bond Fund Direct Plan-Growth	26,72,898	841.54	26,72,898	768.93	26,72,898	706.83
UTI Short Term Income Fund-Institutional Option-Direct Plan-Growth	29,69,104	603.41	29,69,104	547.21	29,69,104	503.99
UTI Money Market Fund-Institutional Plan-Direct Plan-Growth	-	-	59,103	1,004.02	-	-
Principal Credit Opportunities Fund-Direct Plan	-	-	-	-	46,636	1,012.94
IIFL WEALTH FINANCE LTD IFGPD - 4A GOLDEN PERP DEBT	2,500	2,490.64	-	-	-	-
IDFC Ultra Short Term Fund-Growth-(Direct Plan)	8,90,856	206.26	7,06,844	150.68	-	-
ICICI Saving Fund-DP Growth-P8089	3,31,443	834.52	22,41,287	5,138.25	14,51,390	3,050.88
Kotak Low Duration Fund Direct Growth-255G	1,25,143	2,541.13	5,59,341	10,358.06	-	-
Kotak Low Duration Fund Standard Growth (Regular Plan)	30,265	600.00	-	-	-	-
Principal Low Duration Fund-Direct Plan	-	-	-	-	91,123	2,037.70
Reliance Medium Term Fund-Direct Growth Plan-Growth Option	-	-	90,22,064	2,863.12	-	-
		49,636.61		38,079.55		18,803.77

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Market Value of Quoted Investments	115.99	70.27	48.33
Aggregate amount of Quoted Investments	204.27	204.27	204.27
Aggregate amount of Unquoted Investments	65,802.65	50,839.60	31,635.58
Investments Carried at Cost	2,976.23	2,201.23	2,201.23
Investments Carried at Fair Value through Other Comprehensive Income	66,809.34	51,279.10	30,628.63

Investments in Mutual Funds

Mutual funds - Under Previous GAAP, the mutual funds were measured at lower of cost or market value. 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. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) for the year ended 31st March, 2016.

Notes forming part of Financial Statements for the year ended March 31, 2017

Investments in Subsidiaries

Investments in Subsidiaries - Under Previous GAAP were measured at cost. Under Ind AS, the Company has designated these investments at cost only.

Investments in Associates & Other Equities

Investment in Associates & Other Equities - Under Previous GAAP were measured at lower of cost or market value. 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. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) for the year ended 31st March, 2016.

Equity Investment in Subsidiaries

Particulars	Nature of Business	Proportion (%) of equity interest		
		March 31,2017	March 31,2016	April 01,2015
Equity shares of ₹ 10 each fully paid up in Aditya Agritech Pvt Ltd	Seeds	70	70	70
Equity shares of ₹ 10 each fully paid up in Kaveri Microtech Pvt Ltd	Micronutrients	100	100	100
Equity shares of ₹ 10 each fully paid up in Genome Agritech Pvt Ltd	Seeds	51	51	51
Equity shares of ₹ 10 each fully paid up in Kex veg India Pvt Ltd	Vegetables	100	100	100

11 Other Financial Assets (Non - Current)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and considered good			
Advance paid to ASK Real Estate Fund	375.00	-	-
	375.00		

₹ 500.00Lakhs paid to M/s. ASK Real Estate Fund, out of this 125 units of ASK Real Estate Special Situation Mutual Fund has been allotted for ₹ 125.00Lakhs. The balance amount of ₹ 375.00 Lakhs was kept as advance for further allotment of Real Estate Fund units.

12 Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Deferred Tax Liability on account of differences in depreciation as per tax books and financial books.	6.15	(0.65)	(8.00)
Deferred tax asset arising on account of timing differences relating to:			
Provision for Bad and doubtful trade receivables	25.80	14.89	3.03
Employee Benefits	0.44	1.26	1.85
	32.39	15.50	(3.12)

Notes forming part of Financial Statements for the year ended March 31, 2017

13 Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and considered good			
Security deposits	147.55	138.88	98.76
Advances for Capital Expenses	115.35	199.41	134.12
	262.90	338.29	232.88

14 Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Raw Materials	4,326.87	4,289.55	4,220.79
Work in Process	3,474.75	4,528.39	8,287.98
Finished Goods	36,195.59	40,931.17	36,167.63
	43,997.22	49,749.10	48,676.40

15 Biological Asset (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Standing Crop	5,556.82	1,674.17	4,875.73
	5,556.82	1,674.17	4,875.73

16 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured - considered good	6,982.67	6,310.58	9,807.84
Considered Doubtful - unsecured	2,530.61	1,460.58	296.93
Less : Provision for doubtful debts	(2,530.61)	(1,460.58)	(296.93)
	6,982.67	6,310.58	9,807.84

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Trade Receivables			
Debts due from Subsidiaries and Associates	358.38	42.38	161.17

Of the Trade Receivables balances, top 3 customers represent a balance of ₹ 3219.97 Lakhs as at 31st March 2017 and ₹ 1764.71 Lakhs as at 31st March 2016, and 3 customers represent more than 5% of the total balance of Trade Receivables as at 31st March 2017 and 2 Customers as at 31st March 2016.

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.

Notes forming part of Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Movement in the Provision for doubtful debts		
Balance at the beginning of the year	1,460.58	296.93
Movement in provision for doubtful debts based on ageing	1070.03	1163.65
Balance at the end of the year	2,530.61	1,460.58

17 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
1. Cash on hand	5.24	3.62	2.94
2. Balances with Banks - Current Accounts	1,687.07	674.53	403.31
	1,692.31	678.15	406.25

Details of Specified Bank Notes (SBN) held and transacted during demonetisation period from 08-11-2016 to 30-12-2016

(₹ in Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08-11-2016	5.50	17.93	23.43
(+) Permitted Receipts	-	17.15	17.15
(-) Permitted Payments	-	22.43	22.43
(-) Amount deposited in Banks	5.50	0.55	6.04
Closing Cash in hand as on 30-12-2016	-	12.10	12.10

There are no Repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

18 Bank balances other than above

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
i Fixed deposits with original maturity more than 3 months but less than 12 months	-	-	-
ii Earmarked balances with banks			
- Deposit Accounts	12.49	13.67	-
Total	12.49	13.67	-

Notes forming part of Financial Statements for the year ended March 31, 2017

Deposit in Earmarked balance with banks represents bank balance in unclaimed dividend accounts.

19 Loans

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and Considered Good			
Loans to Subsidiary Companies		740.00	642.00
	-	740.00	642.00

20 Current Tax Assets

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Income Tax Refund due	397.61	-	-
	397.61	-	-

Tax Refund includes ₹ 375.59 Lakhs of earlier years and ₹ 22.02 Lakhs of current year.

21 Other current assets

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and considered good			
Advance to suppliers	1,237.58	989.64	1,064.35
Advance to Staff	46.29	47.64	90.01
Prepaid expenses	70.91	571.90	1,296.58
Others	11.61	51.55	601.17
Gratuity Advance	90.46	-	-
	1,456.85	1,660.72	3,052.11

22 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
SHARE CAPITAL			
Authorised			
10,00,00,000 (10,00,00,000) Equity shares of ₹ 2/- (₹ 2/-) each	2,000.00	2,000.00	2,000.00
Issued,Subscribed & Paid up			
6,90,55,095/-(6,90,55,095) Equity shares of ₹ 2/- (₹ 2/-) each-fully paid up	1,381.10	1,381.10	1,377.92
	1,381.10	1,381.10	1,377.92

Notes forming part of Financial Statements for the year ended March 31, 2017

a) Reconciliation of number of Shares Equity Shares

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	No of shares	(₹)	No of shares	(₹)	No of shares	(₹)
At the beginning of the year	6,90,55,095	1,381.10	6,88,96,195	1,377.92	6,88,96,195	1,377.92
Add: Issued during the year			1,58,900	3.18		
Less: Shares Cancelled during the year						
At the end of the year	6,90,55,095	1,381.10	6,90,55,095	1,381.10	6,88,96,195	1,377.92

b) Details of Shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	No of shares	(₹)	No of shares	(₹)	No of shares	(₹)
G Vanaja Devi	1,57,75,050	22.84%	1,57,75,050	22.84%	1,52,70,448	22.16%
G V Bhaskar Rao - HUF	1,12,40,645	16.28%	1,12,40,645	16.28%	1,12,40,645	16.32%
G V Bhaskar Rao	60,31,990	8.74%	60,31,990	8.74%	60,31,990	8.76%
Ashoka PTE Limited			47,90,301	6.94%	-	-
IDFC Premier Equity Fund			-	-	22,77,235	3.31%
Small Cap World Fund, INC			-	-	41,30,970	6.00%

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.

Share options granted under the Company's employee share option plan

Share options granted under the Company's Employee Share option plan carry no rights to dividends and no voting rights. Further details of the Employee Share option plan are provided.

Notes forming part of Financial Statements for the year ended March 31, 2017

23 Other Equity

(₹ in Lakhs)

	As at March 31,2017	As at March 31,2016	As at April 01, 2015
a) Capital Subsidy			
Opening Balance	-	0.88	0.88
Less : Transfer to General Reserve	-	0.88	-
			0.88
b) Securities Premium			
Opening Balance	6,612.83	6,537.13	6,537.13
Add: Transfer from ESOP	- 6,612.83	75.70	-
		6,612.83	6,537.13
c) General Reserve			
Opening Balance	8,001.05	7,000.17	7,000.17
Add: Transfer from Retained Earnings	-	1,000.00	-
Add : Transfer from Capital Subsidy	- 8,001.05	0.88	-
		8,001.05	7,000.17
d) Share application money			
Opening Balance	-	54.02	54.02
Less: Transfer to Share Capital & Premium	-	54.02	-
			54.02
e) ESOP Outstandings			
Opening Balance	-	24.85	24.85
Less: Transfer to Share Capital & Premium	-	24.85	-
			24.85
f) Other Comprehensive Income			
Opening Balance	1,246.36	-	-
(i) Items that will not be reclassified to Profit or loss			
Fair value of Investments through Other Comprehensive Income	1,452.44	1,888.14	-
Actuarial (gain)/loss on employee benefits through Other Comprehensive Income	(43.91)	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Current tax on Fair value of Investments through Other Comprehensive Income	(478.76)	(641.78)	-
	- 2,176.13	-	1,246.36
g) Retained Earnings			
Opening Balance	76,383.17	64,310.88	60,933.24
Additions:			
Recognition of Biological assets	-	-	164.68
Dividend Adjustments	-	-	2,077.83
Profit for the year	7,847.12	17,227.96	-
Fair Value adjustments of Investments	-	-	1,177.12
Less:			
Transferred to General Reserve	-	1,000.00	-
Payment of Dividend & Dividend Tax	-	4,155.67	-
Restatement of Grant and Subsidies	-	-	6.54
Deferred tax adjustment	- 84,230.30	- 76,383.17	35.45
	- 1,01,020.30	- 92,243.41	- 77,927.93

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.

Notes forming part of Financial Statements for the year ended March 31, 2017

Securities Premium Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Employee Stock Options Outstanding Account: The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends 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 are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

24 Borrowings

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Secured			
Term Loan from Deptt of Biotechnology, Ministry of Science & Technology	163.86	163.86	139.90
	163.86	163.86	139.90

The Company has received Loan from Department of Biotechnology, Ministry of science and technology, GOI for research in Hybrid Maize and Rice development. The loan is secured by all equipment, plant and machinery and other moveable assets of the company and is repayable in 10 equal half yearly installments starting from June, 2018.

25 Provisions (Non-Current)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for employee benefits	22.90	103.39	181.76
	22.90	103.39	181.76

Non-Current nature of employee benefits like Gratuity and Leave encashment is shown above.

26 Other non-current liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Security deposits from dealers	510.68	469.63	459.98
Grant/Subsidy	35.73	38.87	42.00
	546.42	508.50	501.98

Security Deposit

On appointment of distributor initially an amount is collected as deposit and accounted as security deposit, without bearing any interest, refundable and adjustable against the receivable at settlement shown in separately as liability.

Notes forming part of Financial Statements for the year ended March 31, 2017

27 Trade payables

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Creditors for Expenses	15,979.41	7,135.04	7,338.94
Sundry Creditors	11,736.24	14,071.01	13,422.89
	27,715.65	21,206.05	20,761.83

28 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Un Claimed Dividend	12.49	13.67	-
Interest Accrued but not due	11.94	8.67	5.47
	24.43	22.34	5.47

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 2017, 31st March 2016 and as at 1st April 2015.

29 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Advance from customers against Sales	17,991.84	18,261.44	18,073.52
Payable to Staff	321.82	525.55	611.66
TDS Payable	564.16	422.68	107.24
	18,877.82	19,209.67	18,792.42

30 Provisions

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for employee benefits	19.55	20.34	
Provision for Schemes	1,931.67	590.31	2,205.75
	1,951.22	610.65	2,205.75

31 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for Income Tax (net)	-	-	38.76
Provision for Wealth tax	-	-	1.30
	-	-	40.06

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Adjustments in provision for Income Tax			
Advance Income Tax	1,000.00	525.00	460.00
TDS receivables	0.52	1.37	1.24

Notes forming part of Financial Statements for the year ended March 31, 2017

32 Revenue from Operations

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Sale of Seeds	66,989.10	71,652.95
TOTAL	66,989.10	71,652.95

33 Other Income

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Capital Gain on sale of Assets	23.33	3.08
Dividend Income	0.54	6.11
Capital Gains from Investments	3,250.81	1,024.51
Interest Income	118.07	82.90
Others	39.02	47.09
Grant/Subsidy written Back	3.13	3.13
TOTAL	3,434.90	1,166.83

34 Cost of Materials Consumed

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Raw Material Consumed/Production Expenses		
Opening Stock	4,289.55	4,220.79
Add : Purchases/Production Expenses including processing Charges**	37,879.64	36,417.32
	42,169.19	40,638.11
Less : Closing Stock	4,326.87	4,289.55
	37,842.31	36,348.57
** Processing Charges		
Freight Inward	826.59	883.62
Machinery Repairs & Maintenance	221.16	146.04
Seed Certification charges	0.75	7.19
Power & Fuel	700.82	555.94
Building & Godown repairs & maint.	0.72	7.47
Godown Rent	101.95	170.80
Cold Storage Maintenance	32.05	145.53
Factory Maintenance	749.78	839.75
Expense on processing	718.20	730.43
R&D Farm Expenses**	1,166.36	1,088.00
Total	4,518.39	4,574.77

Notes forming part of Financial Statements for the year ended March 31, 2017

34 Cost of Materials Consumed (Contd.)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
** R&D Farm Expenses		
Cultivation Expenses	8.07	13.91
Fertilizers & Pesticides	33.04	52.02
Electricity charges	36.99	26.60
Electrical items & motor repairing charges	2.54	2.33
Farm Maintenance	50.74	61.59
Labour charges	165.12	164.65
Postage & telephones	2.24	1.06
Printing & Stationery	12.64	3.36
Security charges	43.79	43.69
Staff Welfare	2.65	2.58
Travelling expenses	2.75	1.22
Vehicle Maintenance	20.18	19.73
Land Lease	126.62	126.26
Research Expenses	114.71	8.65
Testing Expenses	99.99	121.46
Professional Expenses	51.26	52.67
Salaries - Farm	393.03	386.21
	1,166.36	1,088.00

35 Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016	
(Increase)/Decrease in Finished goods				
Opening Stock	40,931.00		36,168.00	
Closing Stock	36,196.00	4,735.58	40,931.00	(4,763.54)
(Increase)/Decrease in Work in Process				
Opening Stock	4,528.00		8,288.00	
Closing Stock	3,475.00	1,053.63	4,528.00	3,759.60
(Increase)/Decrease in Biological Assets				
Opening Stock	1,674.00		4,876.00	
Closing Stock	5,557.00	(3,882.65)	1,674.00	3,201.55
		1,906.57		2,197.61

Notes forming part of Financial Statements for the year ended March 31, 2017

36 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Salaries to Staff	2,994.26	2,903.83
Contribution to Provident and other funds	191.28	167.46
Staff Welfare Expenses	59.64	51.71
	3,245.18	3,122.99

37 Financial Costs

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Interest Expenses	5.34	3.20
Bank Charges	6.92	13.70
	12.27	16.90

38 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Depreciation of property, plant and equipment	2,829.98	2,468.31
Depreciation of intangible assets	19.23	29.98
Total Depreciation	2,849.21	2,498.29

39 Other Expenses

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
ESTABLISHMENT EXPENSES		
Travelling Expenses	833.88	852.48
Postage & Telephone	107.69	106.80
Payment to Auditors (Refer Note:40)	12.36	10.59
Vehicle Maintenance	42.85	40.77
Rent	32.08	45.71
Printing & Stationery	45.59	46.10
Insurance	81.41	86.86
Books & Periodicals	0.83	1.32
Rates & Taxes	84.71	211.34
Office Maintenance	48.90	54.07
General Expenses	71.52	71.19
Conveyance	1.14	1.49
Donations & Subscriptions	19.38	54.58
Legal Expenses	156.29	111.56
Professional Charges	282.85	141.87
Professional Tax	0.18	0.13
CSR Expenditure (Refer Note:41)	839.94	219.82
Market Cess	28.67	32.53
Security Charges	97.64	107.05

Notes

 forming part of Financial Statements for the year ended March 31, 2017

39 Other Expenses (Contd.)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Service Tax	170.71	154.50
Computer Maintenance	20.65	24.99
Directors Sitting Fees	7.20	5.20
Foreign Exchange Loss	15.48	7.90
(a) Total	3,001.95	2,388.85
SELLING & DISTRIBUTION EXP		
Sales promotion expenses	1,579.53	1,636.42
Advertisement	236.97	276.42
Freight & Forwarding	1,176.70	1,283.24
Farmers Meeting Expenses	235.86	204.18
Staff & Dealers Meeting Expenses	105.93	120.81
Royalty	2,666.23	3,809.14
Bad debts Write Off	134.17	17.00
Provision for Bad Debts	1,070.03	1,163.65
(b) Total	7,205.43	8,510.87
Total of (a) & (b)	10,207.37	10,899.71

40 Audit Fees

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
a) For statutory audit	7.18	6.57
b) For taxation matters	3.05	1.15
c) For other services	1.84	2.19
d) For reimbursement of expenses	0.29	0.68
	12.36	10.59

41 Expenditure incurred for corporate social responsibility

The Company spent ₹ 839.94 Lakhs and ₹ 219.82 Lakhs towards CSR Expenditure for the year ended 31st March 2017 and 31st March 2016. The details of expenditure upto 31-03-2017 are as follows.

(₹ in Lakhs)

Particulars of CSR Activity	2016-17	2015-16	2014-15
Amount unspent at the Starting of the year	393.24	174.90	-
CSR Expenditure Spendable for the year	447.46	438.16	276.05
Total Amount to be spent for the year	840.70	613.06	276.05
Direct Expenses made by company			
Education development activities			
Construction of School Buildings, Providing Furniture to Schools, Providing Books and Bags to Students and Scholarships to Students in Karimnagar District.	53.72	154.65	83.00

Notes forming part of Financial Statements for the year ended March 31, 2017

41 Expenditure incurred for corporate social responsibility (contd.) (₹ in Lakhs)

Particulars of CSR Activity	2016-17	2015-16	2014-15
Rural development activities			
Conservation of Water Resources, Providing Street Lights, Providing Cycle Rikshaw for Cleaning of Garbage in Karminagar and Siddipet Districts.	11.22	65.17	18.15
Contribution made to Kaveri Bhaskar Rao Charitable Foundation	775.00	-	-
Total Amount Spent during the year	839.94	219.82	101.15
Unspent amount at the End of the year	0.76	393.24	174.90

42 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 31-03-2017	As at 31-03-2016
Statutory Income tax rate	34.61%	34.61%
Differences due to:		
Income Exempt from Tax	-20.98%	-32.22%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	-3.55%	-0.47%
Tax Income at Different Rates	-0.11%	-0.10%
Others	3.78%	1.15%
Effective tax rate	13.75%	2.97%

Movement in Deferred Tax Assets/(Liabilities)

Movement during the Year ended April 1st, 2015

Deferred Tax Asset/Liabilities	As at 31st March, 2015	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 1st April, 2015
Provision for employee benefits	1.85		-	1.85
Provision for bad and doubtful trade receivables	38.48		(35.45)	3.03
Depreciation	(8.00)		-	(8.00)
	32.33		(35.45)	(3.12)

Movement during the Year ended March 31st, 2016

Deferred Tax Asset/Liabilities	As at 1st April, 2015	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 31st March, 2016
Provision for employee benefits	1.85	(0.59)		1.26
Provision for bad and doubtful trade receivables	3.03	11.86		14.89
Depreciation	(8.00)	7.35		(0.65)
	(3.12)	18.62		15.50

Notes forming part of Financial Statements for the year ended March 31, 2017

Movement during the Year ended March 31st, 2017

Deferred Tax Asset/Liabilities	(₹ in Lakhs)			
	As at 1st April, 2016	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 31st March, 2017
Provision for employee benefits	1.26	(0.82)		0.44
Provision for bad and doubtful trade receivables	14.89	10.91		25.80
Depreciation	(0.65)	6.80		6.15
	15.50	16.89		32.39

43 Exceptional Items:

For the financial year 2015-16 the company based on notifications of the various State Governments has short provided royalty in comparison with M/s.Mahyco Monsanto Biotech India Ltd Agreement. On this issue legal cases were pending for which the company has shown an amount of ₹ 6550.57 Lakhs as contingent liability for the year 2015-16. In the subsequent period these legal issues have been sorted out and settled in arbitration. The settled amount of ₹ 5923.80 Lakhs is provided in accounts as exceptional item.

44 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.

45 Earning Per Equity Share :

Earnings per Share has been computed as under

Particulars	(₹ in Lakhs)	
	As at 31-03-2017	As at 31-03-2016
Profit for the Year	7,847.12	17,227.96
No. of Equity Shares outstanding	6,90,55,095	6,90,55,095
Earnings Per Share (Face Value of ₹ 2/- each)	11.36	24.95

46 Dividend on Equity Share

Dividend on Equity Shares paid during the year

Particulars	(₹ in Lakhs)	
	As at 31-03-2017	As at 31-03-2016
Final Dividend ₹ 0 Per share for FY 2015-16 (₹ 2.50/- per share 2014-15)	-	1,726.38
Dividend Distribution Tax on Final Dividend	-	351.45
Interim Dividend ₹ 0 Per share for FY 2016-17 (₹ 2.50/- per share 2015-16)	-	1,726.38
Dividend Distribution Tax on Final Dividend	-	351.45
	-	4,155.67

Notes forming part of Financial Statements for the year ended March 31, 2017

47 FINANCIAL INSTRUMENTS

Refer Note 2.13 for accounting policy on Financial Instruments.

A. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	Carrying value /Fair value		
	As at 31st March , 2017	As at 31st March, 2016	As at 1st April, 2015
(₹ in Lakhs)			
FINANCIAL ASSETS			
Financial assets measured at fair value			
Investments measured at			
i. Fair value through other comprehensive income (Note 10)	66,809.34	51,279.10	30,628.63
	66,809.34	51,279.10	30,628.63
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 and joint venture, 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:

Particulars	Year ended	
	31st March, 2017	31st March, 2016
(₹ in Lakhs)		
Financial assets measured at fair value through other comprehensive income		
'Investment in equity & debt instrument	973.68	1,246.36

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

Notes forming part of Financial Statements for the year ended March 31, 2017

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 31st March, 2017				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	115.99	66,692.81	0.54	66,809.34
ii. Fair Value through Profit or Loss	-			-
As at 31st March, 2016				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	70.27	51,208.29	0.54	51,279.10
ii. Fair Value through Profit or Loss	-			-
As at 1st April, 2015				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	48.33	30,579.75	0.55	30,628.63
ii. Fair Value through Profit or Loss				-

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:

- 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.
- 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 (except derivative financial instruments), trade payables,

and other financial liabilities (except derivative financial instruments) 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.

48 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

Notes forming part of Financial Statements for the year ended March 31, 2017

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, 2017 and 31st March, 2016. 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.

	Undiscounted Amount			Total
	Carrying amount	Payable within 1 year	More than 1 year	
As at 31st March, 2017				
Non-derivative liabilities				
Trade payables (including acceptances)	27,715.65	27,715.65	-	27,715.65
Borrowings	163.86	-	163.86	163.86
Unpaid dividend	12.49	12.49	-	12.49
Other Payables	11.94	11.94	-	11.94
As at 31st March, 2016				
Non-derivative liabilities				
Trade payables (including acceptances)	21,206.05	21,206.05	-	21,206.05
Borrowings	163.86	-	163.86	163.86
Unpaid dividend	13.67	13.67	-	13.67
Other Payables	8.67	8.67	-	8.67
As at 1st April, 2015				
Non-derivative liabilities				
Trade payables (including acceptances)	20,761.83	20,761.83	-	20,761.83
Borrowings	139.90	-	139.90	139.90
Unpaid dividend	-	-	-	-
Other Payables	5.47	5.47	-	5.47

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.

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.

Notes forming part of Financial Statements for the year ended March 31, 2017

As at 31st March, 2017, 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 ₹ 0 Lakhs payable (31st March, 2016 ₹ 0 Lakhs and 1st April, 2015 ₹ 0 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 minimize 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 ₹ 0 Lakhs gain in the Statement of Profit and Loss (2015-16: ₹ 0 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 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 2017, the investments in debt mutual funds amount to ₹ 62697.12 Lakhs (31st March, 2016 ₹ 48634.07 Lakhs and 1st April, 2015 ₹ 29430.05 Lakhs). These are exposed to price risk.

MANAGEMENT POLICY

The Company takes all the precautions to minimize 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 will examine fund performance, rating, liquidity and risk aspects before investing.

SENSITIVITY TO RISK

A 0.5% increase in prices would have led to approximately an additional ₹ 313.49 Lakhs gain in the Statement of Profit and Loss (2015-16 ₹ 243.17 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 2017, 2016 and 2015.

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 .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

Notes forming part of Financial Statements for the year ended March 31, 2017

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 ₹ 0 Lakhs (31st March, 2016 ₹ 740 Lakhs and 1st April, 2015 ₹ 642 Lakhs).

The Company's maximum exposure to credit risk as at 31st March, 2017, 2016 and 1st April, 2015 is the carrying value of each class of financial assets.

49 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)

	Year ended 31st March, 2017	Year ended 31st March, 2016
(a) Loans to subsidiaries		
Loan to subsidiary: Kexveg India Pvt Ltd		
Balance as at the year end	-	740.00
Maximum amount outstanding at any time during the year	784.60	751.51
[Kexveg India Pvt Limited has utilised the loan for meeting working capital requirements.]		
(b) Investment by the loans in the shares of the Company		
The loanees have not made any investments in the shares of the Company	Nil	Nil

50 Related Party Transactions

50.1 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 Mrs. G. Madhusree
- 8 G.V.Bhaskar Rao - HUF
- 9 C. Vamsheedhar - HUF
- 10 R. Venumanohar Rao - HUF

B. Subsidiary Companies:

- 11 M/s. Kexveg India Pvt Ltd
- 12 M/s. Aditya Agritech Pvt Ltd
- 13 M/s. Genome Agritech Pvt Ltd
- 14 M/s. Kaveri Microteck Pvt Ltd

C. Other related firms

- 15 M/s. Kaveri Infra

Notes

 forming part of Financial Statements for the year ended March 31, 2017

50.2 Related party transactions for the year ended 31 March 2017 are as follows:

(₹ in Lakhs)

	31-03-2017	31-03-2016
Remuneration paid		
Mr. G.V.Bhaskar Rao	171.75	155.52
Mrs. G. Vanaja Devi	106.75	96.72
Mr. R. Venumanohar Rao	-	74.98
Mr. C. Vamsheedhar	52.68	47.86
Mr. C. Mithun Chand	43.93	39.94
	375.11	415.02
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.60	8.43
Mrs. G. Vanaja Devi	8.49	8.49
Mr. G.Pawan	12.31	12.31
Mrs. G. Madhusree	10.80	10.80
G.V.Bhaskar Rao - HUF	41.58	39.96
C. Vamsheedhar - HUF	4.48	4.48
R. Venumanohar Rao - HUF	4.52	4.52
M/s. Kaveri Infra	10.87	10.87
	93.65	99.86
Dividend paid		
Mr. G.V.Bhaskar Rao	-	150.80
Mrs. G. Vanaja Devi	-	381.76
Mr. R. Venumanohar Rao	-	52.95
Mr. C. Vamsheedhar	-	27.48
Mr. C. Mithun Chand	-	23.22
Mr. G.Pawan	-	62.73
Mrs. G. Madhusree	-	-
G.V.Bhaskar Rao - HUF	-	281.02
	-	979.96
Investments made during the year		
Equity Share Capital in M/s. Kexveg India Pvt Ltd	775.00	-
Loans & Advances Paid during the year		
M/s. Kexveg India Pvt Ltd	-	98.00
Land Lease Received		
M/s. Kexveg India Pvt Ltd	14.23	14.23
Sales made during the year		
M/s. Aditya Agritech Pvt Ltd	2,796.16	2,326.67
M/s. Genome Agritech Pvt Ltd	598.35	503.79
	3,394.51	2,830.46

(₹ in Lakhs)

	31-03-2017	31-03-2016
Debit balances outstanding as at 31-03-2017		
M/s. Genome Agritech Pvt Ltd	358.38	42.38
M/s. Kexveg India Pvt Ltd	-	740.00
	358.38	782.38
Credit balances outstanding as at 31-03-2017		
M/s. Aditya Agritech Pvt Ltd	893.44	875.92

Notes forming part of Financial Statements for the year ended March 31, 2017

51 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 meant the risks commonly affecting the liabilities and the financial results are expected to:

- 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.
- Salary inflation risk :** Higher than expected increases in salary will increase the defined benefit obligation
- 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 turnover rates increase, then the liability will tend to fall as fewer employees reach vesting period.

The Principal Assumptions used for the purposes of the actuarial valuation as follows

I) Reconciliation of Benefit Obligation:		(₹ in Lakhs)
Particulars	31.03.2017	
Liability at the beginning of the period / year	111.80	
Acquisition adjustment	-	
Interest Cost	8.94	
Past Service Cost	-	
Current Services Cost	17.18	
Benefits paid	(61.59)	
Actuarial (gain)/ loss	43.91	
Liability at the end of the period / year	120.26	

II) Reconciliation of fair value of plan assets:		(₹ in Lakhs)
Particulars	31.03.2017	
Fair value of plan assets at the beginning of the period/year	197.90	
Acquisition adjustment	-	
Expected return on plan assets	18.27	
Contributions	57.10	
Benefits paid	(61.59)	
Premium Expenses	(0.97)	
Actuarial (gain)/ loss on obligation	-	
Fair value of plan assets at the beginning of the period/year	210.72	
Total actuarial gain / (loss) to be recognized	43.91	

Notes forming part of Financial Statements for the year ended March 31, 2017

III) Amount to be recognised in the Balance Sheet	(₹ in Lakhs)
Particulars	31.03.2017
Liability at the end of the period / year	120.26
Fair value of plan assets at the end of the period /year	(210.72)
Amount to be recognised in Balance Sheet	(90.46)
IV) Expenses recognised in the Statement of Profit and Loss under the head employee benefits expense	(₹ in Lakhs)
Particulars	31.03.2017
Current service cost	17.18
Past service cost	-
Interest cost	8.94
Acquisition adjustment	-
Premium Expenses	0.97
Expected return on plan assets	(18.27)
Net actuarial (gain)/loss recognized	43.91
Expenses recognized in Statement of Profit and Loss	52.74
V) Remeasurement for the period	(₹ in Lakhs)
Particulars	31.03.2017
Experience (gain)/Loss on plan liabilities	-
Demographic (gain)/loss on plan liabilities	-
Financial (gain)/loss on plan assets	43.91
Experience (gain)/loss on plan assets	-
Financial (gain)/loss on plan assets	-
VI) Amount recognised in statement of other comprehensive income (OCI)	(₹ in Lakhs)
Particulars	31.03.2017
Opening amount recognised in OCI	-
Remeasurement for the period - Obligation (gain)/loss	43.91
Remeasurement for the period - plan assets (gain)/loss	-
Total Remeasurement cost / (credit) for the period recognised in OCI	43.91
Closing amount recognised in OCI	43.91
VII) Principal actuarial assumption:	(₹ in Lakhs)
Particulars	31.03.2017
Discount rate	8.00%
Rate of return of plan assets	8.25%
Salary escalation	10.00%
Attrition rate	18.97%

Notes forming part of Financial Statements for the year ended March 31, 2017

Year Ending	(₹ in Lakhs)
	31.03.2017
MARCH 2015/MAR 2016	-
MARCH 2016/MAR 2017	14.84
MARCH 2017/MAR 2018	17.69
MARCH 2018/MAR 2019	20.71
MARCH 2019/MAR 2020	23.28
MARCH 2020/MAR 2021	26.00
MARCH 2021/MAR 2022	28.88

Sensitivity Analysis	Rates
	60/10/8/18.97 1% INCREASE 31.03.2017
A Effect of 1% Change in the Assumed Discount Rate	111.62
1. Effect on DBO	120.26
A Effect of 1% Change in the Assumed Salary Rate	124.42
2. Effect on DBO	120.26
A Effect of 1% Change in the Assumed Attrition Rate	111.62
3. Effect on DBO	120.26

	1% DECREASE 31.03.2017
	A Effect of 1% Change in the Assumed Discount Rate
1. Effect on DBO	120.26
A Effect of 1% Change in the Assumed Salary Rate	115.40
2. Effect on DBO	120.26
A Effect of 1% Change in the Assumed Attrition Rate	130.03
3. Effect on DBO	120.26

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 March 31, 2017

52 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	521.82	-	-
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	2.08	-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	132.39	-	-
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.	2.08	-	-
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.

53 Commitments

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	137.53	29.23

54 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Claims against the Company not acknowledged as debts. This comprises of	954.08	7,521.00
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits, pending before various judicial forums and tax authorities, aggregating to	860.50	860.50
ii. Other matters not related to tax	10.75	10.75
iii. Royalty Payment for use of BT Cotton technology	-	6,550.57
iv. Bank guarantees	82.83	99.18

Notes forming part of Financial Statements for the year ended March 31, 2017

55 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.

56 Segment Information

56.1 The Company has only one business segment via, Seeds.

56.2 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 segments 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.

56.3 In view of the above mentioned classification of business and geographical 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.

As per our report of even date attached

For and on behalf of the Board

Firm Registration No.003268S
for **P.R.REDDY & CO.,**
CHARTERED ACCOUNTANTS

Sd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758

Place: Secunderabad
Date: 24.05.2017

Sd/-
G. VIJAY KUMAR
Chief Financial Officer

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

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Wholetime Director

Independent Auditor's Report – Consolidated

**TO
THE MEMBERS OF**

M/S. KAVERI SEED COMPANY LIMITED

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of M/S. KAVERI SEED COMPANY LIMITED (hereinafter referred to as “the Holding Company”) and its subsidiaries (the Holding Company and its subsidiaries together referred to as “the Group”) comprising of the Consolidated Balance Sheet as at 31st March, 2017, the Consolidated Statement of Profit and Loss (Including other comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated Ind AS financial statements”).

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in 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 cash flows and consolidated changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions 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 judgments 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 Standalone Ind AS 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 Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due

to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated state of affairs of the Group as at 31st March, 2017, and its consolidated financial performance (Including other comprehensive income), its consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, 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 Ind AS financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books .
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (Including other comprehensive income), the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on

31st March, 2017 taken on record by the Board of Directors of the Holding Company, none of the directors of the Group companies is disqualified as on 31st March, 2017 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 Holding Company and its subsidiary companies 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 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:
- i. There were no pending litigations which would impact the consolidated financial position of the Group Companies.
 - ii. The Group Companies did not have any Long term Contracts including Derivative Contracts for which there were any material foreseeable losses.

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.
- iv. The requisite disclosures in the consolidated Ind AS financial statements for holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 have been provided with respect to Holding Company and subsidiaries. Based on audit procedures and reliance on management representation, we report that the disclosures are in accordance with books of account and other records maintained by the Holding Company and subsidiaries and as produced to us by the management.

For P R REDDY & CO
Firm Regn No.003268S
CHARTERED ACCOUNTANTS

Sd/-
P. RAGHUNADHA REDDY
Partner
Membership No. 23758

Place: Hyderabad,
Date: 24th May, 2017.

Annexure - A Referred to Independent Auditor's Report to the Members of M/S. KAVERI SEED COMPANY LIMITED for the year ended 31st March, 2017.

Referred to in the Independent Auditor's Report of even date to the members of Kaveri Seed Company Limited on the consolidated Ind AS financial statements for the year ended March 31, 2017.

Report on the Internal Financial Controls under Clause (1) of Sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the holding company") and its subsidiary companies as of March 31, 2017 in conjunction with our audit of the consolidated Ind AS financial statements of the company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The respective board of directors of the holding company and its subsidiary Companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and subsidiary companies 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 Accounts 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 preventing and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Holding Company's, and its subsidiary companies, 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 deemed to be prescribed under section 143(10) of the Act to the extent applicable to

an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respect.

4. 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 depending on the auditor's judgment, including the assessment of the risks of the material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's and its subsidiary companies internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. 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 purpose 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 transaction are recorded as necessary to permit

preparation of financial statements in accordance with Generally Accepted Accounting Principles, and that receipts and expenditure of the company are being made only in accordance with authorization of the 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

7. 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, projection 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

8. In our opinion, the Holding Company and its subsidiary companies have in all material respects, an adequate internal financial controls systems over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Holding company and its subsidiary companies considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accounts of India.

For P R REDDY & CO
Firm Regn No.003268S
CHARTERED ACCOUNTANTS

Sd/-
P. RAGHUNADHA REDDY
Partner
Membership No. 23758

Place: Hyderabad,
Date: 24th May, 2017.

Consolidated Balance Sheet

(₹ in Lakhs)

S. No	Particulars	Note No.	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
ASSETS					
(1)	Non-current assets				
	(a) Property, Plant and Equipment	5	19,956.44	20,088.62	16,036.89
	(b) Capital work-in-progress	6	3,267.87	1,970.10	6,165.50
	(c) Goodwill	7	26.70	26.70	26.70
	(d) Other Intangible assets	8	40.28	38.22	54.90
	(e) Intangible assets under development	9	129.40	-	-
	(f) Financial Assets				
	(i) Investments	10	241.90	71.18	96.25
	(ii) Others	11	375.00	-	-
	(g) Deferred tax assets (net)	12	83.00	31.79	-
	(h) Other non-current assets	13	289.84	371.74	253.83
	Total Non current assets		24,410.43	22,598.35	22,634.08
(2)	Current assets				
	(a) Inventories	14	44,781.55	50,444.87	49,434.92
	(b) Biological Assets	15	5,556.82	1,674.17	4,877.61
	(c) Financial Assets				
	(i) Investments	10	65,447.28	50,566.51	30,579.74
	(ii) Trade receivables	16	8,539.94	8,035.64	11,805.49
	(iii) Cash and cash equivalents	17	2,084.12	935.20	656.04
	(iv) Bank balances other than (iii) above	18	12.49	13.67	-
	(d) Current Tax Assets (Net)	19	397.61	-	-
	(e) Other current assets	20	1,546.24	1,798.38	3,126.29
	Total Current assets		1,28,366.05	1,13,468.44	1,00,480.09
	TOTAL ASSETS		1,52,776.48	1,36,066.79	1,23,114.17
EQUITY AND LIABILITIES					
Equity					
	(a) Equity Share capital	21	1,381.10	1,381.10	1,377.92
	(b) Other Equity	22	1,00,052.53	91,337.80	77,461.88
	(c) Non Controlling Interest	23	(74.13)	(19.75)	21.48
	Total Equity		1,01,359.50	92,699.15	78,861.28
LIABILITIES					
(1)	Non-current liabilities				
	(a) Financial Liabilities				
	(i) Borrowings	24	463.86	163.86	140.89
	(b) Provisions	25	44.94	106.75	181.76
	(c) Deferred tax liabilities (Net)	26	-	-	3.15
	(d) Other non-current liabilities	27	822.89	743.67	680.78
	Total Non current liabilities		1,331.68	1,014.28	1,006.58
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Trade payables	28	28,161.16	21,616.20	21,352.60
	(ii) Other financial liabilities	29	24.43	23.32	8.12
	(b) Other current liabilities	30	19,709.57	19,930.46	19,498.72
	(c) Provisions	31	2,148.98	728.05	2,330.81
	(d) Current Tax Liabilities (Net)	32	41.15	55.33	56.06
	Total Current liabilities		50,085.29	42,353.36	43,246.31
	TOTAL EQUITY AND LIABILITIES		1,52,776.48	1,36,066.79	1,23,114.17

See accompanying notes to the financial statements

1-57

As per our report of even date attached

For and on behalf of the Board

 for **P.R.REDDY & CO.,**
 Firm Registration No.003268S
 CHARTERED ACCOUNTANTS

Sd/-

P.RAGHUNADHA REDDY
 PARTNER
 Membership No.23758

 Place: Secunderabad
 Date: 24.05.2017

 Sd/-
G. VIJAY KUMAR
 Chief Financial Officer

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

 Sd/-
G.V.BHASKAR RAO
 Managing Director

 Sd/-
G.VANAJA DEVI
 Wholtime Director

Consolidated Statement of Profit & Loss

(₹ in Lakhs)

S. No	Particulars	Note	Year Ended March 31, 2017	Year Ended March 31, 2016
I	Income			
a)	Revenue from Operations	33	70,635.76	74,530.27
b)	Other Income	34	3,442.23	1,309.97
	Total Income		74,077.99	75,840.24
II	Expenses			
a)	Cost of Material Consumed	35	39,123.84	37,509.47
b)	Changes in Inventories of Finished Goods and Work in Progress	36	1,805.48	2,305.70
c)	Excise Duty		136.69	41.77
d)	Employee Benefit Expenses	37	3,990.98	3,825.32
e)	Finance Costs	38	24.14	23.89
f)	Depreciation & Amortisation Expenses	39	3,023.67	2,744.24
g)	Other Expenses	40	11,624.10	12,095.91
	Total Expenses		59,728.90	58,546.30
III	Profit before Exceptional Items and Tax (I-II)		14,349.09	17,293.94
IV	Exceptional Item (Refer Note.44)		(5,923.80)	-
V	Profit before Tax (III+IV)		8,425.29	17,293.94
VI	Less : Tax expense			
	Current Tax		1,290.99	581.71
	Earlier Years Tax		(366.28)	
	Mat Credit Entitlement		(177.18)	
	Deferred Tax		(51.18)	696.34
				(34.95)
				546.76
VII	Profit for the Year (V-VI)		7,728.95	16,747.18
VIII	Non Controlling Interest			
	Aditya		17.46	8.10
	Genome		(71.85)	(54.39)
				(49.33)
				(41.23)
IX	Profit after non controlling interest		7,783.34	16,788.41
X	Other Comprehensive Income			
(i)	Items that will not be reclassified to Profit or loss			
	Fair value of Investments through other comprehensive Income		1,452.44	1,888.14
	Actuarial gain/(loss) on employee benefits through other comprehensive Income		(41.56)	-
			1,410.88	1,888.14
(ii)	Income tax relating to items that will not be reclassified to profit or loss			
	Current tax on Fair value of Investments through other comprehensive Income		(479.49)	(641.78)
			931.39	1,246.36
XI	Total Comprehensive Income for the period (IX+X) Comprising Profit /(loss) and Other Comprehensive Income for the Period		8,714.73	18,034.77
XII	Earnings Per Equity Share (for continuing operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		11.27	24.31
(2)	Diluted (equity shares, par value ₹ 2 each)		11.27	24.31
XIII	Earnings Per Equity Share (for discontinued operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		-	-
(2)	Diluted (equity shares, par value ₹ 2 each)		-	-
XIV	Earnings Per Equity Share (for discontinued & Continuing operations)			
(1)	Basic (equity shares, par value ₹ 2 each)		11.27	24.31
(2)	Diluted (equity shares, par value ₹ 2 each)		11.27	24.31

Notes on Financial Statements

1-57

As per our report of even date attached

For and on behalf of the Board

for P.R.REDDY & CO.,
Firm Registration No.003268S
CHARTERED ACCOUNTANTSSd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758
Place: Secunderabad
Date: 24.05.2017Sd/-
G. VIJAY KUMAR
Chief Financial OfficerSd/-
V.R.S.MURTI
Company SecretarySd/-
G.V.BHASKAR RAO
Managing DirectorSd/-
G.VANAJA DEVI
Wholtime Director

Consolidated Statement of changes in equity

A. Equity Share Capital

(₹ in Lakhs)

	Amount
Issued and paid up equity share capital	
Balance as at 01 April 2015	1,377.92
Changes in equity share capital during the year	3.18
Balance as at 31 March 2016	1,381.10
Changes in equity share capital during the year	-
Balance as at 31 March 2017	1,381.10

B. Other Equity

(₹ in Lakhs)

Particulars	Capital Subsidy	Securities Premium Reserve	General Reserve	Retained Earnings	Share Application Money	ESOP Outstanding	Other Comprehensive Income	Total
Balance as on March 31st 2015	2.88	6,537.13	7,000.17	60,480.11	54.03	24.85	-	74,099.17
India AS adjustments for	-	-	-	-	-	-	-	-
(i) Recognition of Biological assets	-	-	-	166.56	-	-	-	166.56
(ii) Restatement of Grant and Subsidies	-	-	-	(6.54)	-	-	-	(6.54)
(iii) Dividend and Dividend tax	-	-	-	2,077.83	-	-	-	2,077.83
(iv) Fair Value adjustment of Investments	-	-	-	1,177.12	-	-	-	1,177.12
(v) Other adjustments	-	-	-	(17.40)	-	-	-	(17.40)
(vi) Non Controlling Interest	-	-	-	0.59	-	-	-	0.59
(vii) Tax on above adjustments	-	-	-	(35.45)	-	-	-	(35.45)
Ind AS Restated balance as on April 1st 2015	2.88	6,537.13	7,000.17	63,842.82	54.03	24.85	-	77,461.88
Balance at the beginning of the reporting period as on April 1st, 2015	2.88	6,537.13	7,000.17	63,842.82	54.03	24.85	-	77,461.88
Other Comprehensive Income for the year	-	-	-	-	-	-	1,246.36	1,246.36
Dividend and Dividend Tax	-	-	-	(4,155.67)	-	-	-	(4,155.67)
Transfer from Retained earnings	-	-	1,000.00	-	-	-	-	1,000.00
Transfer from Capital subsidy	-	-	2.88	-	-	-	-	2.88
Transfer to General Reserve	(2.88)	-	-	(1,000.00)	-	-	-	(1,002.88)
ESOP Allotment	-	75.70	-	-	(54.03)	(24.85)	-	(3.18)
Profit for the Year	-	-	-	16,788.41	-	-	-	16,788.41
Balance at the end of the reporting period as on March 31st, 2016	-	6,612.83	8,003.05	75,475.55	-	-	1,246.36	91,337.80
Balance at the beginning of the reporting period as on April 1st, 2016	-	6,612.83	8,003.05	75,475.55	-	-	1,246.36	91,337.80
Other Comprehensive Income for the year	-	-	-	-	-	-	931.39	931.39
Profit for the Year	-	-	-	7,783.34	-	-	-	7,783.34
Balance at the end of the reporting period as on March 31st, 2017	-	6,612.83	8,003.05	83,258.89	-	-	2,177.75	1,00,052.53

As per our report of even date attached for P.R.REDDY & CO.,
Firm Registration No.003268S
CHARTERED ACCOUNTANTS

Sd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758
Place: Secunderabad
Date: 24.05.2017

Sd/-
G. VIJAY KUMAR
Chief Financial Officer

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

For and on behalf of the Board

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Wholetime Director

Consolidated Statement of Cash Flow

(₹ in Lakhs)

Particulars	As at 31-Mar-2017	As at 31-Mar-2016
Cash flows from operating activities		
Profit before taxation	14,349.09	17,293.94
Adjustments for:		
Depreciation & Amortisation	3,023.67	2,744.24
(Profit)/Loss on sale of Fixed Assets	(44.75)	(3.08)
Dividend Received	(0.54)	(6.11)
Gain from Investments	(3,250.81)	(1,024.51)
Interest received	(118.07)	(82.90)
Finance charges	24.14	23.89
Operating profit before working capital changes	13,982.73	18,945.47
(Increase) / Decrease in Inventories and Biological Assets	1,780.68	2,193.49
(Increase)/Decrease in Trade Receivables and other receivables	(504.30)	3,769.85
(Increase)/Decrease in Loans & Advances (Other assets)	(489.78)	1,178.21
Increase/(Decrease) in Trade Payables	6,544.97	263.60
Increase/(Decrease) in Provisions	1,359.13	(1,677.78)
Increase/(Decrease) in Other liabilities	(154.75)	505.95
Taxes paid during the year	(696.34)	(546.76)
Net cash provided by operating activities	21,822.33	24,632.03
Cash flows from investing activities		
Payments for property, plant and equipment	(4,331.72)	(2,590.75)
Proceeds from disposal of property, plant and equipment	77.04	23.25
Payments for investment	(88,177.33)	(85,044.37)
Proceeds from disposal of investment	74,057.25	66,329.03
Payments for intangible assets	(21.30)	(13.29)
Proceeds from earmarked deposits with Bank	1.18	(13.67)
Dividend Received	0.54	6.11
Gain from Investments	3,250.81	1,024.51
Interest received	118.07	82.90
Net Cash used for investing activities	(15,025.46)	(20,196.28)
Cash flows from Exceptional Items	(5,923.80)	-
Cash flows from financing activities		
Proceeds from Borrowings	300.00	22.97
Dividend including Tax on Dividend	-	(4,155.67)
Finance charges	(24.14)	(23.89)
Net cash provided by financing activities	275.86	(4,156.58)
Net increase in cash & cash equivalents	1,148.92	279.15
Cash & Cash equivalents at the beginning of the period	935.20	656.04
Cash & Cash equivalents at the end of the period	2,084.12	935.20

As per our report of even date attached

for **P.R.REDDY & CO.,**
Firm Registration No.003268S
CHARTERED ACCOUNTANTSSd/-
P.RAGHUNADHA REDDY
PARTNER
Membership No.23758
Place: Secunderabad
Date: 24.05.2017Sd/-
G. VIJAY KUMAR
Chief Financial OfficerSd/-
V.R.S.MURTI
Company Secretary

For and on behalf of the Board

Sd/-
G.V.BHASKAR RAO
Managing DirectorSd/-
G.VANAJA DEVI
Wholetime Director

Notes

forming part of Consolidated Financial Statements for the year ended March 31, 2017

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.

a) Subsidiaries considered for consolidation

Name of the subsidiary	Nature of Business	Place of incorporation	Proportion of ownership interest and voting power held by the Company	
			As at 31-03-2017	As at 31-03-2016
Kaveri Microteck Private Limited	Micronutrients	India	100%	100%
Kexveg India Private Limited	Vegetables	India	100%	100%
Aditya Agri Tech Private Limited	Seeds	India	70%	70%
Genome Agritech Private Limited	Seeds	India	51%	51%

b) Disclosure of additional information as required by the Schedule III as at and for the year ended 31.03.2017

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 in Rupees	As % of other comprehensive income	Amount	As % of total comprehensive income	Amount
Parent										
Kaveri Seed Company Limited	98.65%	99,987.33	90.03%	63,594.59	100.82%	7,847.12	99.83%	929.77	99.83%	8,776.89
Subsidiaries										
Kaveri Microteck Private Limited	1.59%	1,616.24	3.17%	2,237.47	1.90%	147.51	0.17%	1.62	0.17%	149.13
Kexveg India Private Limited	0.32%	325.98	0.38%	269.10	-2.28%	(177.29)	0.00%	-	0.00%	(177.29)
Aditya Agri Tech Private Limited	-0.59%	(593.27)	5.35%	3,781.17	0.52%	40.75	0.00%	-	0.00%	40.75
Genome Agritech Private Limited	0.02%	23.22	1.07%	753.42	-0.96%	(74.78)	0.00%	-	0.00%	(74.78)
Total	100%	1,01,359.50	100%	70,635.76	100%	7,783.34	100%	931.39	100%	8,714.73

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. These are the Group first financial statements prepared in accordance with

Ind AS and Ind AS 101 First time adoption of Indian Accounting Standards has been applied.

Upto the year ended March 31, 2016, the Group prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Group's first Ind

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

AS financial statements. The date of transition to Ind AS is April 1, 2015.

2.2 Basis for preparation of financial statements:

The financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the financial statements, including the preparation of the opening Ind AS Balance Sheet as at 1st April, 2015 being the date of transition to Ind AS. All assets and liabilities have been classified as current or non-current as per the Group'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 Group 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 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.

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 on a pro-rata basis on the straight line method based on estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Upon first-time adoption of Ind AS, the Group has elected to measure all its property, plant and equipment at the Previous GAAP carrying amount as its deemed cost on the date of transition to Ind AS i.e., 1st April, 2015.

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.

2.5 Biological Asset

Recognition and measurement

The Group recognises the biological asset (agricultural produce) when:

- the Group controls the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the Group; and
- 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.

A gain or loss arising on initial recognition of biological asset at fair value less costs to sell is included in retained earnings and thereafter in profit or loss for the period in which it arised.

2.6 Leases:

Leases in which a substantial portion of the risks and rewards of ownership are retained by the lessor are

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

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 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 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

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2.10 Revenue recognition:

Revenue from sale of goods is recognised when all the significant risks and rewards of ownership in the goods are transferred to the buyer as per the terms of the contract, there is no continuing managerial involvement with the goods and the amount of revenue can be measured reliably. The Group retains no effective control of the goods transferred to a degree usually associated with ownership and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of goods. Revenue is measured at fair value of the consideration received or receivable, after deduction of any trade discounts, schemes, volume rebates and any taxes or duties collected on behalf of the government which are levied on sales such as sales tax, value added tax, etc

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 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 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 initially 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 initial recognition 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.

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 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

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

of principal and interest on the principal amount outstanding and selling financial assets.

The Group, has made an irrevocable election to present in other comprehensive income subsequent changes in fair value of investments not held for trading.

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.

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.

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.

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.

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

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 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 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

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

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.

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.

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 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.

3 Explanation of Transition to Ind AS

The Transition as at April 1, 2015 to Ind AS was carried out from Previous GAAP. The exemptions and exceptions applied by the Group in accordance with Ind AS 101 - First-time Adoption of Indian Accounting Standards, the reconciliations of equity and total comprehensive income in accordance with previous GAAP to Ind AS are explained below.

The Group has applied the following exemptions:

Deemed cost for property, plant and equipment and intangible assets

The Group has elected to continue with the carrying value of all its property, plant and equipment, investment property, and intangible assets recognised as of 01 April 2015 (the transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Notes

forming part of Consolidated Financial Statements for the year ended March 31, 2017

4 Reconciliation between previous GAAP and Ind AS

(a) Equity Reconciliation

(₹ in Lakhs)

Particulars	Notes	As at March 31,2016	As at April 1, 2015
Total Equity as per Previous GAAP		90,649.38	75,499.16
(i) Recognition of Biological assets	a	65.87	166.56
(ii) Restatement of Grant and Subsidies	b	(8.67)	(6.54)
(iii) Fair value adjustment of Financial Assets	c	(4.14)	-
(iv) Fair value of Investments	d	1,981.79	1,177.12
(v) Other Adjustments		(12.15)	(17.40)
(vi) Dividend and Dividend Tax	f	-	2,077.83
(vii) Tax on above adjustments	g	27.07	(35.45)
(viii) Non Controlling Interest			
Total Equity as per Ind AS		92,699.15	78,861.28

(b) Total Comprehensive Income Reconciliation

(₹ in Lakhs)

Particulars	Notes	As at March 31,2016
Net Profit as per previous GAAP		17,228.04
(i) Recognition of Biological assets	a	(100.67)
(ii) Restatement of Grant and Subsidies	b	(2.13)
(iii) Fair value adjustment of Financial Assets	c	(4.14)
(iv) Profit on sale of Investments	d	(441.68)
(v) Other Adjustments		5.25
(vi) Tax on above adjustments	g	62.51
Net Profit as per India AS		16,747.18
Other Comprehensive Income (net of tax) as per Ind AS	d	1,246.36
Total Comprehensive Income as per India AS		17,993.54

(c) Reconciliation of Statement of Cash Flow

There are no material adjustments to the Statements of Cash Flows as reported under previous GAAP.

Notes to Reconciliations between previous GAAP and Ind AS

(a) Recognition of Biological Assets :

The Group has recognised Standing Crop as Biological Asset from April 1, 2015 as result of India AS. This has resulted in an increase in equity by ₹ 65.87 Lakhs and ₹ 166.56 Lakhs as at March 31,2016

and April 1, 2015 respectively and decrease in net profit by ₹ 100.67 Lakhs for the year ended March 31, 2016.

(b) Restatement of Grant and Subsidies :

Under Previous GAAP, Fixed Assets acquired with the Grants/Subsidy are accounted net of the Grant/Subsidy in books of account. Now as per India AS the extent of Grant/Subsidy reduced from Fixed Assets are re-instated in the books as Fixed Assets along with the Grant/Subsidy as Liability.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

The value of the Fixed Assets re-instated will be depreciated as per schedule II of Companies Act 2013 and Grant/Subsidy re-instated will be charged to profit & loss a/c over the life time of those assets in equal instalments. Net difference of Depreciation and Grant/Subsidy charged to Profit & loss a/c has resulted in equity decrease by ₹ 8.67 Lakhs and ₹ 6.54 Lakhs as at March 31, 2016 and April 1, 2015 respectively and decrease net profit by ₹ 2.13 Lakhs for the year ended March 31, 2016.

(c) Fair Value Adjustments of Financial Assets:

Under India AS, historical percentage of receivables written off over the years need to be provided from sales and the same should be reduced in sales and as well as in trade receivables. This has resulted in decrease of equity by ₹ 4.14 Lakhs and ₹ Nil as at March 31, 2016 and April 1, 2015 respectively and decrease in net profit by ₹ 4.14 Lakhs for the year ended March 31, 2016.

(d) Fair Value of Investments :

Under previous GAAP, current investments were measured at cost less diminution in value, under India AS investments are measured at fair value. Net increase in fairvalue after reducing provision for current tax has resulted in increase of equity by ₹ 1981.79 Lakhs and ₹ 1177.12 Lakhs as at March 31, 2016 and April 1, 2015 respectively.

The fairvalue difference as on April 1, 2015 is effected to retained earnings and later increase/ decrease is effected to Other Comprehensive Income (OCI). For the year ended March 31, 2016 this has resulted in increase in Other Comprehensive Income (OCI) by ₹ 1246.36 Lakhs net of provision for current tax and decrease in net profit by ₹ 441.68 Lakhs due to redemption of investment held on April 1, 2015 on those fairvalue difference is already effected to retained earnings.

(f) Dividend and Dividend Tax :

Under India AS, dividend to holders of equity instruments is recognised as a liability in the year in which the obligation to pay is established. Under previous GAAP, dividend payable is recorded as a liability in the year to which it relates. This has resulted in an increase in equity by ₹ Nil and ₹ 2077.83 Lakhs as at March 31, 2016 and April 1, 2015 respectively.

(g) Tax Adjustments :

Tax adjustments include deferred tax impact on account of differences between previous GAAP and Ind AS. These adjustments have resulted in an increase in equity under Ind AS by ₹ 27.07 Lakhs and ₹ (35.45) Lakhs as at March 31, 2016 and as at April 1, 2015 respectively and increase in net profit by ₹ 62.51 Lakhs as at March 31, 2016.

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

5 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01-04-2015	5,592.76	5,269.02	10,403.33	453.93	1,379.30	106.32	141.48	23,346.13
Additions	39.05	2,284.04	4,208.75	32.61	181.86	15.52	24.33	6,786.16
Deletions	-	-	53.13	0.37	40.60	2.07	2.96	99.13
Balance as at 31-03-2016	5,631.81	7,553.05	14,558.96	486.17	1,520.55	119.77	162.86	30,033.17
Additions	-	1,645.74	1,005.92	71.21	91.84	30.32	59.53	2,904.55
Deletions	-	-	-	-	246.49	6.31	10.78	263.58
Balance as at 31-03-2017	5,631.81	9,198.79	15,564.88	557.38	1,365.90	143.78	211.60	32,674.14
Accumulated Depreciation/ Amortisation								
Balance as at 01-04-2015	-	1,475.79	4,613.61	207.16	818.27	74.71	119.71	7,309.24
Additions	-	476.69	1,903.39	68.74	228.13	17.84	19.47	2,714.26
Deletions	-	-	41.65	0.35	32.19	1.97	2.81	78.96
Balance as at 31-03-2016	-	1,952.49	6,475.35	275.55	1,014.21	90.58	136.37	9,944.54
Additions	-	637.71	2,077.48	65.91	176.29	20.26	26.79	3,004.44
Deletions	-	-	-	-	215.35	5.80	10.14	231.29
Balance as at 31-03-2017	-	2,590.20	8,552.83	341.46	975.15	105.04	153.01	12,717.69
Net Carrying Amount								
Balance as at 01-04-2015	5,592.76	3,793.22	5,789.73	246.77	561.03	31.61	21.77	16,036.89
Balance as at 31-03-2016	5,631.81	5,600.56	8,083.60	210.62	506.34	29.20	26.49	20,088.62
Balance as at 31-03-2017	5,631.81	6,608.59	7,012.05	215.92	390.75	38.74	58.59	19,956.44

6 Capital work-in-progress

(₹ in Lakhs)

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01-04-2015	-	2,001.50	4,161.80	2.20	-	-	-	6,165.50
Additions	-	1,675.20	447.36	31.41	-	-	0.28	2,154.25
Deletions	-	2,307.46	4,023.64	18.56	-	-	-	6,349.66
Balance as at 31-03-2016	-	1,369.24	585.53	15.05	-	-	0.28	1,970.10
Additions	-	3,537.92	212.59	38.32	-	-	2.06	3,790.89
Deletions	-	1,657.85	785.77	47.16	-	-	2.34	2,493.12
Balance as at 31-03-2017	-	3,249.31	12.35	6.21	-	-	-	3,267.87

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

7 Goodwill		(₹ in Lakhs)
Particulars	Amount	
Gross Carrying Amount		
Balance as at 01-04-2015		26.70
Additions		-
Deletions		-
Balance as at 31-03-2016		26.70
Additions		-
Deletions		-
Balance as at 31-03-2017		26.70
Accumulated Depreciation/Amortisation		
Balance as at 01-04-2015		-
Additions		-
Deletions		-
Balance as at 31-03-2016		-
Additions		-
Deletions		-
Balance as at 31-03-2017		-
Net Carrying Amount		
Balance as at 01-04-2015		26.70
Balance as at 31-03-2016		26.70
Balance as at 31-03-2017		26.70

8 Other Intangible Assets		(₹ in Lakhs)		
Particulars	Software	Patents	Total	
Gross Carrying Amount				
Balance as at 01-04-2015	185.38	-	185.38	
Additions	13.29	-	13.29	
Deletions	-	-	-	
Balance as at 31-03-2016	198.67	-	198.67	
Additions	21.30	-	21.30	
Deletions	-	-	-	
Balance as at 31-03-2017	219.97	-	219.97	
Accumulated Depreciation/Amortisation				
Balance as at 01-04-2015	130.47	-	130.47	
Additions	29.98	-	29.98	
Deletions	-	-	-	
Balance as at 31-03-2016	160.45	-	160.45	
Additions	19.23	-	19.23	
Deletions	-	-	-	
Balance as at 31-03-2017	179.68	-	179.68	
Net Carrying Amount				
Balance as at 01-04-2015	54.90	-	54.90	
Balance as at 31-03-2016	38.22	-	38.22	
Balance as at 31-03-2017	40.28	-	40.28	

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

9 Intangible assets under development

(₹ in Lakhs)

Particulars	Software	Patents	Total
Carrying Amount			
Balance as at 01-04-2015	-	-	-
Additions	-	-	-
Deletions	-	-	-
Balance as at 31-03-2016	-	-	-
Additions	129.40	-	129.40
Deletions	-	-	-
Balance as at 31-03-2017	129.40	-	129.40

10 Investments

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Non Current Investments			
Equity Investments of Associates	0.54	0.54	0.55
Equity Investments - Others	115.99	70.27	48.33
Investment in Government Securities	0.37	0.37	0.37
Investment in Real Estate Portfolio Management Fund	125.00	-	-
Investments in Chit Funds	-	-	47.00
	241.90	71.18	96.25
Current Investments			
Liquid Mutual Fund Units	9,872.42	8,309.23	8,098.33
Fixed Maturity Plan Mutual Fund Units	7,058.78	3,729.03	1,101.81
Non convertible Debentures	-	1,090.48	2,575.82
Other Debt Mutual Fund Units	49,636.61	38,079.55	18,803.77
	66,567.81	51,208.29	30,579.74
Less: Provision for Tax on OCI	1,120.53	641.78	
	65,447.28	50,566.51	30,579.74

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
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	0.54	3,600	0.54	3,600	0.55
Equity Shares of ₹ 10 each in Swadeshi Biotechnics Ltd -fully paid up	700	-	700	-	700	-
		0.54		0.54		0.55
Investment in Government Securities (Investments Carried at Cost)						
National Savings Certificates	2	0.37	2	0.37	2	0.37
		0.37		0.37		0.37

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
Investment in Real Estate Portfolio Management Fund						
(Investments Carried at Fair Value through Other Comprehensive Income)						
ASK Real Estate Special Situations Mutual Fund	125	125.00	-	-	-	-
		125.00				
Investments in Chit Funds						
Chits in Neeladri Chit Fund Pvt Ltd		-	-	-	-	47.00
		-		-		47.00
QUOTED						
Equity Investments - Others						
(Other than trade)						
(Investments Carried at Fair Value through Other Comprehensive Income)						
Equity shares of ₹ 10 each In Vijay Textiles Ltd - fully paid up	1,99,425	84.56	1,99,425	37.59	1,99,425	13.96
Equity shares of ₹ 10 each in Bank of Maharashtra - fully paid up	1,900	0.64	1,900	0.55	1,900	0.71
Equity shares of ₹ 10 each in Indian Overseas Bank - fully paid up	9,700	2.59	9,700	2.94	9,700	4.16
Equity Shares of Re.1 each in Tata Consultancy Services Ltd - full paid up	1,160	28.21	1,160	29.19	1,160	29.50
		115.99		70.27		48.33
Current Investments						
Unquoted						
(Other than trade)						
(Investments Carried at Fair Value through Other Comprehensive Income)						
Liquid Mutual Fund Units						
BSL Cash Plus - Growth - Direct Plan	4,66,126	1,218.03	-	-	-	-
HDFC Floating Rate IF-LT-DP-Growth	1,12,41,614	3,233.76	1,12,41,614	2,969.40	1,12,41,614	2,740.91
HDFC Floating Rate IF-ST-DP-WS-Grow	-	-	96,71,591	2,524.30	-	-
HDFC Liquid-DP-Growthoption	-	-	13,388	400.34	-	-
IDFC Money Manager Fund-Investment Plan-Growth-(Direct Plan)	-	-	-	-	83,06,568	1,806.88
IDFC Cash Fund-Growth-(Direct Plan)	29	0.57	57,091	1,051.51	71,636	1,218.24
ICICI Money Market Fund-Drt Growth-P8101	-	-	-	-	3,10,225	600.25
ICICI Prudential Liquid - Direct Plan - Growth	5,50,425	1,324.97	-	-	-	-
Kotak Liquid Direct Plan Growth	41,629	1,373.24	-	-	-	-
Reliance Liquid Fund-Cash Plan-Direct Growth Plan	-	-	55,761	1,363.67	76,836	1,732.07
Reliance Liquid Fund - Treasury Plan - Direct Growth Plan - Growth Option	26,403	1,047.93	-	-	-	-
Tata Money Market Fund Direct Plan-Growth-ISI	65,310	1,673.91	-	-	-	-
		9,872.42		8,309.23		8,098.33
Fixed Maturity Plan Mutual Fund Units						
DSP Blackrock FMP S151-12M-Dir-G-Mat Dt 20.03.17	1,00,00,000	1,292.70	1,00,00,000	1,200.33	1,00,00,000	1,101.81
HDFC FMP Feb,2017 Direct Growth -Series 37	1,90,00,000	1,920.39	-	-	-	-
HDFC FMP Feb,2017 Direct Growth -Series 37	50,48,573	510.27	-	-	-	-

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
FMP Series 78-95 D Plan K DP Cum-P8972	-	-	2,50,00,000	2,528.70	-	-
ICICI Prudential Fixed Maturity Plan Series 80-1150 Days Plan N Direct Plan Cumulative	78,04,662	784.32	-	-	-	-
HDFC FMP 1302 D SEPTEMBER 2016 (1) - SERIES 37 REG - G	2,42,73,023	2,551.09	-	-	-	-
	7,058.78		3,729.03		1,101.81	
Non-Convertible Debentures						
NCD of Kotak Mutal Fund India Limited	-	-	100	1,090.48	100	1,002.22
NCD of Power Finance Corporation Limited	-	-	-	-	5,00,000	527.29
NCD of Damodar Valley Corporation	-	-	-	-	10,00,000	1,046.32
	-	-	1,090.48		2,575.82	
Other Debt Mutual Fund Units						
BSL Dynamic Bond Fund-Retail-Growth-Direct	1,42,99,891	4,249.58	-	-	-	-
IDFC Credit Opportunities Fund Direct Plan -Growth	78,23,282	789.46	-	-	-	-
IDFC Credit Opportunities Fund Direct Plan -Growth	50,36,080	508.20	-	-	-	-
BSL Treasury Optimizer Plan-Gr.-Direct	13,34,170	2,806.33	9,48,711	1,802.67	9,48,711	1,655.12
BSL Savings Fund-Growth-Direct	-	-	-	-	4,37,995	1,180.93
BSL Floating Rate Fund STP Gr.-Direct	1,87,896	407.46	-	-	-	-
BSL Medium Term Plan-Growth-Direct	1,33,69,214	2,798.94	-	-	-	-
HDFC Corporate Debt Opportunities Fund - DG	2,85,10,870	3,969.94	-	-	-	-
IDFC Corporate Bond Fund Direct Plan-Growth	1,01,80,095	1,141.79	-	-	-	-
ICICI Banking & PSU Debt Plan-Drt Growth-P8104	1,78,26,158	3,374.38	1,78,26,158	3,031.78	1,50,95,591	2,354.10
ICICI Prudential Corporate Bond Fund	1,46,91,815	3,865.62	-	-	-	-
ICICI Prudential Income Opportunities Fund	1,77,40,169	4,138.11	-	-	-	-
Invesco India Credit Opportunities Fund-Direct Plan Growth(CO-D1)	-	-	-	-	75,701	1,212.82
Invesco India Short Term Fund-Direct Plan Growth(ST-D1)	-	-	-	-	79,465	1,515.09
Invesco India Medium Term Bond Fund-Direct Plan Growth(MT-D1)	-	-	3,27,845	5,092.16	-	-
Bonus on JM Arbitrage Advantage Fund(Direct)-Annual Bonus option-Principal Units	-	-	95,49,934	1,027.61	-	-
Kotak Income Opp.Fund-Direct Plan-Growth	2,23,63,110	4,174.66	-	-	-	-
Reliance Regular Savings Fund-Debt Plan-Direct Growth Plan Growth Option	88,98,578	2,090.47	-	-	-	-
Reliance Corporate Bond Fund-Direct Growth Plan	4,08,18,805	5,498.09	-	-	-	-
SBI Magnum Insta Cash Fund-Direct Plan-Growth	-	-	-	-	30,707	950.50
SBI SDFS-366 Days 52-Direct Growth	-	-	1,00,00,000	1,202.41	1,00,00,000	1,108.03
Sundaram Income Plus Direct Plan-Growth	70,18,628	1,706.09	1,13,82,210	2,538.35	73,66,591	1,514.84
Ultra Short Term Fund Direct Plan-Growth	-	-	1,21,75,463	2,554.31	-	-
Tata Short Term Bond Fund Direct Plan-Growth	26,72,898	841.54	26,72,898	768.93	26,72,898	706.83
UTI Short Term Income Fund-Institutional Option-Direct Plan-Growth	29,69,104	603.41	29,69,104	547.21	29,69,104	503.99
UTI Money Market Fund-Institutional Plan-Direct Plan-Growth	-	-	59,103	1,004.02	-	-
Principal Credit Opportunities Fund-Direct Plan	-	-	-	-	46,636	1,012.94

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	Qty Nos	Amount	Qty Nos	Amount	Qty Nos	Amount
IIFL WEALTH FINANCE LTD IFGPD - 4A GOLDEN PERP DEBT	2,500	2,490.64	-	-	-	-
IDFC Ultra Short Term Fund-Growth-(Direct Plan)	8,90,856	206.26	7,06,844	150.68	-	-
ICICI Saving Fund-DP Growth-P8089	3,31,443	834.52	22,41,287	5,138.25	14,51,390	3,050.88
Kotak Low Duration Fund Direct Growth-255G	1,25,143	2,541.13	5,59,341	10,358.06	-	-
Kotak Low Duration Fund Standard Growth (Regular Plan)	30,265	600.00	-	-	-	-
Principal Low Duration Fund-Direct Plan	-	-	-	-	91,123	2,037.70
Reliance Medium Term Fund-Direct Growth Plan-Growth Option	-	-	90,22,064	2,863.12	-	-
		49,636.61		38,079.55		18,803.77

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Market Value of Quoted Investments	115.99	70.27	48.33
Aggregate amount of Quoted Investments	204.27	204.27	204.27
Aggregate amount of Unquoted Investments	62,826.80	48,638.75	29,481.72
Aggregate amount of impairment in value of investments	-	-	-
Investments Carried at Cost	0.37	0.37	0.37
Investments Carried at Fair Value through Other Comprehensive Income	66,809.34	51,279.10	30,675.62

Investments in Mutual Funds

Mutual funds - Under Previous GAAP, the mutual funds were measured at lower of cost or market value. 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. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) for the year ended 31st March, 2016.

Investments in Associates & Other Equities

Investment in Associates & Other Equities - Under Previous GAAP were measured at lower of cost or market value. 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. At the date of transition to Ind AS, difference between the fair value of the instruments and the carrying value under Previous GAAP has been recognised in retained earnings. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) for the year ended 31st March, 2016.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

11 Other Financial Assets (Non - Current)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and considered good			
Advance paid to ASK Real Estate Fund	375.00	-	-
	375.00	-	-

₹ 500.00Lakhs paid to M/s. ASK Real Estate Fund, out of this 125 units of ASK Real Estate Special Situation Mutual Fund has been allotted for ₹ 125.00Lakhs. The balance amount of ₹ 375.00 Lakhs was kept as advance for further allotment of Real Estate Fund units.

12 Deferred tax assets (net)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Defered Tax Liability on account of differences in depreciation as per tax books and financial books.	21.87	15.64	-
Deferred tax asset arising on account of timing differences relating to:			
Provision for Bad and doubtful trade receivables	44.36	14.89	-
Employee Benefits	16.77	1.26	-
	83.00	31.79	-

13 Other non-current assets

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured and considered good			
Security deposits	158.53	153.08	109.30
Advances for Capital Expenses	131.31	218.65	134.12
Others advances	-	-	10.41
	289.84	371.74	253.83

14 Inventories (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Raw Materials	4,593.73	4,507.12	4,623.64
Work in Process	3,983.09	5,001.47	8,636.17
Finished Goods	36,204.73	40,936.28	36,175.10
	44,781.55	50,444.87	49,434.92

15 Biological Asset (at lower of cost or net realisable value)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Standing Crop	5,556.82	1,674.17	4,877.61
	5,556.82	1,674.17	4,877.61

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

16 Trade receivables

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured - considered good	8,539.94	8,035.64	11,805.49
Considered Doubtful -unsecured	2,939.10	1,838.22	449.25
Less : Provision for doubtful debts	(2,939.10)	(1,838.22)	(449.25)
	8,539.94	8,035.64	11,805.49

Of the Trade Receivables balances, top 3 customers represent a balance of ₹ 3219.97 Lakhs as at 31st March 2017 ₹ 1764.71 Lakhs as at 31st March 2016, and 3 customers represent more than 5% of the total balance of Trade Receivables as at 31st March 2017 and 2 Customers as at 31st March 2016.

The Average Credit period on sales of goods is 60 days.

The Company maintains a provision for doubtful debts based on present and prospective financial condition of the customer and ageing of accounts receivable after consider historical experience and the current economic environment.

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Movement in the expected credit loss allowance		
Balance at the beginning of the year	1,838.22	449.25
Movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses.	1,100.88	1,388.96
Balance at the end of the year	2,939.10	1,838.22

17 Cash and cash equivalents

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
1. Cash on hand	8.20	7.52	10.28
2. Balances with Banks - Current Accounts	2,075.92	927.68	645.76
	2,084.12	935.20	656.04

Details of Specified Bank Notes (SBN) held and transacted during demonetisation period from 08-11-2016 to 30-12-2016

(₹ in Lakhs)

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on 08-11-2016	31.06	21.28	52.34
(+) Permitted Receipts	-	21.83	21.83
(-) Permitted Payments	-	26.06	26.06
(-) Amount deposited in Banks	31.06	0.55	31.61
Closing Cash in hand as on 30-12-2016	-	16.51	16.51

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

There are no Repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8th November, 2016.

18 Bank balances other than above

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
i Fixed deposits with original maturity more than 3 months but less than 12 months	-	-	-
ii Earmarked balances with banks			
- Deposit Accounts	12.49	13.67	-
Total	12.49	13.67	-

Deposit in Earmarked balance with banks represents bank balance in unclaimed dividend accounts.

19 Current Tax Assets (Net)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Unsecured Considered Good			
Income Tax Refund Due	397.61	-	-
	397.61	-	-

Tax Refund includes ₹ 375.59 Lakhs of earlier years and ₹ 22.02 Lakhs of current year.

20 Other current assets

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
(Unsecured and considered good)			
Advance to suppliers	1,293.54	1,091.88	1,116.60
Advance to Staff	70.32	68.33	100.92
Prepaid expenses	75.37	576.02	1,296.83
Others	16.55	62.15	611.93
Gratuity Advance	90.46	-	-
	1,546.24	1,798.38	3,126.29

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

21 Equity Share Capital

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
SHARE CAPITAL			
Authorised			
10,00,00,000 (10,00,00,000) Equity shares of ₹ 2/- (₹ 2/-) each	2,000.00	2,000.00	2,000.00
Issued,Subscribed & Paid up			
6,90,55,095(6,90,55,095) Equity shares of ₹ 2/- (₹ 2/-) each fully paid up	1,381.10	1,381.10	1,377.92
	1,381.10	1,381.10	1,377.92

a) Reconciliation of number of Share Equity Shares

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	No of shares	(₹)	No of shares	(₹)	No of shares	(₹)
At the beginning of the year	6,90,55,095	1,381.10	6,88,96,195	1,377.92	6,88,96,195	1,377.92
Add: Issued during the year	-	-	1,58,900	3.18	-	-
Less: Shares Cancelled during the year	-	-	-	-	-	-
At the end of the year	6,90,55,095	1,381.10	6,90,55,095	1,381.10	6,88,96,195	1,377.92

b) Details of Shareholders holding more than 5% shares in the company

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016		As at April 01,2015	
	No of shares	(₹)	No of shares	(₹)	No of shares	(₹)
G Vanaja Devi	1,57,75,050	22.84%	1,57,75,050	22.84%	1,52,70,448	22.16%
G V Bhaskar Rao - HUF	1,12,40,645	16.28%	1,12,40,645	16.28%	1,12,40,645	16.32%
G V Bhaskar Rao	60,31,990	8.74%	60,31,990	8.74%	60,31,990	8.76%
Ashoka PTE Limited			47,90,301	6.94%	-	-
IDFC Premier Equity Fund			-	-	22,77,235	3.31%
Small Cap World Fund, INC			-	-	41,30,970	6.00%

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.

Share options granted under the Company's employee share option plan

Share options granted under the Company's Employee Share option plan carry no rights to dividends and no voting rights. Further details of the Employee Share option plan are provided.

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

22 Other Equity

B. Other Equity

(₹ in Lakhs)

	As at March 31,2017	As at March 31,2016	As at April 01,2015
a) Capital Subsidy			
Opening Balance	-	2.88	2.88
Less : Transfer to General Reserve	-	2.88	-
			2.88
b) Securities Premium			
Opening Balance	6,612.83	6,537.13	6,537.13
Add: Transfer from ESOP	-	6,612.83	-
		75.70	6,537.13
			6,537.13
c) General Reserve			
Opening Balance	8,003.05	7,000.17	7,000.17
Add: Transfer from Retained Earnings	-	1,000.00	-
Add : Transfer from Capital Subsidy	-	8,003.05	-
		2.88	7,000.17
			7,000.17
d) Share application money			
Opening Balance	-	54.02	54.03
Less: Transfer to Share Capital & Premium	-	54.02	-
			54.03
e) ESOP Outstandings			
Opening Balance	-	24.85	24.85
Less: Transfer to Share Capital & Premium	-	24.85	-
			24.85
f) Other Comprehensive Income			
Opening Balance	1,246.36	-	-
(i) Items that will not be reclassified to Profit or loss			
Fair value of Investments through other comprehensive Income	1,452.44	1,888.14	-
Actuarial (gain)/loss on employee benefits through other comprehensive Income	(41.56)	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
Current tax on Fair value of Investments through other comprehensive Income	(479.49)	(641.78)	-
Add: during the year	-	2,177.75	-
			1,246.36
g) Retained Earnings			
Opening Balance	75,475.55	63,842.82	60,480.11
Additions:			
Recognition of Biological assets		-	166.56
Dividend Adjustments		-	2,077.83
Profit for the year	7,783.34	16,788.41	-
Fair Value adjustments of Investments		-	1,177.12
Non Controlling Interest			0.59
Less:			
Transferred to General Reserve		1,000.00	-
Payment of Dividend & Dividend Tax		4,155.67	-
Restatement of Grant and Subsidies			6.54
Deferred tax adjustment			35.45
Other adjustments			17.40
Non Controlling Interest	83,258.89	75,475.55	63,842.82
	1,00,052.53	91,337.80	77,461.88

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

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 Reserve: The amount received in excess of face value of the equity shares is recognised in Securities Premium Reserve. In case of equity-settled share based payment transactions, the difference between fair value on grant date and nominal value of share is accounted as securities premium reserve.

Employee Stock Options Outstanding Account: The fair value of the equity-settled share based payment transactions with employees is recognised in Statement of Profit and Loss with corresponding credit to Employee Stock Options Outstanding Account.

Retained Earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends 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 are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

23 Non Controlling Interest

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2017	As at 31.03.2015
At the beginning of the year	(19.75)	21.48	22.07
Add: Issued during the year	(54.39)	(41.23)	(0.59)
At the end of the year	(74.13)	(19.75)	21.48

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 31.03.2017	Accumulated non- controlling interests as At 31.03.2017
Aditya Agritech Private Limited	Secunderabad	70	57.07
Genome Agritech Private Limited	Secunderabad	51	(131.20)

Summarised financial information in respect of each of the subsidiary that has material non-controlling interests is set out below. The summarised financial information below represents amounts before intragroup eliminations.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

Aditya Agritech Private Limited

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2017	As at 31.03.2015
Non-current assets	35.45	24.37	75.67
Current assets	1,849.03	1,534.60	1,332.70
Non-current liabilities	(152.58)	(129.57)	(95.36)
Current liabilities	(1,431.67)	(1,187.38)	(1,097.99)
Net Assets	300.23	242.02	215.02
Carrying amount of Non-controlling interest	57.07	39.60	31.51

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Revenue	3,781.17	2,938.89
Expenses	3,722.96	2,911.90
Profit(Loss) for the year	58.21	26.99
Profit(loss) attributable to owners of the Company	40.75	18.90
Profit(loss) attributable to non-controlling interests	17.46	8.10
Profit(Loss) for the year	58.21	26.99

Genome Agritech Private Limited

(₹ in Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2017	As at 31.03.2015
Non-current assets	23.43	12.87	5.01
Current assets	364.21	231.79	196.25
Non-current liabilities	(36.72)	(28.30)	(16.00)
Current liabilities	(686.07)	(404.89)	(273.10)
Net Assets	(335.16)	(188.52)	(87.85)
Carrying amount of Non-controlling interest	(131.20)	(59.36)	(10.03)

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Revenue	753.42	592.72
Expenses	900.05	693.40
Profit(Loss) for the year	(146.63)	(100.68)
Profit(loss) attributable to owners of the Company	(74.78)	(51.35)
Profit(loss) attributable to non-controlling interests	(71.85)	(49.33)
Profit(Loss) for the year	(146.63)	(100.68)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

24 Borrowings

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Secured			
*Term Loan from Deptt of Biotechnology, Ministry of Science & Technology, GOI.	163.86	163.86	139.90
From Banks			
\$ 'Term Loan from Yes Bank Ltd	300.00	-	-
'Term Loan from HDFC Bank Ltd - Vehicle	-	-	0.99
	463.86	163.86	140.89

* Term Loan from Deptt 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 June,2018.

\$ Term loan is secured on movable fixed assets and second charge on current assets of the company and personal guarantee of the Director. It is repayable in 12 quarterly Installments starting from June 2017.

25 Provisions

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for employee benefits	44.94	106.75	181.76
	44.94	106.75	181.76

26 Deferred Tax liabilities (Net)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Deferred Tax Liability on account of differences in depreciation as per tax books and financial books.	-	-	8.03
Deferred tax asset arising on account of timing differences relating to:			
Provision for Bad and doubtful trade receivables	-	-	(3.03)
Employee Benefits	-	-	(1.85)
	-	-	3.15

27 Other non-current liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Security deposits from dealers	787.15	704.80	638.78
Grant/Subsidy	35.73	38.87	42.00
	822.89	743.67	680.78

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

28 Trade payables

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Creditors for Expenses	16,079.39	7,194.32	7,379.92
Sundry Creditors	12,081.77	14,421.88	13,972.68
	28,161.16	21,616.20	21,352.60

29 Other financial liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Current Maturities of long term debt	-	0.99	2.65
Un Claimed Dividend	12.49	13.67	-
Interest Accrued but not due	11.94	8.67	5.47
	24.43	23.32	8.12

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 2017 as at 31st March 2016 and 1st April 2015.

30 Other current liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Advance from customers against Sales	18,725.14	18,871.25	18,664.05
Payable to Staff	417.14	633.90	721.56
TDS Payable	567.29	425.31	113.11
	19,709.57	19,930.46	19,498.72

31 Provisions

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for employee benefits	40.80	44.96	19.39
Provision for Schemes	2,101.97	680.52	2,307.90
Sales Tax Payable	6.21	2.56	3.52
	2,148.98	728.05	2,330.81

32 Current Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Provision for Income Tax (net)	41.15	55.33	54.76
Provision for Wealth tax	-	-	1.30
	41.15	55.33	56.06
Adjustments in provision for Income Tax			
Advance Income Tax	1,090.00	525.00	610.00
TDS receivables	0.52	1.37	1.24

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

33 Revenue from Operations

(₹ in Lakhs)

Particulars	Year ended March 31,2017	Year ended March 31,2016
Sale of Seeds	68,129.18	72,354.10
Sale of Micronutrients	2,237.47	2,013.37
Sale of Vegetables	269.10	162.79
TOTAL	70,635.76	74,530.27

34 Other Income

(₹ in Lakhs)

Particulars	Year ended March 31,2017	Year ended March 31,2016
Capital Gain on sale of Assets	44.75	3.08
Dividend Income	0.54	6.11
Capital Gains from Investments	3,250.81	1,024.51
Interest Income	118.07	82.90
Others	24.92	32.94
Grant/Subsidy written Back	3.13	3.13
Creditors Written Back	-	157.30
TOTAL	3,442.23	1,309.97

35 Cost of Materials Consumed

(₹ in Lakhs)

Particulars	Year ended March 31,2017	Year ended March 31,2016
Raw Material Consumed/Production Expenses		
Opening Stock	4,551.02	4,438.80
Add : Purchases/Production Expenses including processing Charges**	39,148.43	37,621.69
	43,699.45	42,060.49
Less : Closing Stock	4,575.61	4,551.02
	39,123.84	37,509.47
** Processing Charges		
Freight Inward	830.55	886.50
Machinery Repairs & Maintenance	230.62	159.05
Seed Certification charges	0.75	7.19
Power & Fuel	738.56	594.61
Building & Godown repairs & maint.	0.72	7.47
Godown Rent	102.98	178.90
Cold Storage Maintenance	32.51	148.92
Factory Maintenance	930.82	1,030.57
Expense on processing	866.83	855.75
R&D Farm Expenses**	1,241.80	1,088.00
Total	4,976.13	4,956.95
** R&D Farm Expenses		
Cultivation Expenses	13.26	13.91
Fertilizers & Pesticides	39.14	52.02
Electricity charges	36.99	26.60

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

35 Cost of Materials Consumed (Contd.)

(₹ in Lakhs)

Particulars	Year ended March 31,2017	Year ended March 31,2016
Electrical items & motor repairing charges	2.54	2.33
Farm Maintenance	52.94	61.59
Labour charges	172.34	164.65
Postage & telephones	2.52	1.06
Printing & Stationery	13.15	3.36
Security charges	43.79	43.69
Staff Welfare	2.97	2.58
Travelling expenses	4.46	1.22
Vehicle Maintenance	23.15	19.73
Land Lease	126.62	126.26
Research Expenses	114.71	8.65
Testing Expenses	109.11	121.46
Professional Expenses	52.08	52.67
Salaries - Farm	432.03	386.21
	1,241.80	1,088.00

36 Changes in Inventories of Finished Goods and Work in Progress

(₹ in Lakhs)

Particulars	As at March 31,2017		As at March 31,2016	
(Increase)/Decrease in Finished goods				
Opening Stock	41,365.47		36,710.02	
Closing Stock	36,730.97	4,634.50	41,365.47	(4,655.45)
(Increase)/Decrease in Work in Process				
Opening Stock	4,528.39		8,287.98	
Closing Stock	3,474.75	1,053.63	4,528.39	3,759.60
(Increase)/Decrease in Biological Assets				
Opening Stock	1,674.17		4,875.73	
Closing Stock	5,556.82	(3,882.65)	1,674.17	3,201.55
	1,805.48		2,305.70	

37 Employee Benefit Expenses

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Salaries to Staff	3,687.54	3,567.35
Contribution to Provident and other funds	230.50	200.41
Staff Welfare Expenses	72.94	57.55
	3,990.98	3,825.32

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

38 Financial Costs

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Interest Expenses	11.04	3.59
Loss on Chits	-	2.85
Bank Charges	13.10	17.44
	24.14	23.89

39 Depreciation and Amortisation Expense

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
Depreciation of property, plant and equipment	3,004.44	2,714.26
Depreciation of intangible assets	19.23	29.98
Total Depreciation and amortisation expense	3,023.67	2,744.24

40 Other Expenses

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
ESTABLISHMENT EXPENSES		
Travelling Expenses	1,092.44	1,108.32
Postage & Telephone	127.93	133.16
Payment to Auditors (Refer Note: 41)	15.72	13.29
Vehicle Maintenance	56.30	51.04
Rent	47.70	51.42
Printing & Stationery	50.05	51.26
Insurance	92.42	93.91
Books & Periodicals	0.93	1.35
Rates & Taxes	96.26	219.37
Office Maintenance	65.66	59.48
General Expenses	77.00	78.38
Conveyance	2.01	2.63
Donations & Subscriptions	19.53	54.58
Legal Expenses	156.29	111.56
Professional Charges	286.14	144.47
Professional Tax	0.33	0.33
Sales Tax	0.64	-
CSR Expenditure (Refer Note:42)	839.94	219.82
Market Cess	28.67	32.53
Security Charges	128.84	137.74
Service Tax	189.50	172.55
Computer Maintenance	21.40	25.15
Directors Sitting Fees	7.20	5.20
Foreign Exchange Loss	15.48	18.00
(a) Total	3,418.37	2,785.56

Notes

 forming part of Consolidated Financial Statements for the year ended March 31, 2017

40 Other Expenses (Contd.)

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
SELLING & DISTRIBUTION EXP		
Sales promotion expenses	1,815.25	1,840.88
Advertisement	306.71	277.08
Freight & Forwarding	1,506.33	1,538.02
Farmers Meeting Expenses	268.15	257.66
Staff & Dealers Meeting Expenses	166.67	178.38
Royalty	2,666.23	3,809.14
Bad debts Write Off	375.53	20.24
Provision for Bad Debts	1,100.88	1,388.96
(b) Total	8,205.73	9,310.35
Total of (a) & (b)	11,624.10	12,095.91

41 Audit Fees

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016
a) For statutory audit	9.69	8.59
b) For taxation matters	3.89	1.83
c) For other services	1.85	2.19
d) For reimbursement of expenses	0.29	0.68
	15.72	13.29

42 Expenditure incurred for corporate social responsibility

The Group spent ₹ 839.94 Lakhs and ₹ 219.82 Lakhs towards CSR Expenditure for the year ended 31st March 2017 and 31st March 2016. The details of expenditure upto 31-03-2017 are as follows.

(₹ in Lakhs)

Particulars of CSR Activity	2016-17	2015-16	2014-15
Amount unspent at the Starting of the year	393.24	174.90	-
CSR Expenditure Spendable for the year	447.46	438.16	276.05
Total Amount to be spent for the year	840.70	613.06	276.05
Direct Expenses made by company			
Education development activities			
Construction of School Buildings, Providing Furniture to Schools, Providing Books and Bags to Students and Scholarships to Students in Karimnagar District.	53.72	154.65	83.00
Rural development activities			
Conservation of Water Resources, Providing Street Lights, Providing Cycle Rikshaw for Cleaning of Garbage in Karminagar and Siddipet Districts.	11.22	65.17	18.15
Contribution made to Kaveri Bhaskar Rao Charitable Foundation	775.00	-	-
Total Amount Spent during the year	839.94	219.82	101.15
Unspent amount at the End of the year	0.76	393.24	174.90

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

43 Income Taxes:

(₹ in Lakhs)

Income tax recognised in profit or loss	As at 31-03-2017	As at 31-03-2016
Statutory Income tax rate	34.61%	34.61%
Differences due to:		
Income Exempt from Tax	-19.62%	-32.24%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	-3.54%	-0.49%
Tax Income at Different Rates	-0.11%	-0.10%
Others	3.99%	1.59%
Effective tax rate	15.32%	3.36%

Movement in Deferred Tax Assets /(Liabilities)

Movement during the Year ended April 1st, 2015

(₹ in Lakhs)

Deferred Tax Asset/Liabilities	As at 31st March, 2015	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 1st April, 2015
Provision for employee benefits	1.85	-	-	1.85
Provision for bad and doubtful trade receivables	38.48	-	(35.45)	3.03
Depreciation	(8.03)	-	-	(8.03)
	32.30	-	(35.45)	(3.15)

Movement during the Year ended March 31st, 2016

(₹ in Lakhs)

Deferred Tax Asset/Liabilities	As at 1st April, 2015	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 31st March, 2016
Provision for employee benefits	1.85	(0.59)	-	1.26
Provision for bad and doubtful trade receivables	3.03	11.86	-	14.89
Depreciation	(8.03)	23.67	-	15.64
	(3.15)	34.95	-	31.79

Movement during the Year ended March 31st, 2017

(₹ in Lakhs)

Deferred Tax Asset/Liabilities	As at 1st April, 2016	Credit/(charge) in the statement of Profit and Loss	Directly recognised in Equity	As at 31st Marh, 2017
Provision for employee benefits	1.26	15.51	-	16.77
Provision for bad and doubtful trade receivables	14.89	29.44	-	44.36
Depreciation	15.64	6.23	-	21.87
	31.79	51.18	-	83.00

44 Exceptional Items:

For the financial year 2015-16 the company based on notifications of the various State Governments has short provided royalty in comparison with M/s.Mahyco Monsanto Biotech India Ltd Agreement. On this issue legal cases were pending

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

for which the company has shown an amount of ₹ 6550.57 Lakhs as contingent liability for the year 2015-16. In the subsequent period these legal issues have been sorted out and settled in arbitration. The settled amount of ₹ 5923.80 Lakhs is provided in accounts as exceptional item.

45 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.

46 Earning Per Equity Share :

Earnings per Share has been computed as under

Particulars	(₹ in Lakhs)	
	As at 31-03-2017	As at 31-03-2016
Profit for the Year	7,783.34	16,788.41
No. of Equity Shares outstanding	6,90,55,095	6,90,55,095
Earnings Per Share (Face Value of ₹ 2/- each)	11.27	24.31

47 Dividend on Equity Share

Dividend on Equity Shares paid during the year

Particulars	(₹ in Lakhs)	
	As at 31-03-2017	As at 31-03-2016
Final Dividend ₹ 0 Per share for FY 2015-16 (₹ 2.50/- per share 2014-15)	-	1,726.38
Dividend Distribution Tax on Final Dividend	-	351.45
Interim Dividend ₹ 0 Per share for FY 2016-17 (₹ 2.50/- per share 2015-16)	-	1,726.38
Dividend Distribution Tax on Final Dividend	-	351.45
	-	4,155.67

48 FINANCIAL INSTRUMENTS

Refer Note 2.13 for accounting policy on Financial Instruments.

A. ACCOUNTING CLASSIFICATIONS AND FAIR VALUES

The carrying amounts and fair values of financial instruments by class are as follows:

Particulars	Carrying value / Fair value		
	As at	As at	As at
	31st March, 2017	31st March, 2016	1st April, 2015
FINANCIAL ASSETS			
Financial assets measured at fair value			
Investments measured at			
i). Fair value through other comprehensive income (Note:10)	66,809.34	51,279.10	30,675.62
	66,809.34	51,279.10	30,628.63
FINANCIAL LIABILITIES			
	-	-	-

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

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:

Particulars	(₹ in Lakhs)	
	Year ended 31st March, 2017	Year ended 31st March, 2016
Financial assets measured at fair value through other comprehensive income		
'Investment in equity & debt instrument	973.68	1,246.36

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 31st March, 2017				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	115.99	66,692.81	0.54	66,809.34
ii. Fair Value through Profit or Loss	-	-	-	-
As at 31st March, 2016				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	70.27	51,208.29	0.54	51,279.10
ii. Fair Value through Profit or Loss	-	-	-	-
As at 1st April, 2015				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	48.33	30,579.75	47.55	30,675.62
ii. Fair Value through Profit or Loss	-	-	-	-

Notes

forming part of Consolidated Financial Statements for the year ended March 31, 2017

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 (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) 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.

49 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, 2017 and 31st March, 2016. 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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

	Undiscounted Amount			Total
	Carrying amount	Payable within 1 year	More than 1 years	
As at 31st March, 2017				
Non-derivative liabilities				
Trade payables (including acceptances)	28,161.16	28,161.16	-	28,161.16
Borrowings	463.86	-	463.86	463.86
Unpaid dividend	12.49	12.49	-	12.49
Other Payables	11.94	11.94	-	11.94
As at 31st March, 2016				
Non-derivative liabilities				
Trade payables (including acceptances)	21,616.20	21,616.20	-	21,616.20
Borrowings	163.86	-	163.86	163.86
Unpaid dividend	13.67	13.67	-	13.67
Other Payables	9.66	9.66	-	9.66
As at 1st April, 2015				
Non-derivative liabilities				
Trade payables (including acceptances)	21,352.60	21,352.60	-	21,352.60
Borrowings	140.89	-	140.89	140.89
Unpaid dividend	-	-	-	-
Other Payables	8.12	8.12	-	8.12

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, 2017, 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 ₹ 36.27 Lakhs payable (31st March, '2016 ₹ 16.56 Lakhs and 1st April, 2015 ₹ 100.85 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.

Notes

forming part of Consolidated Financial Statements for the year ended March 31, 2017

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 ₹ 1.81 Lakhs gain in the Statement of 'Profit and Loss (2015-16: ₹ 0.83 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 2017, the investments in debt mutual funds amounts to ₹ 62697.12 Lakhs (31st March, 2016 ₹ 48634.07 Lakhs and 1st April, 2015 ₹ 29430.05 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 will examine fund performance, rating, liquidity and risk aspects before investing.

SENSITIVITY TO RISK

A 0.5% increase in prices would have led to approximately an additional ₹ 313.49 Lakhs gain in the Statement of Profit and Loss (2015-16 ₹ 243.17 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 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 2017, 2016 and 2015.

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 .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, investments in money market liquid mutual funds and derivative instrument 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, 2017, 2016 and 1st April, 2015 is the carrying value of each class of financial assets.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

50 Related Party Transactions

50.1 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 Mrs. G. Madhusree
- 8 G.V.Bhaskar Rao - HUF
- 9 C. Vamsheedhar - HUF
- 10 R. Venumanohar Rao - HUF
- 11 Mr. T Venkateswarlu
- 12 Mr. N Papa Rao
- 13 Mr N Venkateswara Rao

B. Other related firms

- 11 M/s. Kaveri Infra

50.2 Related party transactions for the year ended 31 March 2017 are as follows:

(₹ in Lakhs)

	31-03-2017	31-03-2016
Remuneration paid		
Mr. G.V.Bhaskar Rao	171.75	155.52
Mrs. G. Vanaja Devi	106.75	96.72
Mr. R. Venumanohar Rao	-	74.98
Mr. C. Vamsheedhar	52.68	47.86
Mr. C. Mithun Chand	43.93	39.94
Mr. T Venkateswarlu	15.78	10.00
Mr. N Papa Rao	12.00	12.00
Mr N Venkateswara Rao	12.00	12.00
	414.89	449.02
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.60	8.43
Mrs. G. Vanaja Devi	8.49	8.49
Mr. G.Pawan	12.31	12.31
Mrs. G. Madhusree	10.80	10.80
G.V.Bhaskar Rao - HUF	41.58	39.96
C. Vamsheedhar - HUF	4.48	4.48
R. Venumanohar Rao - HUF	4.52	4.52
M/s. Kaveri Infra	10.87	10.87

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

50.2 Related party transactions for the year ended 31 March 2017 are as follows: (Contd.)

(₹ in Lakhs)

	31-03-2017	31-03-2016
	93.65	99.86
Dividend paid		
Mr. G.V.Bhaskar Rao	-	150.80
Mrs. G. Vanaja Devi	-	381.76
Mr. R. Venumanohar Rao	-	52.95
Mr. C. Vamsheedhar	-	27.48
Mr. C. Mithun Chand	-	23.22
Mr. G.Pawan	-	62.73
Mrs. G. Madhusree	-	-
G.V.Bhaskar Rao - HUF	-	281.02
	-	979.96

51 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under:

(₹ in Lakhs)

Particulars	As at March 31,2017	As at March 31,2016	As at April 01,2015
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	563.71		
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	3.37		
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	169.00		
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.	3.37		
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.

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

52 Commitments

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	241.96	56.80

53 Contingent Liabilities

(₹ in Lakhs)

Particulars	As at 31-03-2017	As at 31-03-2016
Claims against the Company not acknowledged as debts. This comprises of	1,081.00	7,564.54
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits, pending before various judicial forums and tax authorities, aggregating to	987.42	904.04
ii. Other matters not related to tax	10.75	10.75
iii. Royalty Payment for use of BT Cotton technology	-	6,550.57
iv. Bank guarantees	82.83	99.18

54 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 March 31, 2017

55 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 meant the risks commonly affecting the liabilities and the financial results are expected to:

- 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.
- Salary inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation
- 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 turnover rates increase, then the liability will tend to fall as fewer employees reach vesting period.

The Principal Assumptions used for the purposes of the actuarial valuation as follows

I) Reconciliation of Benefit Obligation:		(₹ in Lakhs)
Particulars		31.03.2017
Liability at the beginning of the period / year		125.81
Acquisition adjustment		-
Interest Cost		10.92
Past Service Cost		-
Current Services Cost		39.14
Benefits paid		(61.59)
Actuarial (gain)/ loss		41.56
Liability at the end of the period / year		155.85
II) Reconciliation of fair value of plan assets:		(₹ in Lakhs)
Particulars		31.03.2017
Fair value of plan assets at the beginning of the period/year		197.90
Acquisition adjustment		-
Expected return on plan assets		18.45
Contributions		59.71
Benefits paid		(61.59)
Premium Expenses		(1.45)
Actuarial (gain)/ loss on obligation		-
Fair value of plan assets at the beginning of the period/year		213.02
Total actuarial gain / (loss) to be recognized		56.69
III) Amount to be recognised in the Balance Sheet		(₹ in Lakhs)
Particulars		31.03.2017
Liability at the end of the period / year		155.85
Fair value of plan assets at the end of the period /year		(213.02)
Amount to be recognised in Balance Sheet		(57.17)

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

IV) Expenses recognised in the Statement of Profit and Loss under the head employee benefit expense		(₹ in Lakhs)
Particulars	31.03.2017	
Current service cost	39.14	
Past service cost	-	
Interest cost	10.92	
Acquisition adjustment	-	
Premium Expenses	1.45	
Expected return on plan assets	(18.45)	
Net actuarial (gain)/loss recognized	41.56	
Expenses recognized in Statement of Profit and Loss	74.63	

V) Remeasurement for the period		(₹ in Lakhs)
Particulars	31.03.2017	
Experience (gain)/Loss on plan liabilities	-	
Demographic (gain)/loss on plan liabilities	-	
Financial (gain)/loss on plan assets	41.56	
Experience (gain)/loss on plan assets	-	
Financial (gain)/loss on plan assets	-	

VI) Amount recognised in statement of other comprehensive income (OCI)		(₹ in Lakhs)
Particulars	31.03.2017	
Opening amount recognised in OCI	-	
Remeasurement for the period - Obligation (gain)/loss	41.56	
Remeasurement for the period - plan assets (gain)/loss	-	
Total Remeasurement cost / (credit) for the period recognised in OCI	41.56	
Closing amount recognised in OCI	41.56	

Notes forming part of Consolidated Financial Statements for the year ended March 31, 2017

56 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.

Segment information is as follows:

(₹ in Lakhs)

S. No	Particulars	Segment							
		Seeds		Micronutrients		Vegetables		Total	
		2016-17	2015-16	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
1	Segment Revenue	68,129.18	72,354.10	2,237.47	2,013.38	269.10	162.79	70,635.76	74,530.27
2	Segment results before interest and taxes and Other Income	10,868.22	16,541.17	238.41	(240.19)	(175.63)	(293.12)	10,931.00	16,007.86
	Interest Expenses	13.72	20.30	8.63	0.32	1.79	3.27	24.14	23.89
	Other Income	3,420.68	1,152.67	21.43	157.30	0.13	-	3,442.23	1,309.97
3	Profit before Exceptional Item and tax	14,275.18	17,673.54	251.21	(83.21)	(177.29)	(296.39)	14,349.09	17,293.94
	Exceptional Item	5,923.80	-	-	-	-	-	5,923.80	-
	Current Tax	641.21	541.89	106.32	39.82	-	-	747.53	581.71
	Deffered Tax	(48.56)	(22.64)	(2.62)	(12.31)	-	-	(51.18)	(34.95)
4	Net Profit after Tax	7,758.74	17,154.29	147.51	(110.72)	(177.29)	(296.39)	7,728.95	16,747.18
5	Other Information								
	Segment Assets	1,49,774.73	1,33,420.07	2,607.42	2,145.18	394.32	501.54	1,52,776.48	1,36,066.79
	Segment Liabilities	50,357.46	42,656.30	991.18	678.07	68.34	33.27	51,416.98	43,367.64
	Capital Expenditure	3,716.56	2,547.85	636.46	39.97	-	16.22	4,353.02	2,604.04
	Depreciation	2,860.73	2,513.01	48.10	63.75	114.84	167.47	3,023.67	2,744.24

Notes

forming part of Consolidated Financial Statements for the year ended March 31, 2017

57 FORM AOC-1

Statement containing salient features of the consolidated financial statements of subsidiaries

(₹ in Lakhs)

Name of the subsidiary	Kaveri Microteck Private Limited	Kexveg India Private Limited	Aditya Agritech Private Limited	Genome Agritech Private Limited
1 The date since when subsidiary was acquired	24-06-2013	30-11-2011	18-04-2013	13-09-2013
2 Reporting period	31-03-2017	31-03-2017	31-03-2017	31-03-2017
3 Share capital	1,453.64	1,415.00	110.00	18.00
4 Reserves & surplus	162.60	(1,089.02)	190.23	(353.16)
5 Total assets	2,607.42	394.32	1,884.48	387.63
6 Total Liabilities	991.19	68.35	1,584.25	722.79
7 Investments	-	0.01	-	0.06
8 Turnover	2,237.47	269.10	3,781.17	753.42
9 Profit / (loss) before taxation	251.21	(177.29)	75.54	(161.49)
10 Provision for taxation	103.70	-	17.33	(14.86)
11 Profit / (loss) after taxation	147.51	(177.29)	58.21	(146.63)
12 Proposed Dividend	-	-	-	-
13 % of shareholding	100%	100%	70%	51%

As per our report of even date attached

 for **P.R.REDDY & CO.,**
 Firm Registration No.003268S
 CHARTERED ACCOUNTANTS

Sd/-

P.RAGHUNADHA REDDY
 PARTNER
 Membership No.23758

 Place: Secunderabad
 Date: 24.05.2017

For and on behalf of the Board

Sd/-

G. VIJAY KUMAR
 Chief Financial Officer

Sd/-

V.R.S.MURTI
 Company Secretary

Sd/-

G.V.BHASKAR RAO
 Managing Director

Sd/-

G.VANAJA DEVI
 Wholetime Director



kaveri seed company limited

CIN: L01120AP1986PLC006728

Regd. Office: 513-B, 5th Floor, Minerva Complex, S.D.Road,
Secunderabad – 500 003, Telangana State.

Email: cs@kaveriseeds.in Website : www.kaveriseeds.in

30th Annual General Meeting – Monday, 25th day of September, 2017.

ATTENDANCE SLIP

Folio No./Client Id: _____ No. of Shares: _____

Name and address of _____

First/Sole Shareholder: _____

I, hereby record my presence at the 30th Annual General Meeting of the Company to be held on Monday the 25th day of September 2017 at 12.15 PM at the FTAPCCI Auditorium, The Federation of 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:

- Only Member/Proxy can attend the meeting. No minors would be allowed at the meeting.
- 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.
- 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: L01120AP1986PLC006728

Regd. Office: 513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003, Telangana State. Email: cs@kaveriseeds.in Website : www.kaveriseeds.in

30th Annual General Meeting – Monday, 25th day of September, 2017.

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

C. 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 30th Annual General Meeting of the Company to be held on **Monday the 25th day of September 2017 at 12.15 PM** at the FTAPCCI Auditorium, The Federation of 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:

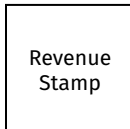
ORDINARY BUSINESS:

1. Approval the Audited Standalone & Consolidated Balance Sheet as at 31st March 2017, Statement of Profit & Loss and Cash Flow Statement for the year ended on 31st March 2017 along with the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. C.Vamsheedhar (DIN :01458939) who retires by rotation and being eligible offers himself for reappointment.
3. Approval the Appointment of the Auditors M/s. M. Bhaskar Rao & Co., Chartered Accountants and fix their remuneration.

Signature of the Shareholder _____

Signature of the Proxyholder(s) _____

Signed this _____ day _____ of 2017



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

Mr. M. Srikanth Reddy
Independent Director

Dr. Yeshwant Laxman Nene
Independent Director

Mr. P. Varaprasad Rao
Independent Director

Dr. S. Raghuvardhan Reddy
Independent Director

Dr. S M Ilyas
Independent Director

Mr. K. Purushotham
Independent Director

Company Secretary
Mr. V R S Murthy

Chief Financial Officer
Mr. G. Vijay Kumar

Audit Committee
Mr. K. Purushotham
Mr. M. Srikanth Reddy
Mr. P. Varaprasad Rao
Mr. C. Mithun Chand

Nomination & Remuneration Committee

Mr. P. Varaprasad Rao
Mr. M. Srikanth Reddy
Dr. S.Raghuvardhan Reddy

Shareholders' Relationship Committee

Mr. M. Srikanth Reddy
Mr. C. Vamsheedhar
Mr. C. Mithun Chand

CSR Committee
Mr. G.V. Bhaskar Rao
Mrs. G. Vanaja Devi
Mr. M. Srikanth Reddy

Bankers

Kotak Mahindra Bank Ltd.
HDFC Bank
Axis Bank
ICICI Bank Ltd.

Listing

NSE & BSE

Registered Office & CIN of the Company

Kaveri Seed Company Limited
CIN: L01120AP1986PLC006728
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. P R Reddy & Co.
Chartered Accountants
7-70/41, Maheshwari Nagar,
Street 8, Habsiguda,
Hyderabad – 500007
Telangana.

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

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.

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,
Pamulaparthi Village,
Markook Mandal,
Siddipet 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,
Pamulaparthi 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.



kaveri seeds®

kaveri seed company limited

Registered Office

kaveri seed company limited

CIN: L01120AP1986PLC006728

513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003, Telangana

Tel.Nos.+91 40-27721457/27842398, Fax No.+91 40-27811237

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