

03rd September 2022

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 – 400 051

Scrip Code: KSCL

Scrip Code: 532899

Dear Sir,

Sub:- Notice of 35th Annual General Meeting and Annual Report for the financial year 2021-22 - Reg.,

This is further to our letter dated 08th August, 2022 wherein it was informed that the Annual General Meeting (AGM) of the Company is scheduled to be held on 29th September, 2022.

In terms of Regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we are submitting herewith Annual Report of the Company for the Financial Year 2021-22 and Notice of Annual General Meeting.

The Annual Report for the Financial Year 2021-22 including Notice of AGM is being sent to the Shareholders electronically who have registered their email IDs. The same is also available on the Company's website at www.kaveriseeds.in

Brief details of AGM are as under:

Date & Time	29 th September, 2022 at 12.00 Noon
Mode	Video Conference/ Other Audio-Visual Means
Cut-off date	22 nd September, 2022
e-voting start date & time	26 th September, 2022 (from 9:00 A.M.)
e-voting end date & time	28 th September, 2022 (upto 5.00 P.M.)
Website for e-voting	https://www.evotingindia.com/
Website for attending the AGM	https://www.evotingindia.com/

This is for your information and record.

Yours faithfully,

For KAVERI SEED COMPANY LIMITED

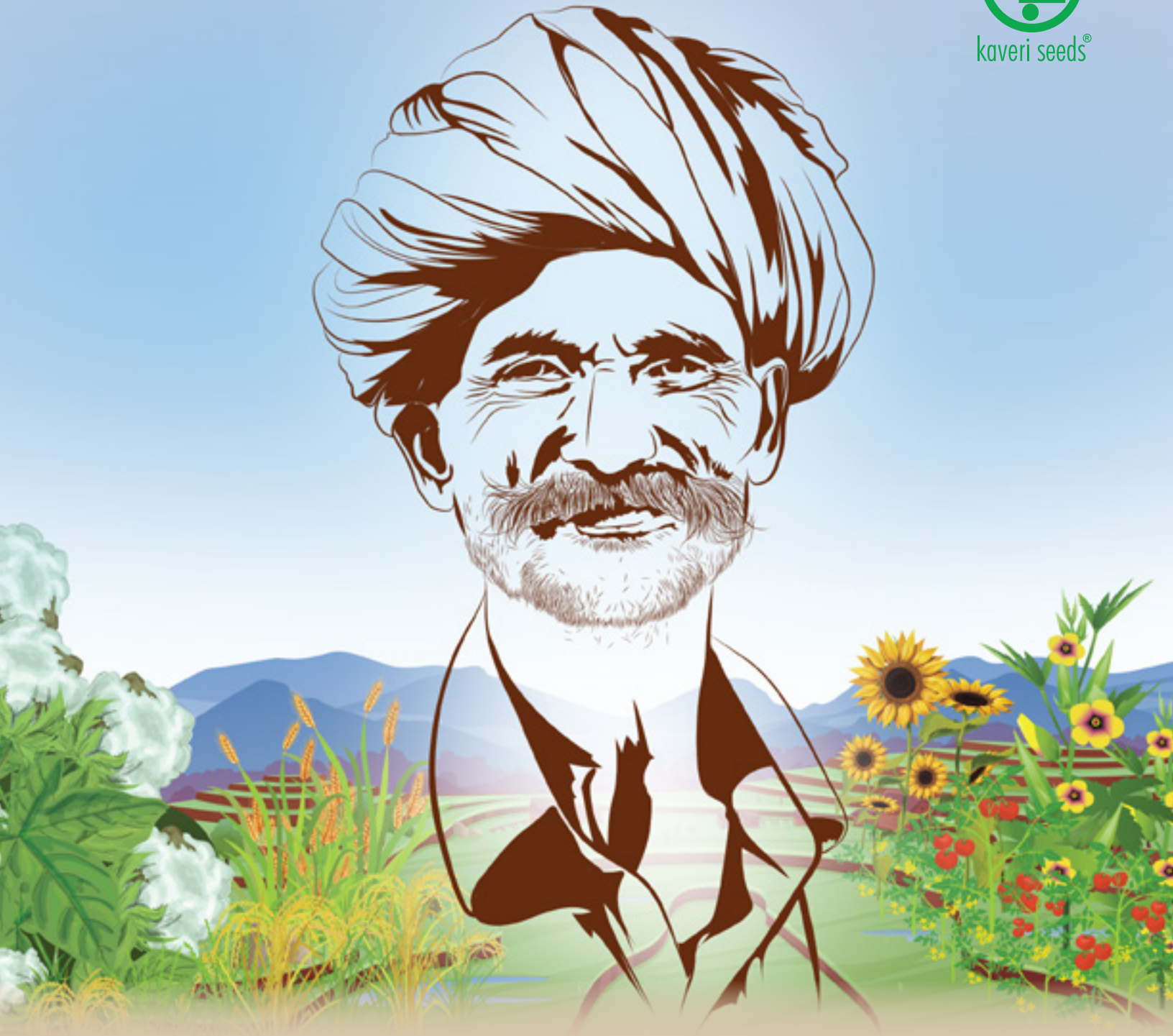
V.R.S. MURTI
COMPANY SECRETARY



Encl: As above

kaveri seed company limited

35th Annual Report FY 2021-22



STRENGTHENING MARKET
Leadership

WIDE DISTRIBUTION NETWORK | ROBUST R&D TEAM | IMPROVED PRODUCT PORTFOLIO

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4.29%

10-year CAGR in revenue

4.87%

10-year CAGR in Profit after tax (PAT)

45+

Years of existence with sustained growth

~10

Average products launched every year

60%

Of revenues coming from non-cotton seeds in FY22

454

(₹ in crore)

Cash bank and investment balances as on 31st March, 2022

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Forward-looking statements

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

With clear strategic focus and insight, we have created a powerful and diversified seed production platform for agriculture. It is backed by a strong and professional management team, advanced production facilities and a large farmer and dealer network. Our crop portfolio under seed production spans 65,000+ acres. These capabilities help us steadily strengthen market leadership.

FY22 presented short-term headwinds in our operating environment. Our revenue and volumes during the financial year were impacted due to supply chain disruptions in the first quarter of the year. We have outperformed better than the industry across our seed segments both in revenue and volume terms, despite challenges.

Our overall business scenario is improving on the back of demand-driven increase in commodity prices across the world. This is also driving the sowing pattern of our farmers and we are seeing good demand across cotton, rice, maize and vegetable seeds. We will leverage these opportunities to strengthen our market leadership to enhance and share value with all stakeholders.



Seeding prosperity through ideas, innovation and initiatives

We began our humble journey in 1976, with an objective to fuel India's green revolution and are now the nation's largest agriculture seed production company specializing in Hybrid Seeds for key Indian field and vegetable crops.

Our high-yield seeds are a result of our quest for excellence and robust R&D, making us the trusted partner for farmers for over 45 years. In order to deliver the best of science, improve farm productivity, and ensure the food and nutritional security of millions of people, we have progressively transformed ourselves to sustain our market leadership.

We are fostering limitless growth for Kaveri as well as generating value for our stakeholders and the nation by harnessing the power of seeds through our ideas, innovations, and initiatives. We continue to provide innovative solutions for farmers across the country while keeping sustainability at the centre of our efforts.

Vision



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

Mission



To realise our vision, every member at Kaveri will adopt the 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.





12

Agro-climatic zones of India where we have etched our presence

Present in

18

States in India

17

Advanced production facilities

1,00,000+

Farmer network

40,000+

Dealer network

Amplifying value sustainably

Attractive opportunity presented by the industry



Maize

94.70

lakh hectares



Rice

427.10

lakh hectares



Bajra

63.56

lakh hectares



Jowar

31.21

lakh hectares



Sun flower

2.49

lakh hectares



Cotton

120.69

lakh hectares



Chairman's Message



Dear Shareholders,

In many ways, 2021-22 was yet another challenging year for the seed industry. Among the many issues, supply chain and food security came to forefront impacting agriculture output globally. While the world continued to navigate challenges, we too were tested of our abilities.

Our consolidated revenue from operations stood at

**₹915.00
crore**

at as compared to ₹986.98 crore in FY21.

Agriculture sector review

In 2021-22, the agriculture industry grew by 3.9% as compared to 3.6% in the previous year. Yet again, the brightened GDP of the country stood as the highlight in a year that was dampened by the pandemic. Despite all odds, the agriculture sector registered record production of food grains, mitigating it from the adversities of the pandemic. The conducive monsoons, government's measures to enhance credit availability and enhanced private investments helped the sector thrive amid uncertainties.

In 2021, the country witnessed 99% of its long period average (LPA) rainfall in the monsoon season of June-September, although there were significant variations across months and different regions. A month-wise analysis shows that monsoon rains in June were good at 110 percent of its long period average (LPA) value. It fell in July to 93 percent and further down to 76 percent in August. In September it recovered with bumper rains at 134 percent of LPA.

The global food demand is likely to grow with the growth of world population expected to rise to 9 billion by 2050. In this scenario, there will be a dire need to double our agricultural output by 2050 to keep up with the pace of the population growth. India being an agrarian economy with agriculture related sectors accounting for half of its labour market and more than half of its land categorized as arable, the country has a crucial role to play in the rising agriculture demand and becoming a global agri-powerhouse.

Performance review

The economic uncertainty due to Covid-19 variants and overall another brief period of shutdown in the country in the first quarter of the fiscal and the consequential supply chain problems dampened our revenue and volumes during FY22. As a result our consolidated revenue from operations stood at ₹915.00 crore as compared to ₹986.98 crore in FY21. Our EBITDA stood at ₹238.41 crore as compared to ₹334.89 crore in FY21. We recorded a PAT of ₹208.90 crore as compared to ₹305.31 crore in FY21. The impact of first quarter weighed on overall performance of the year. As a consequence, both cotton and non-cotton crops sowing pattern were impacted during the year.

Changing landscape of agriculture

The reducing land acreage and increasing demand for high-yield crops continue to drive changes in the agriculture sector. The demand for hybrid seed usage continues to rise across diverse crop portfolio. The changing demography of health-conscious consumers is also resulting in rising demand for quality-driven crops backed by hybrid seeds. These factors along with normal monsoon and high soil moisture will positively impact the yield of the crops.

Unwavering focus on research and development (R&D)

Our journey of growth and success has been built on a strong foundation of R&D till date. As climatic conditions undergo drastic changes, agronomic management practises is continuously evolving. Emergence of biotechnology approaches, like genomics-assisted breeding and genetic engineering (GE) are now being integrated into conventional breeding practices. The biotechnology approach will help to develop new crop breeding programs to have high yield potential and tolerant crops that are abiotic to stresses.



THE GLOBAL FOOD DEMAND IS LIKELY TO GROW WITH THE GROWTH OF WORLD POPULATION EXPECTED TO RISE TO 9 BILLION BY 2050. IN THIS SCENARIO, THERE WILL BE A DIRE NEED TO DOUBLE OUR AGRICULTURAL OUTPUT BY 2050 TO KEEP UP WITH THE PACE OF THE POPULATION GROWTH.

Our state-of-the-art biotechnology laboratory is perfectly poised to develop superior products through integration of conventional and genome-assisted breeding techniques.

Wide distribution network

Our tenacious pursuit of innovative Seed Technology has improved crop yields and acquired the good will of farmers and distributors. On the Indian seed market as well as in farmers' fields, our top-tier BT cotton hybrids, maize hybrids, pearl millet hybrids and selection rice varieties are leading the way with presence of different-agro-climatic zones of India, we have built a dedicated farmer and distribution network.

Beyond business

Our commitment to responsible growth has been an integral part of everything we do. In order to foster mutually beneficial relationships, we remain committed to make positive changes to the lives of the communities within our operations. In the fiscal, we continued with our efforts to carry out socially inclusive growth through engagement in community development initiatives in the areas of education, health, agriculture and social welfare. Going forward, we will keep undertaking community development programmes aimed at uplifting the lives of farmers and that of the rural poor.

Outlook

Looking ahead, we believe 2022 holds a great deal of promise for us. With our implacable pursuit of innovation we will keep looking for breakthrough technologies in the market to strengthen our operations. We also have a promising product pipeline for the coming year. By leveraging our existing business operations which has a strong distribution network across a number of portfolio, we will further introduce new product variants across the Non-cotton segments like rice, maize, pearl millet and vegetables and expand our market presence.

Gratitude

We deeply value the support of our shareholders as we continue to emerge stronger from the challenges and look ahead to brighter times. On behalf of my colleagues on the Board, I would like to express my sincere gratitude to our customers and I also want to acknowledge the hard work and dedication of our employees and look forward to collectively deliver value for our stakeholders.

Regards,

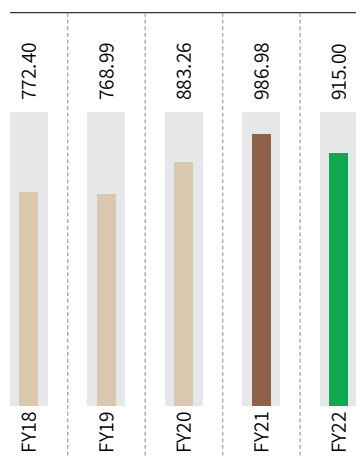
G.V. Bhaskar Rao
Chairman & Managing Director

Healthy growth across segments

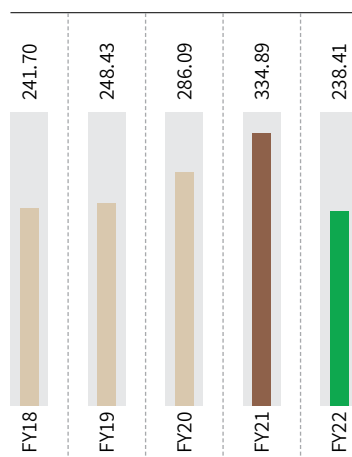
The contribution from the new variants is growing at a healthy rate across the segments. Even though the revenue and volumes were impacted during the year due to supply chain disruption, we managed to outperform the industry both in terms of revenues and volumes.

Key highlights

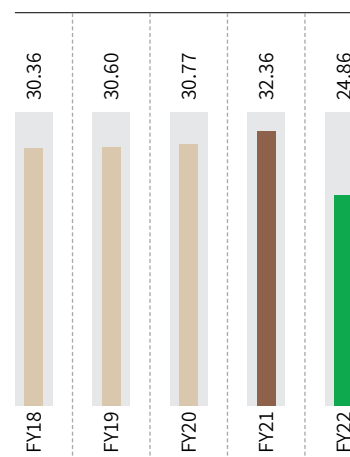
Revenue from operations
(in ₹ crore)



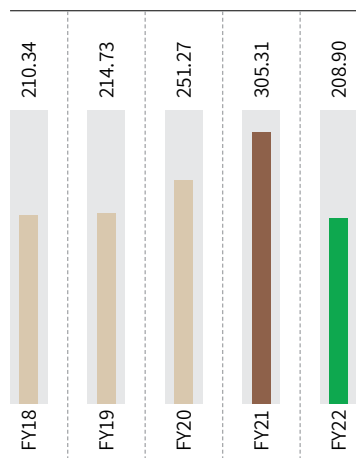
EBITDA
(in ₹ crore)



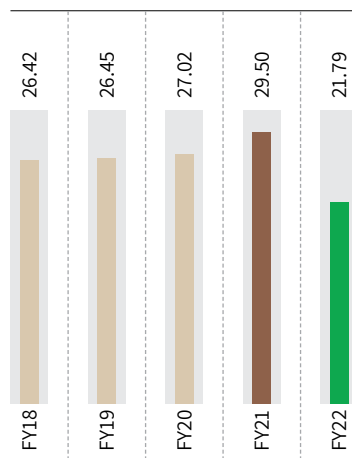
EBIDTA margin
(in %)



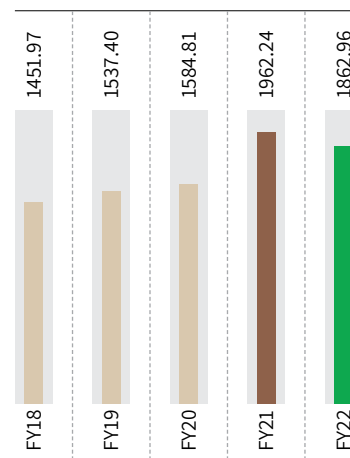
PAT
(in ₹ crore)



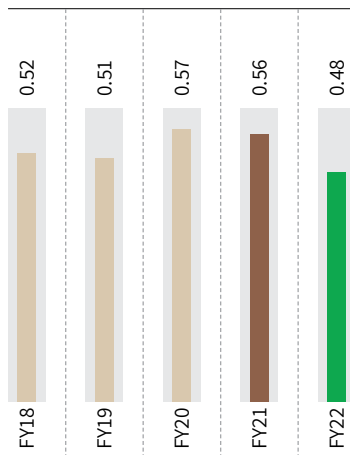
PAT margin
(in %)



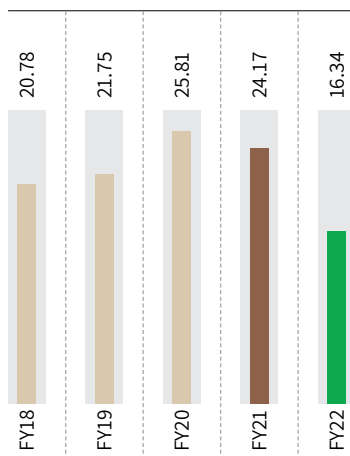
Total assets
(in ₹ crore)



Asset turnover ratio (in times)



ROCE (in %)



Cotton

Revenues (in Crore)

FY21	FY22	Growth
440.37	338.92	(23%) ↓

Volumes (in MT)

FY21	FY22	Growth
70.92	53.69	(24%) ↓

Hybrid rice

Revenues (in Crore)

FY21	FY22	Growth
132.51	171.57	29% ↑

Volumes (in MT)

FY21	FY22	Growth
5681	6772	19% ↑

Selection rice

Revenues (in Crore)

FY21	FY22	Growth
101.69	116.33	14% ↑

Volumes (in MT)

FY21	FY22	Growth
15,222	16,174	6% ↑

Maize

Revenues (in Crore)

FY21	FY22	Growth
203.22	187.60	(8%) ↓

Volumes (in MT)

FY21	FY22	Growth
10,458	8,781	(16%) ↓

Vegetables

Revenues (in Crore)

FY21	FY22	Growth
39.54	46.64	18% ↑

Volumes (in MT)

FY21	FY22	Growth
253	307	21% ↑

Resilient business model

Inputs



Skilled people

Our team of highly skilled individuals is an integral component of our company, enabling expanded operations and increasing market presence.



Committed partners

Our stakeholders play an important role in our organisation as their long-term partnerships help us to achieve operational excellence.



Financial resource

We judiciously deploy both equity and marginal debt to add value to the business through prudent strategy and execution.



Infrastructure

We own state-of-the-art facilities, with several offices and logistics warehouses across 22 cities in India.



Assets

We have a strong work culture and our superior R&D capabilities and expertise in Biotechnology, Genetics and Plant Breeding, Seed Production Research sets us apart.

Operations

Gather insights

We gather insights by tracking our farmers' needs through better communication and consumer research methods.

Processing

We ensure excellence in operations to deliver high-quality seeds.

Farmers

Our farmers use our products on day-to-day basis to grow crops that withstand various climatic conditions, pests / diseases and adverse soil conditions, while ensuring high nutritional value of every crop.

Marketing

We undertake various marketing and branding initiatives to connect with farmers and educate them on the quality of seeds available at Kaveri.

Innovation

With robust R&D infrastructure, proprietary knowledge and market insight we continue to innovate to build new and improved products

Packaging

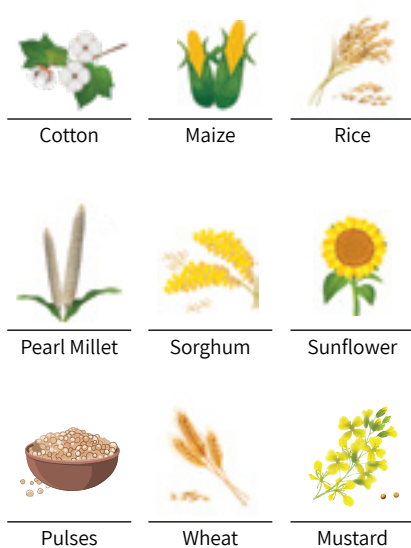
Our utmost priority is to ensure quality and safety of the packaging of our seeds to keep its efficacy intact.

Reach

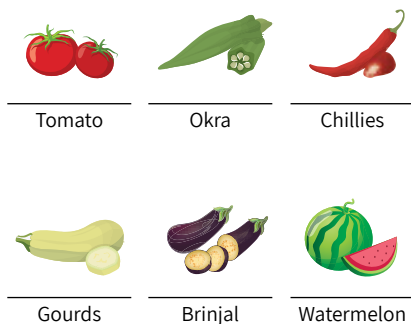
We have multiple channels to increase our reach for seed availability to farmers across India and in over 7 countries.

What we produce

Field Crop



Vegetables



Value creation process



Farmers

We provide our farmers with varieties of hybrid seeds to meet their needs and improve their yield quality.



Our people

Collective skills and experience of our workforce is a result of regular training and knowledge sharing structure



Society

We aim to contribute to our local communities by contributing to improve their livelihoods and ensuring food security.



Planet

Our consistent focus is to minimize wastage of vital resources and reduce our overall environmental footprint.



Dealers/ distributors

We partner with small and large dealers/distributors across geographies to expand our market presence and enable further growth of our business.



Shareholders

Our relationships with stakeholders in the value-chain helps us ensure long-term value-creation.

Outcomes

Strong & professional

Management Team

100k+

Large Farmer

40k+

Dealer Network

Broad

Crop Portfolio

65k+

Acres under seed production

Strong

Distribution network

200%

Dividend declared in FY22

Buyback of

20.07 lakh

shares worth

₹119.95 crore

in FY22

UN SDGs covered



A strong portfolio of products

We have continuously innovated over the years to be farmer-centric and have created premium hybrid seeds with an emphasis on greater harvest. Our tenacious pursuit of seed innovation has greatly increased farmers' production. We are the only business with a presence in rice, cotton, maize, millets and vegetables.

Promising Products commercialized during the year

S.No.	Crop	Stage	Product	Features
1	Cotton	Commercial	KCH307 BGI	<ul style="list-style-type: none"> High tolerance to CLCuD with higher yield over benchmark hybrids. Medium Maturity (165-170 DAS) Medium size bolls approx. 4.3 g Chain bearing with good boll visibility
2	Pearl Millet	Commercial	KPH6310	<ul style="list-style-type: none"> Higher grain & fodder yield, crop duration (80-82 DAS) Non lodging and suitable for summer millet growing areas Very compact long ear head with complete tip filling under high temperature Resistant to Downey Mildew
3	Pearl Millet	Commercial	KPH6499	<ul style="list-style-type: none"> Tall with green fodder suited to summer millet growing areas Crop duration (80-82 DAS) High tillering ability & yield with non-lodging behaviour Very compact ear head with complete seed setting under high temperatures
				<ul style="list-style-type: none"> Resistant to Downey Mildew
4	Rice	Commercial	KRV0501	<ul style="list-style-type: none"> Semi erect, non lodging with high yielding ability Late maturity (> 140 DAS) Medium bold grain type with golden hull Good grain and cooking quality
5	Rice	Commercial	KRV0511	<ul style="list-style-type: none"> Semi erect with high yielding ability Late maturity (> 140 DAS) Short bold grains Good grain and cooking quality
6	Rice	Commercial	KRH7425	<ul style="list-style-type: none"> Better lodging tolerance over benchmark hybrids Medium Maturity (130-135 DAS) Long panicle with good fertility and long bold grains Tolerant to BLB & Neck blast

S.No.	Crop	Stage	Product	Features			
7	Rice	Commercial	KRH7623	<ul style="list-style-type: none"> Strong culm and non lodging 	<ul style="list-style-type: none"> Medium Maturity (130-135 DAS) 	<ul style="list-style-type: none"> Long panicle with Medium slender lustrous grain type 	<ul style="list-style-type: none"> Early in maturity compared to most of the noted available competitors in the MS hybrid segment
8	Wheat	Commercial	KWV0333	<ul style="list-style-type: none"> Average plant height with sturdier stem and non-lodging 	<ul style="list-style-type: none"> Medium to Late maturity (135-140 DAS) 	<ul style="list-style-type: none"> Attractive, lustrous and amber grain colour 	<ul style="list-style-type: none"> Profuse tillering habit and tolerant to terminal heat
9	Hot Pepper	Commercial	NABHA	<ul style="list-style-type: none"> Compact Bushy plant 	<ul style="list-style-type: none"> Suitable for red dry market 	<ul style="list-style-type: none"> Good Colour retention 	<ul style="list-style-type: none"> Wrinkle drying
				<ul style="list-style-type: none"> Medium pungent with good red dry colour 		<ul style="list-style-type: none"> High yield capacity 	
10	Hot Pepper	Commercial	SHANKHAM	<ul style="list-style-type: none"> Strong plant type 	<ul style="list-style-type: none"> High wrinkle drying 	<ul style="list-style-type: none"> Powdery Mildew tolerance. 	<ul style="list-style-type: none"> High yield capacity
				<ul style="list-style-type: none"> Suitable for red dry market, Byadgi type 		<ul style="list-style-type: none"> High ASTA value with medium pungency 	
11.	OKRA	Commercial	JOY	<ul style="list-style-type: none"> Dwarf plant with more number of productive branches 	<ul style="list-style-type: none"> Short internode length 	<ul style="list-style-type: none"> Green fruit colour with smooth fruit surface 	<ul style="list-style-type: none"> Longer harvesting period
				<ul style="list-style-type: none"> Tolerant to Yellow Vein Mosaic Virus (YVMV) and Okra Leaf Curl Virus (OLCV) 		<ul style="list-style-type: none"> Easy to harvest 	<ul style="list-style-type: none"> High yield potential

The market scenario

Maize

The low-yielding situation for maize calls for the adoption of hybrid varieties, which should happen in the next 5 years. With increasing consumption of protein and demand for biofuel along with the government policy (National policy on biofuels), the acreage should increase in India like in Brazil and USA. The current hybrid market seed potential stands at 1,22,000 MT worth ₹2,600 Crore.

94.70

Lakh hectares

Maize coverage in India

2nd

Ranked cereal crop
(in terms of area)

Rice

Just 9% of India's 4 million hectares of rice fields are hybrid varieties. Significant potential is the 10% move to hybrid rice, which is already taking place. The current hybrid seed potential stands at 54,000 MT worth ₹1800 crore. With increasing productivity, exports are expected to increase with increasing adaption towards hybrid seeds. As increasing population and increase in per capita income, it is definitely increase in consumption of premium rice, more over it is expected to export of premium rice. Hybrid Rice is likely to move from fine to medium-bold & bold segment while in case of selection rice is trend to fine segment.

427.10

Lakh hectares

Rice coverage in India

Bajra and Jowar

Our strong product portfolio is a winner in the Bajra segment. With the increasing demography of health-oriented consumers, both nutritional crop is seeing a rise in demand. This will in turn increase the acreage.

63.5

Lakh hectares

Bajra coverage in India

37.21

Lakh hectares

Jowar coverage in India

Sunflower

Since the acreage is still in its early stages in India and the nation now imports all of the cooking oils it needs, we are anticipating strong growth in acreage.

2.49

Lakh hectares

Sunflower coverage in India

Cotton

An increase in authentic seed use and reducing counterfeit seeds by the Government of India and State governments will enhance the potential for organized players like us.

120.69

Lakh hectares

Cotton coverage in India



Engaging with farmers & distributors

Our business creates synergies between agriculture and farmer community. Farmers remain at the heart of our ecosystem and we at KSCL work closely with them to help make their seed choices better. Our engagement methods comprise of the following:

Present across

12

Agro-climatic zones in India



Robust research and development

Technological innovation is primarily responsible for improved seed production. The yield for farmers has been greatly increased due to our intensive research efforts that were centred on designing suitable hybrids while taking their needs into consideration.

39.20

(₹ in crore)

R&D investment

102

R&D employees

900

acres

Dedicated research farms

Aiming to develop products with high yield potential and tolerance towards a variety of biotic and abiotic stresses, crop breeding programs due to the dynamic and complex interplay of the environment with the plant phenotype, these hybrids are essential for sustainable food production. A nation's food security is affected by it as well. Crop improvement consists of the two key biotechnology approaches, Marker-assisted Breeding (MB) and Genetic Engineering (GE), and their integration with conventional breeding.

Innovation-led growth

With increased emphasis on innovation and quality, we have evolved over the past 40 years alongside the country's agricultural landscapes. This has helped us meet farmers' expectations and guaranteed food security for the entire country. In order to meet the increasingly dynamic needs of consumers, we are offering superior seeds that are supported by breeding and biotech innovation.

We have made rapid and beneficial progress in improving plant growth owing to scientific advancement, particularly in the field of Genetics. As a result of varietal creation, we are now able to produce more productive varieties that are more suited to biotech and abitech situations and better able to maintain and improve nutritional properties.





Robust research and development

Biotechnology crop breeding – the future

Breeding crops with a high yield and superior adaptability to stresses is essential to meet food demand due to growing population. The two key biotechnology approaches, genomics- assisted breeding and genetic engineering (GE), and their integration with conventional breeding is an essential approach for crop improvement.

At KSCL, the goal of crop breeding programs is developing superior products having high yield potential and tolerant to multiple biotic and abiotic stresses. This is accomplished by accumulating favorable alleles/ genes that contribute to these agronomically important traits into the crops. Genomics-assisted breeding techniques are used to accelerate the breeding efficiency in a range of crops. Trait discovery through QTLs/gene identification by advanced molecular mapping approach and trait introgression programs using Marker- Assisted Back Cross (MABC) and Marker Assisted recurrent selection (MARS) approaches help in development of superior hybrids/varieties in our crops. With state-of-the-art facilities for biotechnology and double haploid (DH) technology we focus to develop superior products through integration of conjunct use of conventional and genomic-assisted breeding approaches.



Biotechnology laboratory

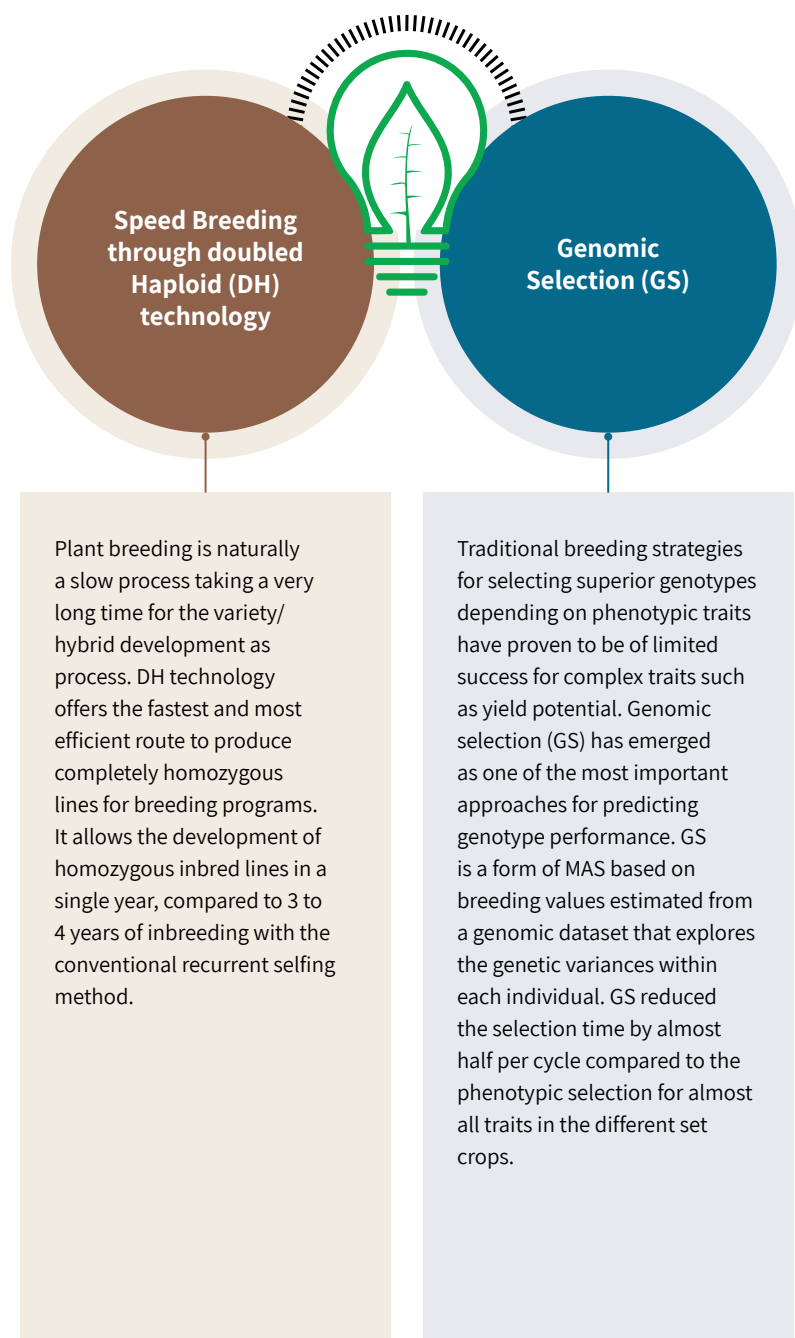
In Pamulaparthi, Telangana, a cutting-edge biotechnology laboratory has been established. The lab is outfitted with cutting-edge infrastructure that enables research on candidate gene approach, association mapping, and other cutting-edge techniques to develop the products in the field and vegetable crops to be developed in the current complex agro-climatic conditions of India. Doubled Haploid Breeding, MB (Marker Assisted Breeding), MARS (Marker Assisted Recurrent Selection), MABS (Marker Assisted Back Cross), RGA (Rapid Generation Advance), MAGIC (Multi-parent Advance Generation Inter cross population), GS (Genomic Advance), SB (Speed Breeding), and QTL identification are a few of the ground-breaking technologies created. The laboratory is staffed by highly skilled individuals with PhD and M.Sc. in the fields of biotechnology and pathology.



Robust research and development

Dynamic plant breeding programme planned in future with Genomics and Phenomics (Speed Breeding, DH)

At Kaveri, the following cutting-edge technologies planned for application in crop improvement:



Our satellite breeding stations

The R&D strategy has been created based on the research gaps found in the farmer's field for each crop. Various satellite stations were set up across India to achieve the relevant crop breeding goals. Accordingly, for cotton, South Zone, Central Zone, and North Zone; for maize, stations in the North, South, and Western portions of the country; for rice breeding, eight locations nationwide; and for pearl millet, the western, southern, and northern parts of the nation. Similar breeding activity is done around the nation for vegetables in several important areas.

In order to collect customer opinion, which is primarily considered a crucial component along with the consistency of field data, we involve the farmers and sales staff in the pre-commercial stage of testing.

Seed technology laboratory

Seed physiology, seed biotechnology, and seed pathology quality testing are performed by the Seed Technology Laboratory. The laboratory had previously welcomed visitors delegates from national and international organisations as APSA, OECD, ISTA, ministers of various state governments, officers from the Department of Agriculture, SAUs, and farmers. Highly skilled researchers in the field of Seed Science and Technology manage the lab. Since 2014, our laboratory has been an ISTA member and conducts seed testing in accordance with all ISTA standards. The Kaveri Seed Company Quality Control Laboratory was granted accreditation by the National Accreditation Board for Testing and Calibration Laboratories (NABL) in line with ISO 17025.

Our research collaboration

In order to develop products that fulfil farmers' demands, protect crops from the threat of climate change, and increase their tolerance to biotic and abiotic challenges, we collaborate on research with a number of National and International organizations.

▶ International Maize Improvement Consortium (IMIC)

We are partnering with IMIC at International Maize and Wheat Improvement Center for Maize germplasm collection.

▶ World Vegetable Centre Breeding Consortium (WVCBC)

To increase the Kaveri germplasm base and to directly create potential hybrids, we have a partnership with WVCBC at World Vegetable Centre for tomato, hot pepper, and bitter gourd germplasm collecting every other year.

▶ Hybrid Parent Research Consortium (HPRC)

For relevant pearl millet germplasm collections, we are members of HPRC at ICRIASAT (International Crops Research Institute for the Semi-Arid Tropics).

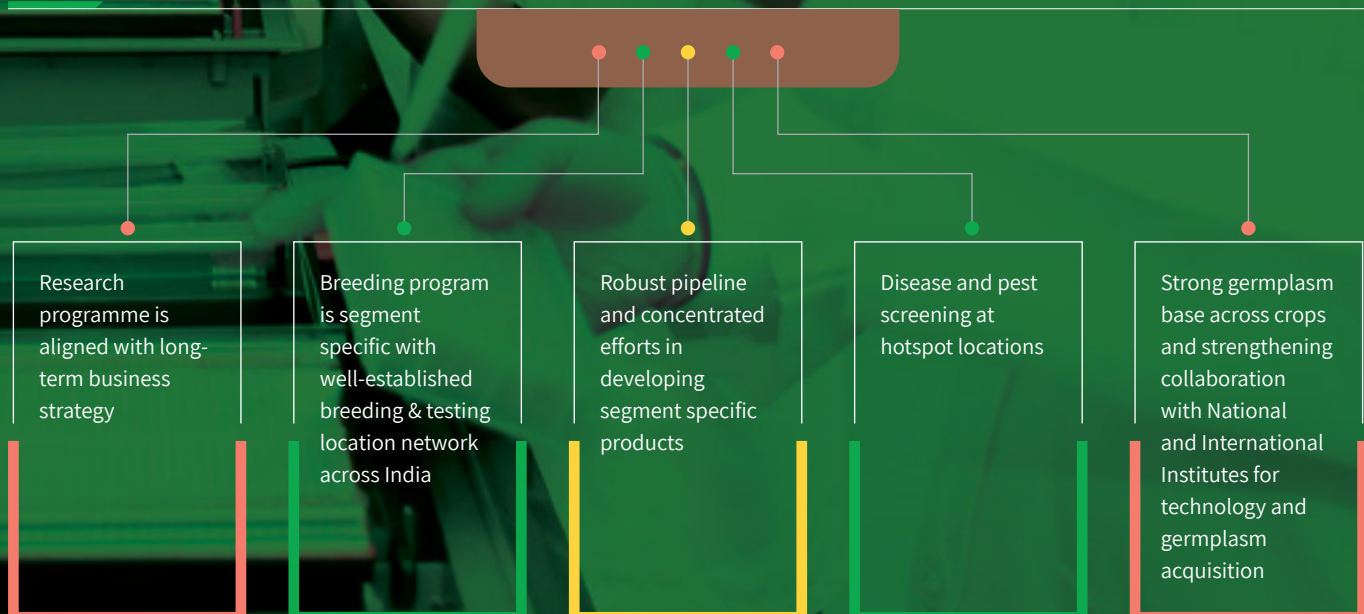
▶ Indian Council of Agricultural Research (ICAR)

We have a tie-up with ICAR for the collection of lines from the breeding programme

▶ Hybrid Rice Development Consortium (HRDC)

Our partnership with HRDC at the International Rice Research Institute (IRRI) is beneficial for the collection of rice germplasm.

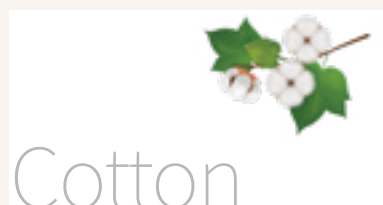
Research and development highlights



Robust research and development

New research activities

KSCL continues to undertake activities to address crop challenges like biotic, abiotic and other qualitative breeding issues for crops. Some of the crops where specific research activities were undertaken include:



Biotic: The screening of germplasm and breeding material at hot spots

Testing of hybrids for heat tolerance in North zone and at low management condition to release the products for wider adaptability in Central & South Zone.

Big boll size and fluffy opening are the indicators of ease of picking

Regulatory: Execution of “refugia-in-bag” (RIB) is followed and accordingly breeding initiatives have been taken to keep Non-GM counterpart of the advanced stage parents ready.

Genomics: Heterotic pools are being developed in cotton with diversity on the basis of genotyping & phenotyping.

GMS Seed Production: Initiated GMS introgression with possible ms5 & ms6 markers.



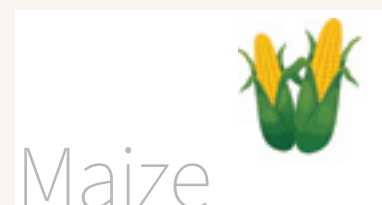
Renewed NARVI & HRDC membership with International Rice Research Institute to evaluate and identify genotypes suited to upland and rainfed lowlands in very early, early & Mid-early maturity rice growing geographies in India

Initiated introgression of Non-GMO herbicide resistant traits to parental lines

Identification of parental lines and Rice hybrids for Direct Seeded Rice (DSR)

Established disease and insect screening hot-spots at field level

Scale up of grain quality assessment efforts of parental lines and pipeline products for milling and cooking quality



Currently, modern breeding tools, fuelled by advances in genomics and decision support systems are emerging that can be used to harness these sources effectively. With the advent of molecular markers, genetic diversity analysis has been applied to group genotypes into heterotic pools and to select genetically distant parental lines for crosses by using markers such as SSR and SNIP are frequently used to analyze genetic diversity and to group genotypes based on degrees of genetic relatedness.



Genetic enhancement to develop elite recombinants and new products

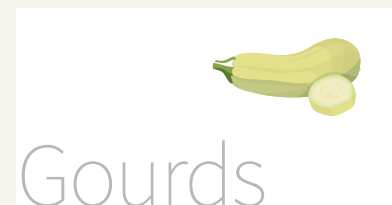
Development and use of various bio-technological tools like MAS, DH development to speed up the product development process.



We are importing new germplasm from CIMMYT and screening the germplasm for biotic, abiotic stresses and lodging resistance. Kaveri is presently working on Pre-breeding programme by broadening the varieties' genetic base.



New R&D stations for line development for tolerance to South races, Heterotic grouping based on yield GCA, GMS transfer into commercial and elite parents are in progress and large number of hybrids is in testing phase at hotspot locations Yellow Vein Mosaic Virus (YVMV) & Okra Enation Leaf Curl Virus (OELCV) results to 30 to 100% yield losses depending upon age of crop when incidence occurred. Full time R&D stations at hotspot locations established for specific and combined tolerance. Germplasm collections screened for virus tolerance at these hotspot locations.



In bitter gourd gynoeceious based hybrids are required in the market to reach the high fruit yield potential and maintain quality. In this regard we have successfully developed gynoeceious lines and products are in pipeline. The major biotic problems in gourds are Gemini virus, Downy mildew; Powdery mildew and Gummy stem blight and collaboration with World Vegetable Center (WVC) is helping to strengthen the virus resistance germplasm.



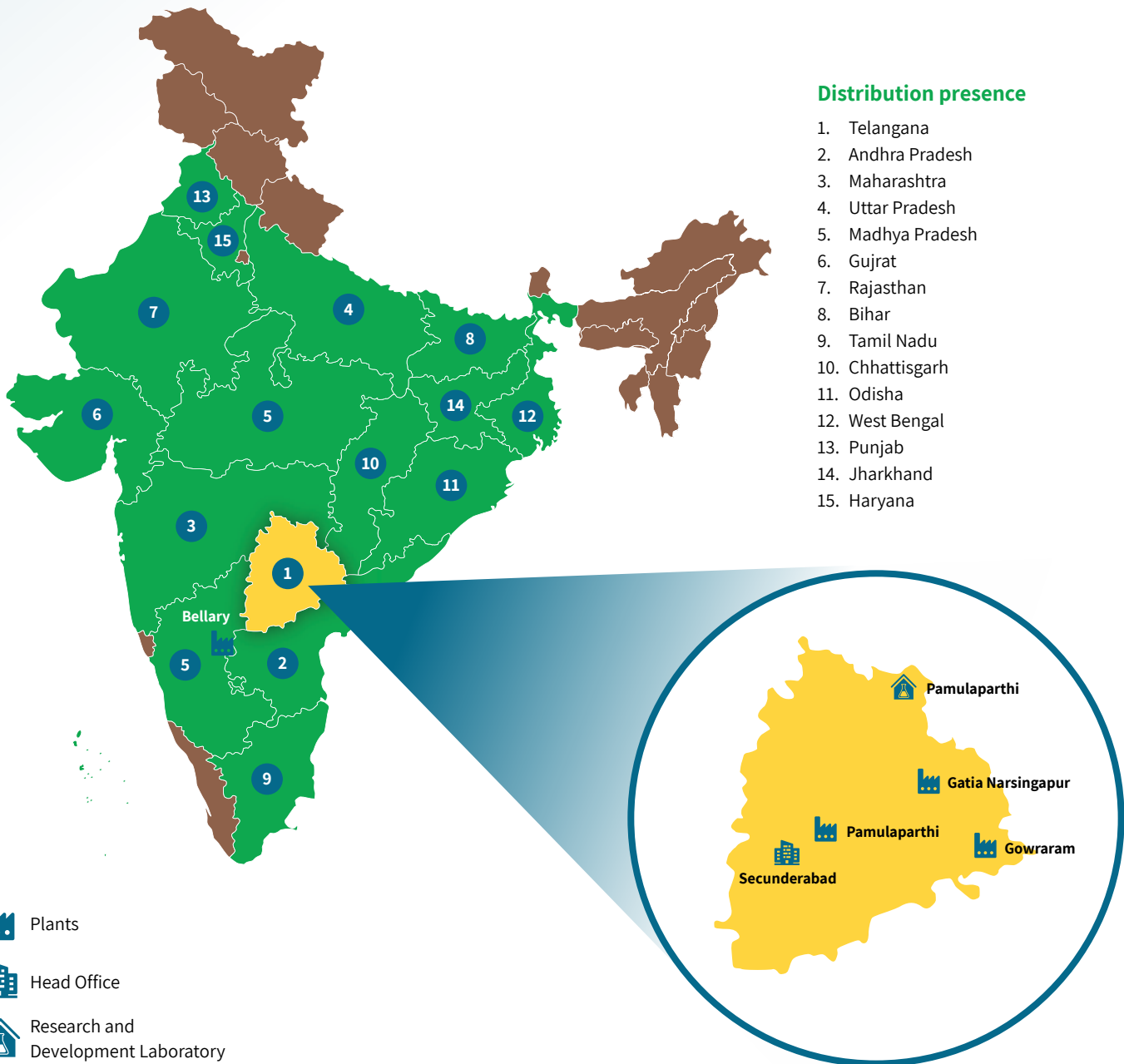
ChiLCV resistant female and male line development program

Validation of fertility restoration marker is under progress

Qualitative traits like quick drying and colour retention is also focused to designed new lines as well as hybrids

Wide distribution network

Our tenacious pursuit of innovative seed technology has improved crop yields and acquired the goodwill of farmers and distributors. On the Indian seed market as well as in farmers’ fields, our top-tier BT cotton hybrids, maize hybrids, rice hybrids and selection rice varieties are leading the way. With a presence in 12 different agro-climatic zones, we have built a dedicated farmer and distributor network.



Our distributor network

In India, we collaborate with a wide network of direct and indirect distributors who assist in making our wide range of products accessible to farmers. Everyone working with farmers, including our marketing team, retail partners and distributors were trained to support farmers in every way. Their expert advice informs farmers about the possible benefits of high-quality hybrid seeds. They explain the benefits of seeds and how they boost output, give cost savings and improve productivity. Additionally, we also raise awareness pertaining to recent agricultural mechanisation techniques and related government legislation and enhance farmers' income, we regularly host forums and customer gatherings.

1

Strategic business unit

9

Zonal office

50

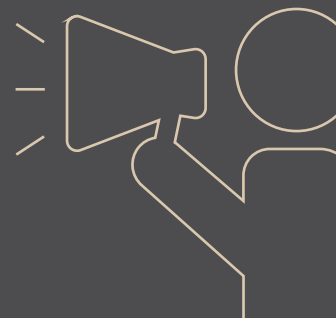
Regional manager

300+

Territory managers

Vegetable seed marketing –

A new frontier of development



During the year 2021-22, the turnover of vegetable business of Kaveri is about ₹45 crores, the Company planned for next FY 2022-23 ₹65 crores. The total team strength of vegetable marketing is about 108 members. Our main business focus divided into three sections. Our Primary business focus crops on 80% of promotion efforts towards Tomato, Okra, Hot pepper, Water melon and Sweetcorn. Secondary focus on Cucumber, Musk melon, Eggplant, Pumpkin products, while rest of the efforts for outsource crops like Beet root, Carrot etc. Indian Vegetable market is about ₹4000 crores, major 8 crops contribute 62% vegetable market viz., Onion, Okra, Hot pepper, Tomato, Cauliflower, Cucumber, Cabbage, while the rest of the crops contribute 38%.

There is a demand for high quality OP and hybrid variety seeds produced by Seed Companies rather than farm saved seeds. Kaveri Seed Company is focusing its research efforts to develop hybrid to suit for different agroclimatic conditions which are tolerant to pest and diseases and segment wise as per farmers/ consumer choice.

45

(₹ in crore)

Turnover in FY 2021-22

1,140

Distributors as on March 31, 2022

184

Distributors appointed in FY 2021-22

108

Team size for vegetable seed marketing

Wide distribution network



KPH 468 – A success for farmers in Madhya Pradesh

We are serving farmers consistently to improve their crop yields. We have developed enduring relationships with farmers across in Madhya Pradesh (MP) market and our ‘Kaveri’ brand enjoys wide reputation and loyalty, owing to our product range and quality commitment.

600+

Field days conducted in []

35,000+

Farmers touched

The introduction of ‘KPH 468’ in FY 2017-18, we have significantly gained market share. We had laid down 100 plus demonstration of the seed in the MP state, selling 59 Mt of KPH 468 in 2018-19 alone. With continuous follow-up /visit at various locations and districts, the knowledge sharing across agronomic management, proper irrigation, fertilizers, inter cultivation operations and judicious (Integrated) plant protection measures have helped widen our volumes for KPH 468. Farmers are now convinced that New Paddy hybrid KPH-468 developed by Kaveri Seed is a promising hybrid, with excellent plant type, good number of tillers, excellent long Panicle with heavy grains and less incidence of pests and disease.



Salman Khan

Village: Nagari

Mob. - 9755943229

Mandal: Daloda

District: Mandsour

State: Madhya Pradesh

“ I have been cultivating cauliflower for the last 5 years. Last year, I used KCAH 2115 of Kaveri Seed Company for cultivation. The yield for the KCAH 2115 has been superior compared to others and has disease tolerance, very good fruit-bearing, and high production with marketable fruits. This hybrid has no major stem rot issue observed compared to another hybrid. I strongly recommend this hybrid for cauliflower cultivation to obtain better yields with high quality.”



Rajivbhai Ravjibhai Talpada

Village: Ode

Mob.: 9737518613

Mandal: Anand

Dist.: Anand

State: Gujarat

“My father has been cultivating tomatoes for the past 16 years and I started tomato cultivation 6 years ago. Last season, I cultivated KTH 301 of Kaveri Seed Company Ltd. The results have been positive and KTH 301 has a better performance in the segment market variety. KTH 301 performed well in fruit quality, plant and fruit character and total yield. It was also easily accepted in the market due to its quality. I recommend my neighbouring farmers to cultivate KTH 301 in their tomato season.”



Santosh Gupta

Village: Sapahi Tadawa

Mob. - 9648011820

Block: Tamkuhi Raj

District: Kushinagar

State: Uttar Pradesh

“I cultivated the Sponge gourd- F1 Aliya of Kaveri Seed Company Ltd during this year. I have been cultivating sponge gourd for the last 6 years but Aliya is better than all the other varieties cultivated till date in this segment. This hybrid has better virus tolerance, very good fruit bearing, high produce and marketable fruits. This hybrid will create a good market in future due to its good colour and good size. I strongly recommend this hybrid to my native farmers for better results.”



P. Satish

Mandal: Ellandu

District: Bhadradi
Kothagudem

State: Telangana

“I raised KMH 8333 Maize hybrid of Kaveri Seed in Rabi season and recorded 40 quintals grain per acre. The plant possesses a sturdy stem, cob arises with lower node, non-lodging inhabit. When compared to other maize hybrids the crop stand is excellent and its orange attractive grains fetch a good market price. It is tolerant of pests and diseases. Next year, I am planning to raise this hybrid on 6 acres. I am very thankful to Kaveri for developing a superior hybrid in maize.”



Tungaturti Rama Rao

Mandal: Jagtyal

District: Jagtyal

State: Telangana

“I am farming for the past 30 years and have received the best farmer award from PJTS Agricultural University, Rajendra Nagar, Hyderabad. The Elito rice variety developed by the Kaveri Seed is a fine grain variety with a high yielder. I raised this variety on 10 acres during the Kharif season and recorded an average yield of 26 quintals per acre. I milled rice and sold it to the farmers due to fine grain, I fetched a good market price. The farming community of our region is very thankful to Kaveri Seed Company for developing such a fine grain rice variety.”

Our agile supply chain

To maintain our market leadership as a quality seed producer in India, we have consistently fostered our supply chain capacities. We continue to be resolute in our approach to guarantee a reliable supply chain and consistently meet quality benchmarks.

Seamless delivery ecosystem

In order to provide the greatest quality seeds to farmers, we operate seventeen cutting-edge processing facilities in key locations. A modest amount of nucleus seed is sent to the supply chain team for the production of pre-basic seed and foundation seed under the supervision of the breeding programme team following the successful development of novel products by the R&D team. Once approved, it moves on to produce seeds on a huge scale in order to satisfy the high-volume demands.

17

Processing plants

170+

Outreach trial centres

10,00,000
(Sq.ft)

Warehouse Capacity

115

MT/hour
Total average

15,000
(MT)

Cold storage capacity

15,000+

Customer touch points across
15 states

Supply chain partners

We have built strong networks and ties with seed growers over the years, and we have also made sure that our partners and we regularly participate in knowledge-sharing programmes. Our technical staff performs insightful and effective training sessions on seed production along with insightful interactive meetings with farmers during crop growth to provide them with critical information.

1,00,000+

Farmer network

40,000+

Dealer network



Dedicated facilities for varied seeds

We have a variety of equipment with multi-functional roles for each step to produce excellent seeds, from a cob drying facility for maize seeds to mechanised grading, blending, and treatment machines for cotton.

Automated weighing and stitching

We have implemented best practises such crane systems, MHEs, and scientific handling of large seed inventories in 2 MT Jumbo bags for seed storage. Even the processing equipment is controlled by a vertical form, fill, and seal machine with precision weighing technology and a PLC-driven HMI console. These enable us to install and supply precise grammage in seed packets, with each seed packet being dynamically verified on check weighers before being loaded into secondary bags in semi-automated weighing and stitching operations.

Quality Assurance

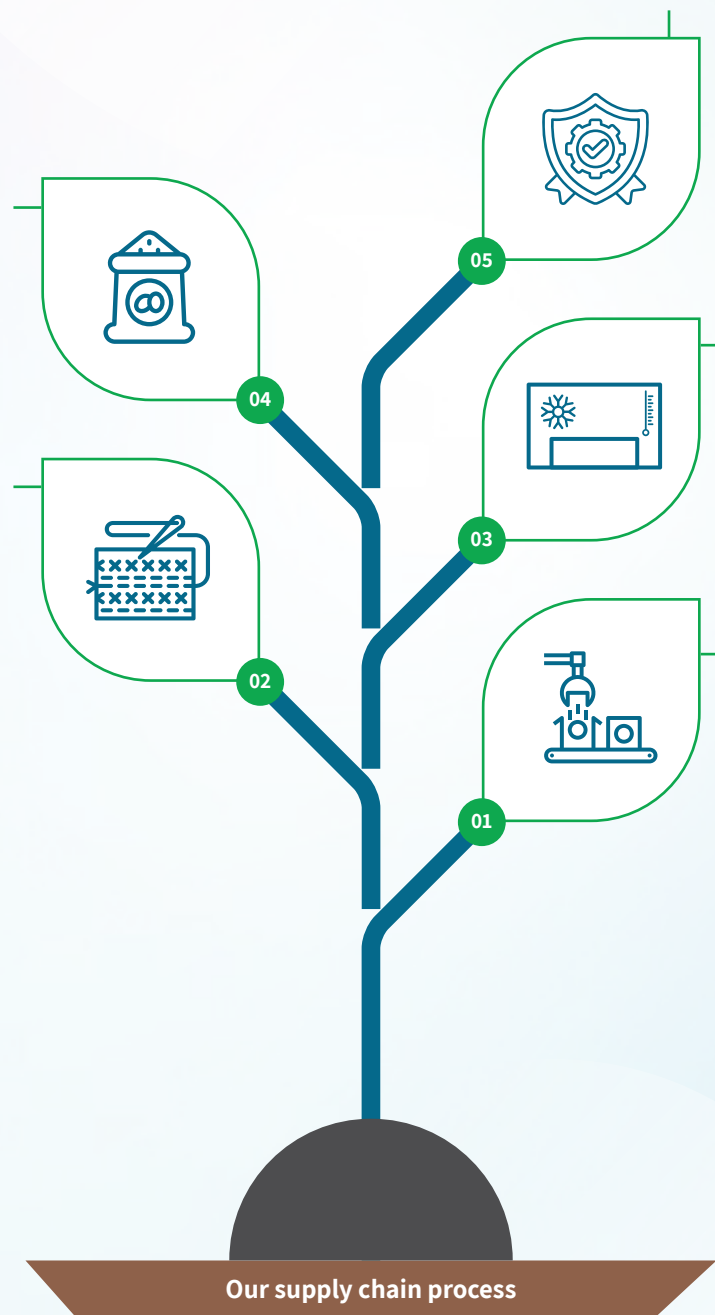
Field quality, lab quality, plant quality, and routine warehouse audits are all thoroughly checked off by a well-defined quality assurance organisation. The state-of-the-art laboratories have more than 80 highly qualified employees and 100 skilled workers, and they are furnished with the newest tools and technology to uphold the highest standards of quality.

Cold storage facility

We have four cold storage units with a combined 15000+ MT capacity that allow us to handle our seed inventory at a constant 10–12°C and 40–50% relative humidity. For greater operational efficiency, multi-level racks are used in the cold storage facilities to store seed bags weighing between 30 and 200 kg.


Processing Infrastructure

For cleaning, grading, sorting, treating, and packing field crop seeds such as maize, paddy, bajra, jowar, and others, we have some of the best processing equipment available. We have a packing capability of up to 75000 MT per year with more than 25 Vertical Form Fill Seal (VFFS) Packing Machines and 31 secondary lines.



Stakeholder value creation

As a sustainable company, we believe that our responsibility is beyond having a strong bottom line. We respect societal rights and realise our duty to uphold them. Talent and teamwork, in our opinion, may improve organisational standards and raise shareholder value generation benchmarks. Since our inception, this combination has mostly been accountable for our steady growth.

Stakeholders	Expectations
<p>Farmers/ customers</p> 	<p>To make Kaveri a benchmark seed company with the greatest in research, innovation, and product development via consistent performance in all functional areas of the organisation.</p>
<p>Seed growers/ vendors</p> 	<p>Build a relationship that is built on trust, mutually beneficial, and sustaining.</p>
<p>Government</p> 	<p>Ensure food security, job creation and skill development</p>
<p>Dealers/ Distributors</p> 	<p>Ensure that our products are the dealers' first choice.</p>
<p>Communities</p> 	<p>Share trustworthy relationships with the communities around us</p>
<p>Employees</p> 	<p>Provide individuals with the knowledge and skills they need to fulfil their commitments to stakeholders.</p>
<p>Investors</p> 	<p>Provide investors with attractive financial returns and keep them informed about our progress through regular communication</p>

Activities

- Interacted with farmers worldwide to raise awareness about the novel, high-yielding products
- Educated them about best-farming methods
- Actively participated in and supported a number of agricultural fairs
- Provided superior products and critical agriculture aid.
- Increased market presence and an improved product offering
- Integrated strategic planning and focused R&D projects for increased seed yield
- Overcome obstacles in seed production to increase output volume and quality
- Decision-making on the production of high-quality seeds was introduced.
- Produced vegetable seeds under guaranteed irrigated conditions in order to reduce risk throughout the kharif and rabi seasons.
- Strengthened the management and regulatory compliance framework for all related seed production activities
- Introduced the concept of “Kaveri Village”
- Invested in training to develop a skilled workforce
- Partnered with numerous reputable national and international organisations to improve the pipeline for research and development
- Improved farmer yield, assisting India’s transition to food security.
- Teamed up to support and take part in regional and local agriculture fairs.
- Periodically hosting meetings for retailers by region
- Educated merchants and distributors about the characteristics of our product
- Organised loyalty tours (both domestic and international) for distributors
- Adopted villages in Telangana (Gatla Narsingapur, Ramnagar, and Bollena Pally) to improve infrastructure, agriculture, and rural education
- Contributed to enhancing local communities’ cultural aspects
- Organised training courses to improve communication and behaviour abilities
- Arranged renowned consultants to lead information sessions on agronomy, seed research, and other related topics.
- Led product development with conversations on cutting-edge agricultural and related research
- Held technical training sessions on a variety of topics for our R&D
- Provided evaluation staff with efficient crop management and product training
- A quarterly “Utkrista Puraskar” award programme was introduced to recognise outstanding performers.
- Hosted a variety of events, such as fun activities and annual day celebrations, on the last Saturday of the month.
- Group insurance plans, Mediciclaim benefits, and gratuities were offered.
- Dividend of 200% on ₹4 per equity share
- Market capitalisation stood at ₹3,190.79 Crores as on 31st March 2022

Empowering the grassroots through our CSR

As a responsible corporate entity, it has always been our objective to give back to society and the areas in which we operate. We run a number of community development programmes as part of our sustainability plan with the goal of improving the lives of rural poor people and farmers. “Empowerment from the grassroots” has always been the main priority. In Telangana, we have adopted the villages of Gatla Narsingapur, Ramnagar, and Bollone Pally.

5.16 Crores
CSR expenditure



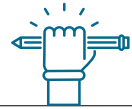
Rural development

We have always worked to elevate the living condition of our rural population. We are assisting the Telangana government in building Rythu Vedika, an initiative to bring farmers under one platform and help them attain higher returns. We have established Rythu Vedika facilities in Gnpoor and Kothulanaduma Village in Warangal urban district. We also provided computers & UPS to Rythu Vedika's of Thadikal, Molangur and Kannapur Villages of Shankarapatnam Mandal, Karimnagar District, Telangana.

We also helped to create other basic infrastructure for the nearby villages which includes stages, community function halls, compound walls for the sports Infrastructure, laying of cement concrete roads and roadside culverts. We also provided a vehicle to Gopalapuram Village Gram Panchayat.



Education



As a responsible entity, we strive to provide education to underprivileged students. We have undertaken several initiatives this year toward the same through Kavery Bhaskar Rao charitable foundation. We have created library and science lab facilities while also taking care of maintenance work. We also supported in facilities development to the Government Primary School at Polampally Village, Chegunta Mandal, Medak District.

We are always ready to help economically backward students and have always received backing from the top management to help school-going students. In FY22, we distributed books, pairs of school uniforms, sanitary napkins, computers and many more to students of Gatla Narsinga village.

950

Student beneficiaries



Delivering value with talent and teamwork

Talent and teamwork, in our opinion, can lead to constructive organisational development and promote quality for stakeholders' value creation. Since our inception, this combination has largely been accountable for our steady growth.

To realise our potential for long-term success, we have continuously worked to draw in, develop, and keep talent that is relevant to our sector. At Kaveri, we foster a culture of learning and growth to create an atmosphere where teams may flourish in their roles.

1,198

Employees

102+

Dedicated scientist

Awards and recognition

We believe in expressing our gratitude to our employees by rewarding their contributions to our upward trajectory. Employees who have been with us for a long time have recently been recognised and given tokens of appreciation. Employees who have helped the company accomplish its sustainability goals will be recognised and given incentives through the introduction of the "Utkrista Puraskar" awards. Top performers from all departments are honoured by the programme.



Five-Year Performance Highlights

(₹ in Lakhs)

Statement of Profit and Loss	2017-18	2018-19	2019-20	2020-21	2021-22
Total revenue	79,609.76	81,185.67	92,981.43	1,03,499.75	95,883.27
EBIDTA	24,170.11	24,843.22	28,608.73	33,488.90	23,840.59
Depreciation	2,335.19	2,117.65	2,430.71	2,131.99	2,010.45
Finance costs	39.96	12.52	21.81	38.52	12.10
Profit before exceptional items and tax	21,794.96	22,713.05	26,156.21	31,318.38	21,818.04
Exceptional items	-	-	-	-	-
Profit before tax	21,794.96	22,713.05	26,156.21	31,318.38	21,818.04
Tax	760.75	1,240.19	1,029.52	787.38	927.73
Profit after tax	21,034.21	21,472.86	25,126.69	30,531.00	20,890.31
EBIDTA / Revenue	30.36%	30.60%	30.77%	32.36%	24.86%
PBT / Revenue	27.38%	27.98%	28.13%	30.26%	22.75%
PAT / Revenue	26.42%	26.45%	27.02%	29.50%	21.79%

Balance sheet	2017-18	2018-19	2019-20	2020-21	2021-22
Share capital	1,321.84	1,262.58	1,206.58	1,206.58	1,166.43
Reserves and surplus	1,00,801.29	1,00,033.37	96,978.46	1,25,000.58	1,28,261.73
Networth	1,02,123.13	1,01,295.95	98,185.04	1,26,207.16	1,29,428.16
Non-current liabilities					
Long-term liabilities and provisions	1256.24	1178.23	1434.04	1,978.08	2,494.75
Deferred tax liability	1,675.93	2,015.36	1,809.97	1,571.53	1,686.47
Current liabilities	40141.74	49,250.24	57,011.86	66,467.18	52,686.89
Total liabilities	1,45,197.04	1,53,739.78	1,58,440.91	1,96,223.95	1,86,296.27
Non-current assets					
Gross fixed assets	32160.92	39,181.54	42,322.58	43,593.44	45,115.62
Accumulated depreciation	13859.13	15,827.99	17,889.45	19,480.05	21,407.05
Capital work in progress	3159.59	3,292.24	1,298.40	2,558.73	4,322.94
Net fixed assets	21,461.38	26,645.79	25,731.53	26,672.12	28,031.51
Investments	5977.54	6,658.59	6,254.48	6,814.12	7,563.91
Other non-current assets	1097.52	3869.55	4,433.58	5,584.27	7,101.49
Current assets	1,16,660.60	1,16,565.85	1,22,021.32	1,57,153.44	1,43,599.35
Total assets	1,45,197.04	1,53,739.78	1,58,440.91	1,96,223.95	1,86,296.27
Return on networth	20.60%	21.20%	25.59%	24.19%	16.14%
Return on capital employed	20.78%	21.75%	25.81%	24.17%	16.34%
Current Ratio	2.91	2.37	2.14	2.36	2.73
Debt Equity Ratio	0.01	0.01	0.01	0.01	0.01

Per share	2017-18	2018-19	2019-20	2020-21	2021-22
Book value per share - ₹	154.52	160.46	162.75	209.20	221.92
Earnings per share - ₹	31.36	33.30	40.14	50.61	35.23
Dividend per share - ₹	3.00	3.00	3.00	4.00	4.00
No. of shareholders	39,826	30,096	28,745	52,322	67,286.00

Profile of Board of Directors



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

Gundavaram Venkat Bhaskar Rao, Chairperson and the Managing Director, Kaveri Seed Company Ltd., Secunderabad, Telangana is principally a man of vision. A technocrat at heart, and with a sound business mind, this visionary has displayed skill and farsightedness all through his entrepreneurial journey.

His agricultural family background served as grounds for his interest in farming. He pursued his graduation in Agriculture from the College of Agriculture in 1971. Right from the word go, he knew his passion lied in agriculture and that led him to develop a keen interest in the agri-seed business.

In 1976, Sri G.V. Bhaskar Rao, a young and dynamic agriculture graduate, founded his startup, G.V.B. Rao & Company with an objective to fuel India's Green revolution. In

1986, his Company became as Kaveri Seed Company (P) Ltd., and in 2007 it attained the status of Public Ltd., later listed on BSE and NSE. The sheer will power and indomitable dedication of Sri G.V. Bhaskar Rao has made Kaveri seed -India's leading Agriculture Company specializing in Hybrid Seeds.

His relentless pursuit of excellence backed by strong Research & Development (recognized by DSIR Ministry of Agriculture GoI, since 2001) resulted in the Company producing high yield seeds - making Kaveri Seed a trusted partner for farmers for more than four decades. Under the able stewardship of Sri. Rao, the Company has steadily transformed its products & processes to deliver the best of science, while enhancing farm productivity and ensuring food security of the Country.



Dr. G. Pawan
Whole-Time Director

Dr. Pawan has contributed to the organisation's growth immensely. He has served as a Director for more than a decade. Now he has been appointed as whole time Director of the Company. It is a proud movement for Kaveri Seed, that he is a Second Generations entrepreneur of the Company. He has been instrumental in formulating strategic and long-term business plans, assisting the CMD to do justice to his role and take vital decisions for sustainable value creation of the Company and stakeholders. His consistent focus on strategic issues and long-term business plans and operations will help elevate Kaveri Seed to a new orbit of competitiveness. He is an MBBS from Jawaharlal Nehru Medical College, Karnataka, and holds Doctor of Medicine degree from Illinois State University, USA.



Mrs. G. Vanaja Devi

Whole-Time Director

Mrs. Vanaja Devi has been associated with the Company since its inception. She is the founder Director of the Company, regularly assisting the CMD on various aspects of the business. With her instinct to bring innovative ideas to the table, she is the ideal foil and support to the CMD in managing the Company. She is a guiding force for the Company's Corporate Social Responsibility (CSR) initiatives in the areas of rural infrastructure development and children education. These initiatives broadly include improvement of existing irrigation facilities in the rural areas, so as to improve the area under irrigation to reap good harvest, thereby improve farm yields. Providing infrastructure facilities like construction of School buildings, books, furniture and computers etc., to various Schools to improve student's soft skills. Providing scholarships to the economically backward students to pursue higher studies. The mineral water plants provided for safe drinking water. Under her able management number of social welfare activities were under taken in rural areas to improve the agriculture, education and human health etc



Mr. C. Vamsheedhar

Whole-Time Director

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



Mr. C. Mithun Chand

Whole Time Director

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

Profile of Board of Directors



Dr. S. Raghuvardhan Reddy

Independent Director

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



Mr. K. Purushotham

Independent Director

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



Dr. S. M. Ilyas

Independent Director

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



Mrs. M. Chaya Ratan

Independent Director

Mrs Chaya Ratan is a retired IAS officer of 1977 batch. She was an able administrator and her contributions, including several pioneering initiatives, during her career spanning over 35 years, contributed to improvement in governance or the prospects / lives of the stakeholders concerned. She started her career with aplomb conferring land titles and relief to deserving under statutory regulations like Inam Abolition Act, Homestead Act, Debt Relief Act, Tenancy Act etc. in an unprecedented manner.

Her initiatives included rationalisation and GI mapping to improve access to Schooling and Health services for the marginalised communities in uncovered areas and in establishment of an unprecedented 45 PHC's in the tribal areas, non-financial incentivisation to medical PG students to serve in backward rural and tribal areas -meeting a long pending concern, pioneering constitution of development societies in various tiers of health institutions starting from PHC to Super Speciality Hospitals facilitating mobilisation ,retention and utilisation of funds by institutions concerned ,resulting in tremendous improvements in the government health institutions. A proposal to concerned Chairperson to bring government health institutions under the ambit of Aarogyasri further benefited these institutions. Her initiative to scale

down, in tune with rural reality, the physical eligibility criteria for Girls to qualify for posts of Constables and SIs, continues to benefit large number of girls. Reservation for orphans in all Govt. residential institutions and including vulnerable children of HIV aids victims in DDWTTI, Hyderabad, improved their access to education. She initiated establishment of the first English medium Residential schools, pre & post matric hostels for minority children.

Her commitment to uphold highest standards of integrity by addressing corrupt and unethical practises, led to pioneering the transfers of teachers through counselling based on objective performance criteria, transparency in selection of teachers and several other personnel based on objective criteria. Her bold and relentless pursuit led to resumption of vast extents of prime government lands in Hyderabad which among others, facilitated setting up of People's Plaza at necklace Road and the recent iconic Commissionerate of Police & ICCB building at Jubilee Hills etc.

Smt. Chaya's E- Governance initiatives in close collaboration with NIC, won several awards at national and international level. As Secretary -Health, she was among the 4 Heads of Departments to receive appreciation awards from then Govt. of AP, for meticulous conduct of Godavari Pushkaram.

Her several initiatives to improve Quality concerns included upgrading of diploma courses with IT components etc, even before the degree courses were upgraded in then AP, upgrading 1yr TTC to 2 year D.Ed ,which enhanced capacity building of students concerned, recognition of Spl. B.Ed for teachers posts for promoting inclusive education etc. Incorporating the schedule for coverage in contents page of all text books resulted in transparency & accountability.

Under single line administration in the tribal areas, she could pilot litchi plantations and promote Organic coffee cultivation at Paderu, multi horticulture plantations for better & sustained incomes, rubber plantations with appropriate bio-fencing to prevent damage from grazing, piloted catchment area development concept to prevent damage to MI structures as check dams etc. during flash floods and also innovations in their constructions. Tribals were trained to construct small buildings, to lay roads and even construct mini hydel power projects to boost confidence and Empowerment and minimise their exploitation by contractors.

Mrs. Chaya Ratan holds a master's degree from JNU & in Economics from London School of Economics.



Prof. R.R. Hanchinal

Independent Director

Prof. R.R. Hanchinal, Ph.D in Agriculture, Genetics and Plant Breeding, former Chairperson PPV & FRA, also served as Vice Chancellor, University of Agricultural Sciences, Dharwad. He was advisor to Indonesia Government for the development of Food Crop Research (2003-2005) and Senior Seed Production Specialist for the USAID West Africa Seed Alliance-ICRISAT (2008) and established commercial seed industry in five countries viz., Mali, Burkina Faso, Niger, Nigeria, Ghana and also trained the staff and students in plant breeding/seed production technology.

He developed unique method for the first time by selecting and adopting potential villages for seed production with “Modified Seed Village Concept” which is popularly known as “DHARWAD MODEL”. This model became role model in India, also in many African countries and Nepal.

For his outstanding work, he was awarded with as many as 24 national /international Awards. Also, a grantee for the Obama-Singh 21st Century knowledge initiative

(2012). Recently he was awarded with The Borlaug Global Rust Initiative Gene Stewardship Award by the Borlaug Global Rust Initiative, Cornell University, Ithaca, USA (2018), M.S.Swaminathan Award 2015-16 by RICAREA, Hyderabad and a certificate of appreciation from World Bank group.

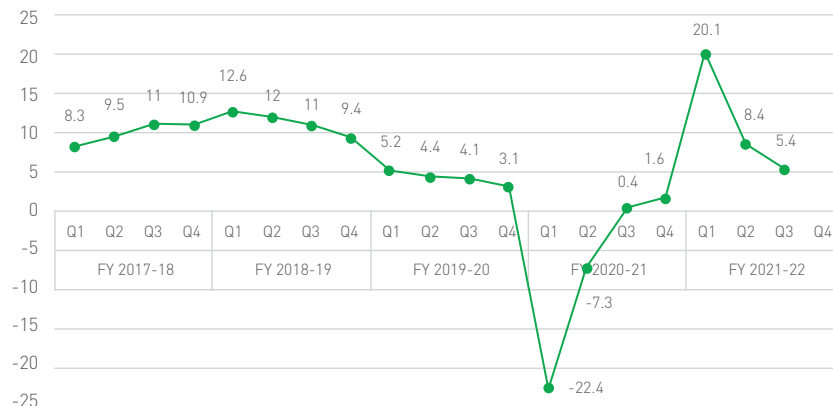
Prof. Hanchinal also served as Senior National Expert of Indo-German Seed Project, consultant to Carnell University-Sathguru, for implementing Bill and Melinda Gates Foundation supported project at Agriculture and Forestry University, Rampur, Nepal, Agricultural University, Malawi, Africa and Seed Systems Group (SSG) supported project in 10 African countries in Seed Systems Development. He is a member of Farmers’ Welfare Commission, Government of Chhattisgarh, Raipur, Member of Krishi Neeti of Karnataka State, Board Member, Sher E Kashmir University of Agricultural Sciences and Technology, Srinagar, Independent Director of MHZPC, and Chairman and member of many committees of Government of India and ICAR.

Management Discussion and Analysis

Innovation-led growth

With its extensive range of fiscal and monetary responses to the pandemic and several other economic reforms, India was able to mitigate the crisis' long term effects on its economy. As a result, the country experienced robust recovery with its GDP growing at 8.7%, the fastest among major economies. This was also reflected from key economic indicators like freight traffic and exports that restored to the pre-pandemic levels due to the boost in pent-up demand. However, despite the recovery, supply chain disruptions and inflationary pressures persisted for most of the year which were only aggravated towards the end of the fiscal.

Quarter-wise growth of India's GDP in FY 2022



Outlook

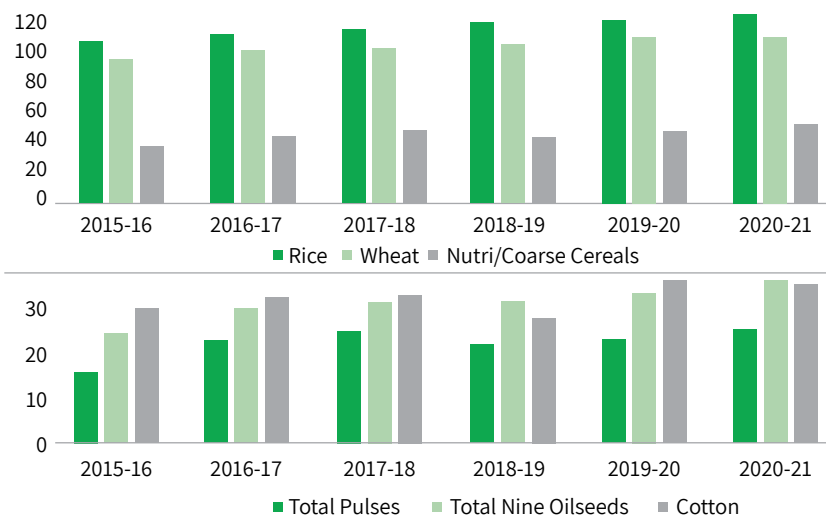
The real GDP of India is expected to grow at 7.2 percent in 2022-23. While a number of macroeconomic indicators suggest that the country will continue to grow fast, the geopolitical instability in Ukraine and the consequential supply chain disruptions, rising commodity prices and weakening consumer sentiment are giving a negative growth outlook for the country in near term.

Agriculture Industry Overview

Indian Agricultural Industry

Among all the sectors of the Indian economy, the agriculture sector has been one to witness the least impact of the pandemic. It showed consistent growth for two years despite a number of headwinds. While healthy progress in sowing and adequately filled reservoirs ensured rich harvest and rising production of food grains, rise in MSPs for both *kharif* and *rabi* crops and progress in rice procurement benefitting lakhs of farmers raised rural incomes. The agricultural industry registered a growth of 3.6% and 3.9% in FY2021 and FY2022, and accounted for 18.8% of the country's GVA in FY2022. Agricultural exports grew by 20% to \$50 billion 2022. Given the growth occurred amidst unprecedented logistical challenges, this was a remarkable achievement for the sector.

Trends in Agriculture production



Source: Based on data received from DAFW

Growth drivers:

- The demand for various agricultural products has increased significantly as the population has grown. This increase has prompted farmers to adopt improved technologies and methods in dairy, fisheries, and livestock in order to meet the people's diverse food needs. Besides, more than half of India's population is dependent on agricultural products, which is fuelling market growth.
- India has a wide range of climatic conditions and soil types that are suitable for growing a wide range of cereals like rice and maize, , vegetables, cotton and other crops.
- Government has set up a new fund under NABARD to finance start-ups for agri and rural enterprises
- The Budget has set aside 2.37 lakh crores for direct payments to 163 lakh wheat and paddy farmers as MSP (minimum support price) between April 2022-23
- The use of 'Kisan Drones' to promote crop assessment, digitization of land records, and insecticide and nutrient spraying will greatly benefit farmers. Access to latest technology will be made available through a Public Private Partnership Scheme, and packages developed in collaboration with State Governments will enable farmers to access digital and hi-tech services. while also encouraging the adoption of appropriate production and harvesting techniques for various fruit and vegetable varieties.
- The Finance Minister has announced support for post-harvest value addition of millets to boost domestic consumption, as well as support for millet product branding on a National and International scale.
- The Budget guarantees the implementation of a rationalised and comprehensive plan to increase domestic

production of oilseeds, with the goal of reducing the country's reliance on imports

- Increase in consumption of protein worldwide for the wellbeing of humans is driving the demand for maize and other feed varieties

Seed Industry Overview

The Covid-19 pandemic had an impact on the seed business, with farmers facing difficulty in obtaining high-quality seeds. The pandemic and Government restrictions placed on seed production, certification, and even international commerce had major effects on the farmers. Despite many constraints in the seed industry's turnover for 2021, vegetable seeds contributed the most (30%), followed by cotton (18%), maize (13%), and rice (10%).

Indian Seed Industry

The Indian seed market is expected to grow at a 6.8 % CAGR between 2022 and 2027¹. To solve the country's growing food demand-supply mismatch, hybrid seed penetration in numerous crops has increased. Due to a continually expanding population there has been a decrease in arable land. These conditions, along with low agricultural output, are anticipated to put strain on the country's food supply. Cotton (90%), corn (60%), restricted cereals such as sorghum and pearl millet, and oilseeds such as sunflower have considerable hybrid seed penetration in India (hybridisation 80%). However, penetration in important grains such as paddy and wheat remains quite low (5%).

Cotton hybridisation is nearly complete, with BT cotton planted in more than 90% of the country's cotton-producing territory. During the projection period, hybridisation in corn, paddy, and vegetables is expected to boost the sector's growth. The patenting

procedure in India is lax, allowing businesses to duplicate better-performing seeds on the market. Furthermore, seed multiplication requires many rounds of planting following the identification of a good hybrid. As a result, rising Government efforts and player investments are likely to propel the country's market throughout the projection period.

The illegal cultivation of herbicide tolerant (HT) Bt cotton has seen a huge jump this year, with seed manufacturers claiming that the sale of illegal seed packets has more than doubled from 30 lakh last year to 75 lakh this year. Industry lobbies have written to the Agriculture Ministry, demanding that action be taken to stop such sales and punish offenders, noting that cultivation of the genetically modified cotton variant has serious environmental and economic consequences.

Key growth drivers of seed industry

- Adoption of hybrid seeds is increasing as the demand for high yields and food security is increasing. The Indian seed market is estimated to grow at CAGR of 6.8 percent between 2022-27.
- Government policies like National Seed Policy 2002, Seed Village Programme, and National Biotechnology Development strategy 2007 have been a catalyst in the growth of the seed industry
- Investments from public and private sector has been fuelling the growth of the industry, as these investments have been used for adoption of advanced technology and infrastructure
- Approving new technologies in cotton like HTBt seeds will open up new opportunities for both seed manufacturers and farmers to increase the yields by reducing pest. India is a global cotton capital and is going to be the leader in both production & processing of cotton in the next five years India has its own advantages due to stable Government and timely reforms when

¹<https://www.mordorintelligence.com/industry-reports/indian-seed-sector-analysis>

compared to its South Eastern countries which are currently competing with India in both production and processing of Cotton. With the announcement of second PLI scheme for textile industry, substantial uptake in cotton seeds to take place in the next five years

Company Overview

Kaveri Seeds was founded in 1976 in Telangana to bolster the Green Revolution in India with an aim to increase India's crop production. Today it is one of the leading agriculture companies specialising in hybrid seeds in key Indian crops.

Having a strong R&D team recognised by the Government of India (GoI) has helped them evolve and launch new products across seed segments like cotton and non-cotton. Their comprehensive R&D research network helped to develop products to suit for varying agro-climatic and soil conditions, with over 100,000 production farmers on 65,000 acres of land across 12 distinct agro-climatic zones.

The Company's product portfolio includes a variety of high-yielding seeds in field crops such as maize, cotton, rice, pearl millet, mustard, wheat, sorghum, sunflower, and a variety of other vegetable crops. It has a significant local presence and has seen rising growth in the export market, which includes Pakistan, Sri Lanka, Bangladesh, and Vietnam.

The R&D team is made up of a devoted group of experts and highly-skilled scientists who use biotechnology to increase production and produce novel hybrid seeds. They have in their team more than 100+ highly qualified scientists. Their on-the-ground team of dealers and field workers are constantly engaging with their clients to ensure that they receive the advantages of high-yielding seeds as well as the dissemination of cutting-edge agricultural technologies.

Operational Highlights – The Seed Story

• In-house R&D

The Company boasts a fully equipped, cutting-edge biotechnology laboratory, as well as satellite stations strategically placed for crop breeding. The team also focuses on creating cutting-edge technologies, notably in molecular breeding, to supplement the Company's germplasm and facilitate breeding processes. At Pamulaparthi, the company also has a cutting-edge seed testing laboratory. Following the Indian Minimum Seed Certification Standards, (IMSCS), seeds are tested for genetic and physical purity, as well as germination.

• Infrastructure Facilities

The company has over 170 outreach trial centres and a maize cob drying facility capable of producing 4,500 MT every cycle. The overall average throughput throughout the seed production facilities is 115 MT per hour, with a cotton de-linting capacity of 18 MT per day. The daily ginning capacity is 5 MT.

The company has a total of 10 lakh square feet of warehouse space in numerous key locations across India, as well as 15,000 MT of total cold storage capacity. The Company provides its product to end customers via an effective network of 15,000 client touchpoints spread across 18 significant Indian states.

• Growing Market Presence

The Company's unwavering commitment to seed innovation has increased agricultural yields and gained the trust of farmers and distributors. Its prime BT cotton hybrids, maize hybrids, and rice hybrids, as well as selection rice varieties,

are at the forefront of the Indian seed market. The Company has a specialised 'grower' network of 100,000 farmers spread throughout 12 agro-climatic zones.

• Wider Product Portfolio

The Company offers a diverse product range that includes high-yielding seeds in the field crops and veggies segments. The Company provides hybrid/variety seeds for maize, rice, cotton, sunflower, mustard, sorghum, legumes, bajra, and wheat in field crops. Tomatoes, okra, chillies, watermelon, gourds, and brinjal are among the veggies offered by the Company.

Strengths

High margins

Despite having profitability under strain, the company has been able to maintain high margins in comparison to competitors.

Wide geographic presence

Kaveri Seeds has an extensive dealer and associate network, which not only helps in efficient servicing of consumers but also in handling competitive issues in the crops business.

Strong brand recall

The company has a strong brand name as well as loyalty that has enabled it to command higher price than its competitors.

Leadership position

The company holds a leading position in the industry which has aided it to in every year swiftly scale new product successes.

Challenges

Fast-changing customer preferences

Customers today are more likely to experiment/ test new items in the market, owing to increasing disposable incomes, easy access to information, and rapid acceptance of technical products. Kaveri Seeds must constantly watch out for changes - not just in the crops business but also in the consumer/ non-cyclical sector.

More connectivity

Clients' increased embrace of online services will also help Kaveri Seeds connect and bring new products closer to customers.

Increasing customer base in lower segments

Customers must transition from unorganised consumer/non-cyclical operators to licensed players. It will allow Kaveri Seeds to enter the entry-level market with a no-frills product.

Local collaborations

Collaboration with local players could provide prospects for further expansion in international markets. Local players contribute local experience, whereas Kaveri Seeds brings global procedures and execution skills.

Competitive market

Despite the fact that Kaveri Seeds is now the leader in product innovation in the crops area, it faces severe competition from other medium to small players in some seed segments.

Research & Development

The R&D department was established in 2001 in Kaveri Seeds and is been recognised by the Government of India's Department of Scientific and Industrial Research (DSIR).

These initiatives helped the Company bolster the brand in the market with new developments and quality seeds. It has worked tirelessly for the same even during the pandemic. Its diversified portfolio serves to agriculturally important sectors while mitigating the risk of unplanned crop rotation disruptions. Continuous innovation has greatly increased yields and gained it an important position among farmers and wholesalers. It has a satellite centre for rice in Lucknow and for vegetables in Guntur.

Germplasm serves as a repository for future breeding programmes in frontier lines of study to carve, supplement, and create plant types to meet the changing demands of farmers across diverse crop sectors. To increase germplasm, the company uses cutting-edge technologies such as doubled haploid breeding, Marker Assisted Selection (MAS), Marker Assisted Recurrent Selection (MARS), Rapid Generation Advance (RGA), inbred pool heterotic bins, and Multi-parent Advanced Generation Inter-Cross Populations (MAGIC). Pamulaparthi is equipped with a cutting-edge seed testing laboratory. Following the Indian Minimum Seed Certification Standards (IMSCS). Seeds are tested for genetic and physical purity, as well as germination.

Crop Focus

Cotton

With 38% of the global cotton area and highest raw cotton production in 2021-2022, India continues to be the world leader in the area under cotton cultivation. United States is the world's second-biggest cultivator, third-largest production, and greatest exporter of cotton whereas China remains the world's largest consumer of raw cotton.

Cotton is important in the Indian economy because the country's textile industry is primarily based on cotton. India is a major producer as well as exporter of cotton yarn. The Indian textile industry contributes approximately 5% of the country's GDP, 14% of industrial production, and 11% of total export earnings. The industry is also the country's second-largest employer after agriculture, employing over 51 million people directly and 68 million people indirectly, including unskilled women. Cotton volume was reduced by 24.29% whereas the revenue decreased by 23.04%. The demand is expected to increase in the early part of FY23 due to prevailing high cotton prices.

Ten significant cotton-growing states in India are separated into the north zone, central zone, and south zone. Rajasthan, Haryana, and Punjab make up the North Zone. Gujarat, Maharashtra, and Madhya Pradesh form the Central Zone. Andhra Pradesh, Telangana, Karnataka, and Tamil Nadu are included in the South Zone. In addition to these ten States, Orissa in the East has seen a rise in cotton farming.

Rice

Rice is India's most important food crop, accounting for one-fourth of the country's total cropped area. Rice, as the main staple crop, is grown in hot and humid climates. It is primarily grown in the country as a *Kharif* crop in irrigated and rain-fed areas with high annual rainfall. Rice farming is the most common source of income for hundreds of millions of farmers.

In India, rice accounts for 50% of agricultural GDP, which is fostered by government initiatives. With 4.2 million acres of acreage, hybrid rice conversion is currently at roughly 9.5% and has a long way to go. India is the second-largest producer of rice worldwide after China. Favorable monsoon rains made a major contribution to the crop. A record 127.93 million tonnes of rice is estimated to be produced in India during FY22, which is

11.49 million tonnes more than the average production over the previous five years of 116.44 million tonnes.

In FY22, the contribution of new hybrid rice increased by 19.21%, and revenue grew by 29.48%. New hybrid rice introduction also helped achieve strong growth and made up 75.46 percent of the total. Hybrid rice sales during FY22 were underwhelming, however despite this, the company increased hybrid rice sales by more than 40% and increased its market share. Selection rice volumes increased by 6.26 percent in FY22, and FY23 growth prospects for hybrid rice are greater than they were in FY22.

Maize

After rice and wheat, maize is India's third most important cereal crop. Besides food, it is used as feed, fodder, and has a large scale importance as an industrial crop. Maize is grown on over 185 million hectares in 170 countries, with a productivity of 5.62 tonnes per acre. The United States and China contribute approximately 35% and 21% of total global production.

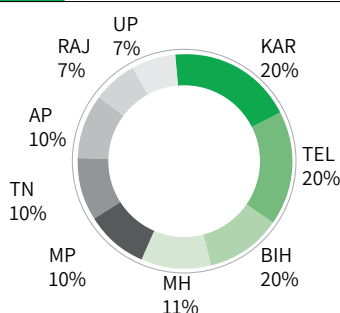
Among all the maize growing countries in the world, India ranks 4th when in terms of total area for production and 7th in total maize production.² But, India's maize productivity, at 2.8 t/ha, is significantly lower than the global average.

India currently produces about 32 million MT of maize, of which roughly 60% is utilised as animal and poultry feed, 14% for industrial usage, 13% for food, 7% of which is processed food, and 6% for other uses, such as seed. Production has increased as a result of rising demand, particularly in the feed industry.

In India, maize is primarily grown during the rainy season (*Kharif*). Andhra Pradesh and Tamil Nadu, two states with high maize output (>4 tons/ha), contribute 13% of the total, while the remaining states contribute between 4 and 2 tons/ha. The fact that it is grown as a rain-fed crop accounts for the poor

yield (less than 2 tons/ha) in other states. Through the creation, acceptance, and use of novel hybrids and enhanced technology, there is a significant chance to raise maize production levels in India.

Indian State Maize Production Share



Pearl Millet

Pearl millet is usually grown in regions with adverse climatic conditions for agriculture such as low and erratic rainfall, high mean temperature, high potential evaporation and infertile, shallow soils with poor water holding capacity, where most crops like fail to produce economic yields. In India it is the 4th most widely cultivated crop after rice, wheat and maize. It is cultivated over 6.93 million hectares of area and has average production of 8.61 million tonnes.

The development of hybrids with high output per day, high yields per drop of water, high blast resistance, and higher concentrations of Fe and Zn are the main areas of focus for pearl millet improvement, production, and protection.

Mustard

Mustard is India's second most important and prominent winter oilseed crop. It is primarily grown in India's northern plains, with some cultivation in the country's eastern geography. Rapeseed mustard is mostly cultivated in India for oil and meal. Brassica juncea, sometimes known as "Indian Mustard," is

the one that contributes the most in terms of area, accounting for around 80% of all the brassica oilseeds grown in India along with the production of oilseeds and edible oils.

Rapeseed mustard is currently planted in India on a 6.69 million hectare area, with a yield of 10.11 million tonnes and productivity of 1511 kg/ha in 2020–21. In terms of area and output, the states of Rajasthan, Uttar Pradesh, Madhya Pradesh, Haryana, Gujarat, and West Bengal made up about 85.0% of the nation.

The development of hybrids and variations was urgently needed to meet India's domestic demand for edible oil and animal feed due to Indian mustard's significant contribution to the oilseed brassica area and production in India.

Wheat

Nearly all parts of the world grow wheat, which is a major source of both food and income for millions of smallholder farmers. Foods made from wheat are consequently essential for ensuring global food and nutritional security. With record production of 763 million tonnes of grain, wheat is grown on an area of 220 million hectares worldwide.

India is the world's second-largest producer of wheat due to its rich and diverse agro-ecological environment. With a record average productivity of 3371 kg/ha, the crop has been grown on nearly 30 million hectares (14% of the world's land), yielding the all-time maximum output of 99.70 million tonnes of wheat (13.64% of the world's production).

Vegetables

Hot Pepper

A significant vegetable and spice crop farmed in India and around the world is hot pepper. It is grown on 0.8 million hectares of land in India. 80 percent of the total area used for hot pepper farming is contributed by the states of Andhra Pradesh, Telangana, Karnataka,

²[https://iimr.icar.gov.in/india-maze-scenario/#:-:text=Among%20the%20maize%20growing%20countries,ha%20\(DACNET%2C%202020\)](https://iimr.icar.gov.in/india-maze-scenario/#:-:text=Among%20the%20maize%20growing%20countries,ha%20(DACNET%2C%202020))

Madhya Pradesh, and Maharashtra. About 70% of the hot pepper production is used for dry purposes, and the remaining 30% is used for green purposes. Out of the dry produce, 50% is sold to other nations, primarily China, Vietnam, Pakistan, Bangladesh, and countries in the middle east as whole fruits.

Over 150 tonnes are thought to be sold in the chilli seed market annually. The market for hybrid seeds is roughly 100 tonnes, and the market for open-pollinated seeds is about 50 tonnes. The market for chilli seeds is worth over 400 crore rupees.

Okra

A 9.96 MMT average annual output of okra is estimated for the world. India leads the world in okra production, accounting for 6513 thousand tonnes (or 73% of global production). It is grown in a 0.532 M Ha area (53 2000 Hectare Area), producing 6.5 M MT on an average yield of 12 MT/Ha. Gujarat (16%), West Bengal (15%), Orissa (12.4%), Bihar (11%), Chhattisgarh (6%) and Tamilnadu are the top producing states for okra (4%).

Tomato

Tomato is a major vegetable crop that is grown in open fields and controlled environments all over the world. It is typically grown for the fresh market, processing, and the canning industry.

Gourds

Gourds, a member of the cucurbitaceous family, are a significant vegetable crop in India. Iron-rich gourds can also help prevent anaemia since iron is important for the production of red blood cells. All types of gourds include vital elements that are important for preserving bone strength and density.

The four main gourds that are grown in India, namely the bitter gourd, sponge gourd, bottle gourd, and ridge gourd, are the subject of

research by Kaveri Seeds. There are also a few smaller gourds in the portfolio, including pumpkins, ash gourds, little gourds, and others.

Challenges and research intervention

Cotton

Pink boll worm (PBW) has grown to be a significant economic pest in states that produce a significant amount of cotton, including Maharashtra, Gujarat, Madhya Pradesh, Telangana, Andhra Pradesh, and Karnataka, which together account for 85% of the country's cotton area. The issue is also spreading to newer regions. In the major cotton-growing region in Central and South India for the past 5 to 6 years, early PBW incidence on BG-II hybrids was noted.

For plants to survive the PBW attack, short duration compact genotype development and synchronised boll bursting are essential. A new hazard to cotton farming in India is the tobacco streak virus (TSV) disease, which is spread by thrips (vector). We have optimised our breeding processes to very methodically combat both PBW & TSV.

The main biotic challenges on cotton are early-season sucking insect complex and CLCuD, whereas the main abiotic factors are initial high heat, drought, and salt. To solve these issues, we re-calibrated our breeding and testing sites in hot spots to create genotypes that are climate tolerant.

Rice

The Government of India's draft policy proposals for rice detail the surplus production of rice in India and advocate reducing the area by 3 million hectares, with the acreage intended to be replaced by other field crops, oil seeds, and vegetables. In the states of Punjab, Haryana, and Western UP, the cultivation of Basmati varieties is prioritised. Traditional kinds of basmati

are sold internationally. For mechanical harvesting, non-basmati cultivars need a feature called lodging tolerance.

Direct seeded rice (DSR) is gaining popularity because it supports government environmental policy commitments at the worldwide level and reduces the carbon and water footprint of sustainable production systems. The states that grow the most rice include Telangana, AP, Orissa, Chhattisgarh, Jharkhand, UP, Bihar, and West Bengal. Farmers plant medium-maturity varieties in low land ecologies under guaranteed irrigation conditions.

Rice is mostly grown in the states of West Bengal, Assam, parts of Bihar, Assam, Orissa, parts of Chhattisgarh, AP, Telangana, and Karnataka & Tamilnadu during the Rabi season. For Rabi season, mid-early maturing cultivars are highly favoured. Therefore, research efforts are concentrated on designing and developing the appropriate items.

Maize

Due to the low prevalence of insects and pests, as well as the slow growth of weeds, Rabi maize clearly has a comparative advantage over Kharif maize. These elements favoured the introduction of Rabi maize farming in Bihar. Later, it attracted the interest of other states in the nation. With an output of 1.02 million tonnes or almost 70% of all productions in the states, winter (Rabi) maize is mostly grown in Bihar.

The genetic increase of cold tolerance is necessary for maize to adapt to the winter season, which indicates rapid seedling growth to endure the cold. In addition, the excessive cold impairs the growth of maize from emergence to blooming and seed-setting. Working on the research gap, focused efforts are made in that direction.

Pearl-millet

It is necessary to address the product gap in summer high management, heat stress, and

the early Kharif market. With the inclusion of earliness and heat resistance qualities in the hybrids and extended locations in those areas, Kaveri has intensified its efforts for these segments in order to obtain the best-fitting products. Another issue that Kaveri is resolving is the reduced lifespan of commercial products as a result of Blast & downy mildew resistance breakdown. Kaveri is mitigating this by using a wide range of genotypes and extensive testing across India.

Mustard

In order to produce the best yield in farmer fields, the mustard crop must be perfectly suited to diverse zones and soil types, which is a very difficult task for researchers. The mustard crop is grown in many agro-ecosystems and cropping systems. The development of a cultivar that is ideal for these circumstances is quite difficult because oilseed brassicas are grown according to very various timings/patterns across the nation and according to very different cultural traditions. The lack of different germplasm resources is a result of the majority of genetic diversity found today coming from a few common ancestors, necessitating gene and genome diversification.

Wheat

More than any other crop, wheat can be cultivated in a variety of environments. However, wheat is susceptible to a number of trans-boundary diseases and abiotic stresses, including heat and drought. When trying to breed for stable yields, these pressures are crucial. Wheat is a compulsive inbreeder, making it difficult to exploit hybrids; as a result, the high yield variety are successful and farmers are encouraged to use the genetically pure seed to increase yields.

Hot-pepper

Farmers are facing major consequences due to seasonal price changes, demand and supply patterns, overall national production,

stocks in cold storage, scientific forecasts, and unfavourable variances in chilli cultivation that lower profitability. Our research focuses on quick drying as a solution to this problem, which will assist farmers in shielding their crops from the whims of the weather.

Farmers will save money by storing their crops at room temperature during price changes rather than paying for cold storage, thanks to colour retentions. Geographically different viruses and strains, such as the Chilli Leaf Curl Virus, pose significant abiotic dangers. Kaveri is identifying resistant

sources and researching how traits are inherited from both male and female parents.

Okra

Okra is susceptible to viruses and strains that are specific to certain regions. Okra breeding has a long-term goal of pyramiding or shared tolerance. Inbred development is carried out at significant hotspots while taking strain variations into account and for the development of both specific and combination tolerance. The introduction of Genetic Male Sterility (GMS) into elite and commercial lines is currently being worked on.

Human Resources – People First

Kaveri Seeds has 1,198 members working across various divisions in the organization. Regular training sessions are conducted for employees by the senior consultants from the industry with vast experience in plant breeding, seed science and technology, agronomy and related fields. The atmosphere at Kaveri is very environment-friendly as it gives everyone a fair chance to excel in their fields and develop a positive attitude towards the job and the people around them.

Employees are also recognised for their work and top performers are awarded with the Utkrishta Puraskar.

Financial Performance

(Figures ₹ in Lakhs)

	FY 2021-22	FY 2020-21	% change
Revenue from operations	91,500.02	98,698.07	(7.29)
EBIDTA	23,840.59	33,488.90	(28.81)
PBT	21,818.04	31,318.38	(30.33)
PAT	20,890.31	30,531.00	(31.57)

Financial Ratios

Ratios	FY 2021-22	FY 2020-21	% change
Inventory turnover (in times)	0.61	0.66	(7.58)
Current ratio (in times)	2.73	2.36	15.68
Debt equity ratio (in times)	0.01	0.01	-
EBIDTA margin (%)	24.86	32.36	(23.17)
Return on Equity (%)	17.61	25.30	(30.40)
Net profit margin (%)	21.79	29.50	(26.14)
Earnings per share (INR)	35.23	50.61	(30.39)

Risk & Mitigation

Risk: Any further government restrictions for production and operations due to Covid-19 variants might impact business sustainability and farm output.

Mitigation: Despite challenges during pandemic, the Company followed all Covid-19 protocols, meticulously planning its seed production and inventory levels in maize, rice, cotton, vegetables and other crops. Even the dynamic marketing done by the team helped achieve its short-term and medium-term goals.

Risk: Supply chain challenges continue to pose threat to normal business operations.

Mitigation: The Company is working to create a new robust supply chain network through Artificial Intelligence (AI). The new-age technology-led solutions will only improve its existing framework and create streamlined operations.

Risk: Presence across a diverse geographic landscape in India with specific regional knowledge is necessary to create a strong market presence in agriculture sector. Inability to resolve farmer queries with a weak aftersales network might result in loss of market share.

Mitigation: The Company has a strong aftersales network with regional expertise that addresses farmer queries with ease. The customer service and sales team possess a strong knowledge for all products that help sustain market share across seed portfolio.

Risk: Conventional Plant Breeding is naturally a slow process for the development of variety/hybrid. Lack of research and development and inability to introduce new products might lead to stagnancy in business.

Mitigation: The Company's DH technology offers the fastest and most efficient route to produce completely homozygous lines of

seeds. The homozygous lines seed produced in a single year, compared to 4 to 5 years of inbreeding with the conventional recurrent selfing method, will lead to growing market share. The DH technology inbreds developed can be utilized for the heterosis breeding for hybrid seeds.

Risk: Traditional breeding technique and selecting superior genotypes depend on phenotypic traits result in limited success.

Mitigation: The frontier subject Genomic selection (GS) has emerged as one of the most efficient approaches for predicting genotype performance. GS is a form of MAS based on breeding values estimated from dataset that explores the genetic variances within each individual. The GS reduces selection time by almost half per cycle compared to phenotypic selection for most traits in the different set crops with more efficient and quick method to achieve the targeted goal.

Risk: Product development can be a complicated issue, given the diverse climate conditions for agriculture in India.

Mitigation: The Company's research and innovation efforts take into consideration the varied agro-climatic conditions. Segment wise seeds are designed and developed for field and vegetable crops for diverse climatic situations.

Farmer engagement – Back to the Earth

Kaveri Seeds is a farmer-centric organisation and has been involved in extensive R&D for developing high quality seeds that enable farmers to produce high-yielding crops, in the process, helping them gain more profit margins. It has also helped in new product developments and bringing in farm activity awareness among the farmers to increase productivity.

They invite local farmers to their demo plots to compare their products with leading commercial products and record their feedback. This gives them confidence to launch the product in the market by gaining the feedback on the yield potential by the farmer.

CSR – Giving Back

Kaveri Seeds believes in giving back to the society by educating children, planning developments for agricultural initiatives to enhance their income, and in building community infrastructure.

- The company has adopted villages named Gatla Narsingpur, Ramnagar and Bollone Pally in Telangana.
- It has educated 700+ plus students in schools built by it at Gatla Narsingpur & Siddipet.
- It has also provided transport support to school students in Gatla Narsingpur.
- Scholarships have been given to school and college-going students.

Internal control systems and their adequacy

The Company has laid down a set of standards which enables implementation of internal financial controls across the organisation and ensures that the same are adequate and operating effectively. The Board periodically reviews the findings and recommendations of the statutory auditors, internal & secretarial auditors and suggests corrective actions whenever necessary. The Audit Committee of the Board of Directors is also actively reviewing the adequacy and effectiveness of the internal control systems and suggesting improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors

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

The Audit Committee monitors the performance of the Internal Audit team on a quarterly basis through a review of the audit plans, audit findings and the speed of issue resolution through follow-ups. Each year,

there are at least four meetings in which the Audit Committee reviews internal audit findings assurance and advisory function, responsible for evaluating and improving the effectiveness of risk management, control and governance processes. The internal audit team helps to enhance and protect organisational values by providing risk-based objective assurance, advice, and insight.

Cautionary Statement

This document contains statements about expected future events, financial and operating results of Kaveri Seeds, which are forward looking. By their nature, forward looking statements require the Company

to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Kaveri Seed's Annual Report, 2020-21

Notice of Annual General Meeting

(Pursuant to Section 101 of the Companies Act, 2013)

Dear Member,

Notice is hereby given that the **35th Annual General Meeting (AGM)** of the members of Kaveri Seed Company Limited (CIN: L01120TG1986PLC006728) will be held on **Thursday the 29th day of September 2022 at 12.00 Noon** IST through Video Conferencing facility ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS

- To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March 2022, together with the Balance Sheet, Profit & Loss and Cash Flow Statement for the year ended on 31st March 2022 along with the reports of the Board of Directors and Auditors thereon.
- To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March 2022, together with the Balance Sheet, Profit & Loss, Cash Flow Statement and report of Auditors thereon.
- To ratify the payment of Interim Dividend on Equity Shares of the Company for the Financial Year 2021-22.
- To appoint a Director in place of Dr. Gundavaram Pawan (DIN: 00768751), who retires by rotation and being eligible offers himself for reappointment.
- Re-appointment of the Statutory Auditors**

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. M. Bhaskara Rao & Co., Chartered Accountants (ICAI Firm Registration No. 000459S) be and are hereby reappointed as the Statutory Auditors of the Company for the second consecutive term of five years, from the conclusion of this 35th Annual General Meeting till the conclusion of the 40th Annual General Meeting to be held in the year 2027, to examine and audit the accounts of the Company at such remuneration as may be decided by the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may

be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

SPECIAL BUSINESS

- Appointment of Dr. Gundavaram Pawan (DIN: 00768751), Director as Whole time Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:**

"RESOLVED THAT based on the recommendation of the Nomination and Remuneration Committee and pursuant to the provisions of Sections 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013 (Act) and the rules framed there under (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule V of the Companies Act, 2013, Article 151 of Articles of Association of the Company, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and subject to such other approvals as may be required from the applicable authorities, approval of the members be and is hereby accorded to the appointment and terms of remuneration of **Dr. Gundavaram Pawan (DIN: 00768751), Director as Whole time Director** of the Company for a period of five years commencing from 8th August 2022 up to 7th August 2027, whose term of office liable to determination by retirement of directors by rotation, as well as the payment of basic salary, perquisites, incentives, allowance and commission on the profits of the company upon the terms and conditions as detailed below, with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and/or remuneration as it may deem fit and as may be acceptable to Dr. Gundavaram Pawan, subject to the same not exceeding the limits and provisions as set out under Section 197 of the Companies Act, 2013 and/or as specified in Schedule V to the Companies Act, 2013 or any statutory modification(s) or re-enactment thereof".

The broad particulars, terms and conditions of remuneration proposed to be paid to Dr. Gundavaram Pawan, Whole time Director during his term of office are as under:

- Appointment as Whole time Director:**
 - This appointment is effective from 8th August 2022 and the period of appointment will be for a period of five years, i.e. till 7th August 2027, unless otherwise decided by the Board of Directors.

2) Remuneration:

- a. Subject to the sectorial percentage limits and the overall limit as laid down by the Companies Act, 2013 and also subject to the approval of the members in a General Meeting, the Company shall, in consideration of his services to the Company, pay to the Whole time Director during his term of office the following remuneration:

Particulars	In Rupees Per Annum
Basic Salary *	60,00,000/-
Rent Free Accommodation or HRA*	24,00,000/-
Allowances*	16,00,000/-
Total Pay*	1,00,00,000/-

- b. The appointee shall be entitled to increase annual increment of 20% per annum during his tenure on the total salary component (Total Pay), which will be effective on 1st April every year (effective from 1st April 2023) on previous drawn salary over and above the aforesaid remuneration. The Total Pay would be subject to the overall ceilings stipulated in the Companies Act, 2013.
- c. Commission: In addition to the above remuneration and perquisites, commission will also be payable up to 1% of the consolidated net profits of the Company for each financial year payable on annual basis with effect from the financial year 2022-23 calculated in the manner referred to in Section 198 of the Companies Act, 2013 as may be determined by the Board/Nomination and Remuneration Committee.
- d. The remuneration will be subject to deduction on account of employee's contribution to PF, tax and any other statutory deductions that may apply from time to time.

3) Perquisites and Allowances:

- a. Leave travel concession : for self and family once in a year incurred in accordance with the Rules specified by the Company.

- b. Medical reimbursement: for self and family subject to a ceiling of one month's salary in a year or 5 months' salary over a period of 5 years and Medical insurance as per rules of the Company.
- c. Personal accident insurance, Group Life Insurance; Personal accident cover and group life insurance cover as per Company's Policy.
- d. Provident fund, superannuation benefits and gratuity as per the rules of the Company, subject to the ceilings as per the guidelines for managerial remuneration in force from time to time.
- e. The Company will pay fees of a maximum of two clubs. This will not include admission and life membership fees.
- f. Encashment of leave as per the rules of the Company
- g. Provision of Company's car with driver
- h. Provision of free telephone at residence

RESOLVED FURTHER THAT where in any financial year during the tenure of Dr. Gundavaram Pawan (DIN: 00768751), as Whole time Director, the Company has no profits or the profits are inadequate, the Company shall, subject to the terms and conditions prescribed in Schedule V of the Companies Act, 2013 and provisions of Sections 197, 198 and 203 of the Act, pay remuneration as mutually agreed between the Company and Dr. Gundavaram Pawan.

RESOLVED FURTHER THAT approval of members be and is hereby also accorded for payment of above remuneration in terms of Regulation 17(6)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts, deeds, matters and things as may be necessary, consequential, ancillary, desirable or expedient to give effect to the above resolution".

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

Date: 08.08.2022
Place: Secunderabad

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

NOTES:

1. The Explanatory Statement as required under Section 102 of the Companies Act 2013 (“the Act”) is annexed to the Notice.
2. The Ministry of Corporate Affairs (“MCA”) has vide its General Circular No. 14/2020 dated April 8, 2020, General Circular No. 17/2020 dated April 13, 2020, General Circular No. 22/2020 dated June 15, 2020, General Circular No. 33/2020 dated September 28, 2020, General Circular No. 39/2020 dated December 31, 2020, General Circular No.10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No. 3/2022 dated May 05, 2022 (collectively referred to as “MCA Circulars”) permitted the holding of the Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and MCA Circulars, the 35th AGM of the Company will be convened through VC / OAVM in compliance with the provisions of Companies Act, 2013 and Rules made thereunder, Listing Regulations read with the aforesaid Circulars. The deemed venue for the 35th AGM shall be the registered office of the company i.e. #513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003, Telangana, India. The procedure for joining the AGM through VC/OAVM is mentioned in this Notice.
3. Members shall have the option to vote electronically (“e-voting”) either before the AGM (“remote e-voting”) or during the AGM. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings (“SS-2”), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited (“CDSL”). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.
4. The Company has appointed Mr. L. Dhanamjay Reddy, Practicing Company Secretary (Membership No.:ACS -13104) as the scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.
5. In line with the circulars, the company is providing VC/OAVM facility to its members to attend the AGM. The facility for attending the AGM virtually will be made available for 1,000 members on first come first served basis. This will not include large members (i.e. members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, nomination, governance and compensation committee and stakeholders’ relationship committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
6. The VC/OAVM facility for members to join the meeting, shall be kept open 15 minutes before the start of the AGM and shall be closed on expiry of 15 minutes after start of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.
7. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to cs@kaveriseeds.in with a copy marked to helpdesk.evoting@cDSLindia.com
8. The facility for appointment of proxies by members is not available as the AGM will be held through VC / OAVM, physical attendance of the members is dispensed with pursuant to the aforesaid Circulars.
9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
10. Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through e-voting for all businesses specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.
11. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member /Beneficial Owner list maintained by the depositories as on the cut-off date i.e 22nd September 2022 (“cut-off date”).
12. A person, whose name is recorded in the Register of Members / Beneficial Owners list maintained by the depositories as on 22nd September 2022 only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.
13. Any person who becomes a Member of the Company after sending of Annual Report and holding shares as on 22nd September 2022 shall also follow the procedure stated herein. A person who is not a Member as on 22nd September 2022 should treat this Notice for information purposes only.
14. The E-voting period commences on **26th day of September 2022 at 9.00 A.M. and ends on 28th day of September 2022 at 5.00 P.M.** The detailed instructions for e-voting and attending the AGM through VC/OAVM are given as a separate attachment to this notice.
15. The Register of Members and Share Transfer Books of the Company will remain closed from **27th September 2022 to 29th September 2022** (both days inclusive).
16. 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 and all other documents referred in the notice will be available for inspection in electronic mode. Members who wish to inspect the register are requested to write to the by sending email cs@kaveriseeds.in.

17. In compliance with the aforesaid MCA Circulars and SEBI Circular Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website www.kaveriseeds.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of CDSL www.evotingindia.com
18. In accordance with the aforesaid Circulars, no physical copy of the notice of the AGM and the annual report for the financial year 2021-22 has been sent to members who have not registered their e-mail addresses with the company/depository participants. The members will be entitled to a physical copy of the annual report for the financial year 2021-22, free of cost, upon sending a request to the company secretary at #513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003, Telangana, once normalcy is restored.
19. To support the 'Green Initiative' Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Bigshare, RTA in case the shares are held by them in physical form.
20. 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., 22nd September 2022, 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.
21. 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 physical form.
22. The members may note that, pursuant to SEBI Notification dated 8th June 2018 and Press Release dated 3 December 2018, transfer of shares (except transmission and transposition of shares) will be in dematerialised form only. Although, the members can continue to hold shares in physical form, they are requested to consider dematerializing the shares held by them in the company.
23. Pursuant to Section 72 of the Companies Act, 2013, members are entitled to make a nomination in respect of shares held by them. Members desirous of making a nomination, pursuant to the Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014 are requested to send their requests in form no.SH-13, to the RTA of the company. Further, members desirous cancelling/varying nomination pursuant to the Rule 19(9) of the Companies (Share Capital and Debentures) Rules, 2014, are requested to send their requests in form no.SH-14, to the RTA of the company. These forms will be made available on request.
24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
25. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company at least 7 days before the meeting through email on cs@kaveriseeds.in. The same will be replied by the Company suitably.
26. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in. For details, please refer to corporate governance report which is a part of this Annual Report.
27. Pursuant to the provisions of Investor Education and Protection fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed dividend amounts lying with the Company as on date, at the website of the Company (www.kaveriseeds.in) and also on the website of Ministry of Corporate Affairs.
28. Information in respect of such unclaimed dividend when due for transfer to the Investor Education and Protection fund (IEPF) are given below:

Sl. No.	Dividend for the financial year	Date of Declaration	Due date for transfer to the IEPF Authority
1	Final Dividend 2014-15	29.09.2015	04.11.2022
2	Interim Dividend 2015-16	13.08.2015	18.09.2022
3	Interim Dividend 2017-18	08.08.2017	13.09.2024
4	Interim Dividend 2018-19	14.11.2018	19.12.2025
5	Interim Dividend 2019-20	13.08.2019	19.09.2026
6	Interim Dividend 2020-21	10.11.2020	16.12.2027
7	Interim Dividend 2021-22	12.11.2021	18.12.2028

The Shareholders who have not encashed the aforesaid dividends are requested to make their claim to the Registrar, M/s. 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

29. Additional information of Directors seeking appointment/re-appointment at the ensuing AGM, as required under Regulations 26(4) and 36(3) of the SEBI (LODR) Regulations and Clause 1.2.5 of the SS-2 is annexed to the Notice.

30. The certificate from the auditors of the company certifying that the Company's Employees Stock Option Scheme 2018 is being im-

plemented in accordance with the SEBI Regulations. Such certificate will be available for inspection by the members in electronic mode. Members who wish to inspect the certificate are requested to write to the company by sending e-mail to cs@kaveriseeds.in

31. Since the AGM will be held through VC/OAVM, the Route Map is not annexed in this Notice.

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

Date: 08.08.2022
Place: Secunderabad

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

PROCEDURE FOR REMOTE E-VOTING, ATTENDING THE AGM AND E-VOTING DURING THE AGM

Dear Members,

In compliance with Regulation 44 of the SEBI Listing Regulations, Sections 108, 110 and other applicable provisions of the Companies Act, 2013 read with the relevant Rules thereunder, the company is pleased to provide remote e-voting facility to members to cast their vote on all resolutions set forth in the notice convening the **35th Annual General Meeting (AGM) to be held on Thursday, 29th September, 2022 at 12.00 Noon**. The company has engaged the services of Central Depository Services Limited (CDSL) for the purpose of providing remote e-voting facility to its members.

The remote e-voting facility is available at the link www.evotingindia.com. The e-voting event number (EVEN) and period of remote e-voting are set out below:

Electronic Voting Sequence Number (EVSN)	Commencement of E-voting	End of E-Voting
220825063	26th September 2022 (09.00 AM)	28th September 2022 (05.00 PM)

- (i) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- (ii) In order to increase the efficiency of the voting process, all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/Depository Participants are able to cast their vote without having to register again with E-Voting Service Provider (ESPs), thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.
- (iii) Pursuant to above said SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option. On clicking the evoting option, the user will be able to see his/ her holdings along with links of respective e-Voting Service Providers i.e., CDSL/NSDL/KARVY/LINK INTIME as per information provided by issuer/ company. Additionally, we are providing links of e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL iDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsd.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'iDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<p>2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS “Portal or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp and</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

(iv) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form.	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <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.

- (v) After entering these details appropriately, click on “SUBMIT” tab.
- (vi) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (vii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (viii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (ix) 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.
- (x) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xi) 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.
- (xii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xv) **Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - 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 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 linked in the login 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.
 - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; cs@kaveriseeds.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type

Individual Shareholders holding securities in Demat mode with **CDSL**

Individual Shareholders holding securities in Demat mode with **NSDL**

Helpdesk details

Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43

Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

GENERAL INSTRUCTIONS

- a) The remote e-voting period commences on Monday the 26th day of September 2022 at 9.00 am IST and ends on Wednesday the 28th day of September 2022 at 5.00 pm IST. During this period, members of the company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 22nd September 2022, may cast their votes electronically. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently or cast the vote again.
- b) Any person, who acquires shares of the company and becomes a member of the company after dispatch of the notice of AGM and holds shares as on the cut-off date i.e. Thursday, 22nd September 2022, may obtain user ID and password by sending a request at helpdesk.evoting@cdsl.com. However, if you are already registered with CDSL for e-voting, then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset the password by using 'forgot user details/password?' or 'physical user reset password?' option available on www.evotingindia.com or contact CDSL at the following toll free no.: 022-23058542/43.
- c) The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- d) The facility for voting through electronic voting system shall be made available during the AGM and only those Members, who will be present in the AGM through VC/OAVM facility and have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the AGM.
- e) The voting rights of members 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 Thursday, 22nd September 2022.
- f) Mr. L.Dhananjaya Reddy, Practicing Company Secretary, Hyderabad (Membership No.13104), has been appointed by the board as the scrutinizer to scrutinize the voting through electronic means during AGM and remote e-voting process in a fair and transparent manner.
- g) At the AGM, at the end of discussion on the resolutions on which voting is to be held, the chairman shall, with the assistance of scrutinizer, order voting through electronic means for all those members who are present at the AGM through VC/OAVM but have not cast their votes electronically using the remote e-voting facility.
- h) Immediately after the conclusion of voting at the AGM, the scrutinizer shall first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company. The scrutinizer shall prepare a consolidated scrutinizer's report of the total votes cast in favour or against, if any, not later than forty eight hours after the conclusion of the AGM. This report shall be made to the chairman or any other person authorized by the chairman, who shall declare the result of the voting forthwith.
- i) The voting results declared along with the scrutinizer's report shall be placed on the company's website www.kaveriseeds.in and the website of CDSL immediately after the declaration by the chairman or a person authorized by the chairman. The results shall also be immediately forwarded to the BSE Limited, National Stock Exchange of India Limited.

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

Date: 08.08.2022
Place: Secunderabad

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

EXPLANATORY STATEMENT

PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 (“ACT”) AND SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 (“REGULATIONS”)

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (‘Act’), given hereunder sets out all material facts relating to the special business mentioned at Item No. 6 of the accompanying Notice dated 8th August 2022. As an additional information, the Explanatory Statement also contains material facts pertaining to ordinary business mentioned at Item No. 5 of the said Notice.

Item No. 5 – Reappointment of M/s. M. Bhaskara Rao & Co., Chartered Accountants, as Statutory Auditors of the Company

M/s. M. Bhaskara Rao & Co., Chartered Accountants (ICAI Firm Registration No. 000459S) were appointed as Statutory Auditors of the Company at the 30th Annual General Meeting (AGM) held on September 25, 2017 to hold office from the conclusion of the said meeting till the conclusion of the 35th Annual General Meeting. The term of M/s. M. Bhaskara Rao & Co., will be expiring at the conclusion of the ensuing 35th Annual General Meeting of the Company.

After evaluating and considering various factors such as industry experience, competency of the audit team, efficiency in conduct of audit, independence etc., and expertise of M/s. M. Bhaskara Rao & Co., Chartered Accountants and based on the recommendation of the Audit Committee and Board of Directors, proposed the re-appointment of M/s. M. Bhaskara Rao & Co., Chartered Accountants as Statutory Auditors of the Company for the second consecutive term of five years from the conclusion of 35th Annual General Meeting till the conclusion of 40th Annual General Meeting of the Company to be held in the year 2027, at remuneration as may be mutually agreed between the Board and the Statutory Auditors.

M/s. M. Bhaskara Rao & Co., Chartered Accountants, (ICAI Firm Registration No. 000459S) have consented to their appointment as the Statutory Auditors and have confirmed that the re-appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

M. Bhaskara Rao & Co (MBRC), a firm of Chartered Accountants based in Hyderabad, was set up in 1961 by Mr. M Bhaskara Rao. MBRC operates in four states through five offices – its head office located in Hyderabad and branches in Kakinada, Vishakhapatnam (AP), Chennai and Bangalore. In the course of its professional practice for over six decades, MBRC had the opportunity to serve some of the largest Public Sector Enterprises, Nationalized Banks, Regulatory Authorities and large and medium scale private sector enterprises.

The Board in consultation with the Audit Committee may alter and vary the terms and conditions of re-appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

None of the Directors, Key Managerial Personnel or their respective relatives are, in any way, concerned or interested, financially or otherwise, in the Resolution at Item No.5 of the accompanying Notice.

Based on the recommendation of the Audit Committee, the Board recommends the Ordinary Resolution set forth at Item No.5 of the Notice for approval by the Members.

Item No. 6 - Appointment of Dr. Gundavaram Pawan (DIN: 00768751), Director as Whole time Director of the Company

Dr. Gundavaram Pawan, has been associated with Kaveri Seed since 2006 and has contributed significantly towards the growth of the Company by providing his significant role in the Company. Dr. G.Pawan as a Director helping hand to Chairman and Managing Director (CMD) in day to day activities and provided proactive suggestions. He has been instrumental in formulating strategic and long-term business plans, assisting the CMD to do justice to his role and take vital decisions for sustainable value creation of the Company and stakeholders. Considering the above experience and qualities, the contributions made by him in growth of the Company, the Board of Directors at its meeting held on 8th August 2022 (based on the recommendation of the Nomination and Remuneration Committee) has approved the appointment of Dr. Gundavaram Pawan, Director as a Whole time Director of the Company for a period of five years w.e.f. 8th August 2022 to 7th August 2027 at a remuneration mentioned in the resolution No.6, subject to the approval of the members at the ensuing Annual General Meeting. The terms of appointment of Dr. Gundavaram Pawan and remuneration payable to him are as set out in Item No.6 of the Notice. Dr. Gundavaram Pawan joined the Board of the Company in 2006 as Non-Executive Director. He belongs to the promoter group of the Company.

The details of Dr. Gundavaram Pawan as required under the provisions of Regulation 36(3) of the SEBI (Listing Regulations) and other information provided in Annexure A to this Notice.

No Director, Key Managerial Personnel or their relatives except Dr. Gundavaram Pawan to whom the resolution relates and his relatives Mr. G.V.Bhaskar Rao, Chairman and Managing Director and Mrs. G.Vanaja Devi, Whole time Director are interested/concerned in the Resolution.

The Board of Directors recommends the Special Resolution set forth in Item No. 6 of the Notice for approval of the members of the Company.

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

Sd/-
Date: 08.08.2022
Place: Secunderabad

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

Annexure A to the Notice of AGM

Details of Directors proposed to be appointed/re-appointed at the AGM scheduled to be held on 29th September 2022 as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India are as given below:

Profile of Dr. Gundavarm Pawan

Dr. Gundavarm Pawan (DIN 00768751) is a MBBS from Jawaharlal Nehru Medical College, Karnataka, and holds Doctor of Medicine Degree from Illinois State University, USA. Dr. Pawan by profession an eminent medical doctor in the United States. Now, he is shifted to India and he looks after actively day to day operations of the Company. He is a second generation entrepreneur and experienced in general management. Dr. Pawan has zeal, enthusiasm, lot of creativity and unique thinking. Due to his consistent focus on strategic issues, long-term business and operational plans, it will help elevate Kaveri Seeds to reach a new zenith of competitiveness. As a Whole time Director will give a helping hand to Chairman and Managing Director (CMD) in day to day activities and give proactive suggestions. He has been instrumental in formulating strategic and long-term business plans, assisting the CMD to do justice to his role and take vital decisions for sustainable value creation of the Company and stakeholders.

Age	43
Qualification	MBBS, Doctor of Medicine
Date of Birth	21.08.1979
Experience (including expertise in specific functional area)/ Brief Resume	He is a second-generation entrepreneur experienced in general management.
Terms and Conditions of Appointment/ Reappointment	As per the resolution at Item No. 6 of the Notice convening Annual General Meeting on 29th September, 2022 read with explanatory statement thereto Dr. Gundavaram Pawan, Director is proposed to be appointed as Whole-time Director of the Company.
Remuneration last drawn (including sitting fees if any)	NA
Remuneration proposed to be paid	As per resolution at Item No. 6 of the Notice convening Annual General Meeting on 29th September, 2022 read with explanatory statement thereto.
Date of first appointment on the Board	18.09.2006
Shareholding in the Company as on March 31, 2022	2228876 Equity Shares
Relationship with other Directors/ Key Managerial Personnel	He is related to Mr. G.V.Bhaskar Rao, Chairman and Managing Director and Mrs. G.Vanaja Devi, Whole time Director
Number of meetings of the Board attended during the year	4
Directorships of other Boards as on March 31, 2022	Nil
Board Membership of other listed companies and the membership of Committees of the board as on March 31, 2022	Nil
Directorships of other Listed entities from which he resigned in the past three years	Nil
Membership/Chairmanship of Committees of other Boards as on March 31, 2022	Nil

Directors' Report

Dear Members,

Kaveri Seed Company Limited

The Directors have pleasure to present their 35th Annual Report and the audited Annual Accounts for the year ended 31st March 2022.

STANDALONE AND CONSOLIDATED FINANCIAL HIGHLIGHTS:

PERFORMANCE REVIEW

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

(In ₹ Lakhs)

S. No.	Particulars	Standalone		Consolidated	
		March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
1	Revenue from operations	91,500.02	98,698.07	96,998.16	1,03,630.55
2	Profit before finance cost, depreciation and tax expense	23,840.59	33,488.89	24,381.05	34,376.42
3	Finance Cost	12.10	38.52	12.74	50.50
4	Profit before depreciation and tax expense	23,828.49	33,450.37	24,368.31	34,325.92
5	Depreciation	2,010.45	2131.99	2,093.12	2,224.66
6	Profit before exceptional items and tax	21,818.04	31,318.38	22,275.19	32,101.26
7	Exceptional items	-	-	-	-
8	Profit before Tax Expense	21,818.04	31,318.38	22,275.19	32,101.26
9	Tax Expense	927.73	787.38	995.51	980.70
10	Profit after Tax Expense	20,890.31	30,531.00	21,279.68	31,120.56
11	Non-controlling interests	-	-	34.49	71.04
12	Profit after tax expense after non-controlling interests	20,890.31	30,531.00	21,245.19	31,049.52
13	Add: Surplus at the beginning of the year	1,20,453.42	93,265.96	1,22,380.04	94,638.89
14	Total Available for appropriation	1,41,343.73	1,23,796.96	1,43,625.23	1,25,688.41
	Appropriations				
15	Dividend including taxes	2,332.87	2,413.17	2,297.69	2,378.00
16	Transfer to general reserve	1,000.00	1,000.00	1,000.00	1,000.00
17	Utilized for Buyback	12,589.82	-	12,589.82	-
18	Transferred to Capital Redemption Reserve	40.15	-	40.15	-
19	Amortization of Interest on loan to employee trust	-	-	-	-
20	Others	(4.07)	(69.63)	(4.07)	(69.63)
	Total Appropriations	15,958.77	3343.54	15,923.59	3,308.37
21	Surplus carried to Balance Sheet	1,25,384.96	1,20,453.42	1,27,701.64	1,22,380.04

COMPANY'S AFFAIRS:

Operations:

During the year under review, the Company has achieved revenue of ₹91,500.02 Lakhs and net profit of ₹20,890.31 Lakhs on Standalone basis. During the same period, the Consolidated Revenue was ₹96,998.16 Lakhs and net profit after non-controlling interests was ₹21,245.19 Lakhs.

The economic uncertainty due to Covid-19 variants and overall, another brief period of shut down in the country in the first quarter during FY 2022. As a result, our consolidated revenue from operations stood at ₹ 969.98 crore as compared to ₹ 1036.31 crore in FY 21. EBITDA stood at ₹ 243.81 crore as compared to ₹ 343.76 crore in FY 21. We recorded a PAT of ₹ 212.45 crore as compared to ₹ 310.50 crore in FY 21. The impact of the first quarter weighed on overall performance of the year. As consequence, both cotton and non-cotton crops sowing pattern were impacted during the year.

Indian Agriculture Sector

Among all the sectors of the Indian economy, the agriculture sector has been one to witness the least impact of the pandemic. It showed consistent growth for two years despite a number of headwinds. While healthy progress in sowing and adequately filled reservoirs ensured rich harvest and rising production of food grains, rise in MSPs for both kharif and rabi crops and progress in rice procurement benefitting lakhs of farmers raised rural incomes. The agricultural industry registered a growth of 3.6% and 3.9% in FY2021 and FY2022, and accounted for 18.8% of the country's GVA in FY2022. Agricultural exports grew by 20% to \$50 billion 2022. Given the growth occurred amidst unprecedented logistical challenges, this was a remarkable achievement for the sector.

Key Growth Drivers

- The demand for various agricultural products has increased significantly as the population has grown. This increase has prompted farmers to adopt improved technologies in order to meet the people's diverse food needs. Besides, more than half of India's population is dependent on agricultural products, which is fuelling market growth.
- India has a wide range of climatic conditions and soil types that are suitable for growing a wide range of cereals like rice and maize, vegetables, cotton and other crops.
- Government has set up a new fund under NABARD to finance start-ups for agri and rural enterprises
- The Budget has set aside 2.37 lakh crores for direct payments to 163 lakh wheat and paddy farmers as MSP (minimum support price) between April 2022-23
- The use of 'Kisan Drones' to promote crop assessment, digitization of land records, and insecticide and nutrient spraying will greatly benefit farmers. Access to latest technology will be made available through a Public Private Partnership Scheme, and packages developed in collaboration with State Governments will enable farmers to access digital and hi-tech services, while also encouraging the adoption of appropriate production and harvesting techniques for various fruit and vegetable varieties.
- The Finance Minister has announced support for post-harvest value addition of millets to boost domestic consumption, as well as support for millet product branding on a National and International scale.
- The Budget guarantees the implementation of a rationalised and comprehensive plan to increase domestic production of oilseeds, with the goal of reducing the country's reliance on imports
- Increase in consumption of protein worldwide for the wellbeing of humans is driving the demand for maize and other feed varieties

Seed Industry Overview

The Covid-19 pandemic had an impact on the seed business, with farmers facing difficulty in obtaining high-quality seeds. The pandemic and Government restrictions placed on seed production, certification,

and even international commerce had major effects on the farmers. Despite many constraints in the seed industry's turnover for 2021, vegetable seeds contributed the most (30%), followed by cotton (18%), maize (13%), and rice (10%).

Indian Seed Industry

The Indian seed market is expected to grow at a 6.8 % CAGR between 2022 and 2027. To solve the country's growing food demand-supply mismatch, hybrid seed penetration in numerous crops has increased. Due to a continually expanding population there has been a decrease in arable land. These conditions, along with low agricultural output, are anticipated to put strain on the country's food supply. Cotton (90%), corn (60%), restricted cereals such as sorghum and pearl millet, and oilseeds such as sunflower have considerable hybrid seed penetration in India (hybridisation 80%). However, penetration in important grains such as paddy and wheat remain quite low (5%). Cotton hybridisation is nearly complete, with BT cotton planted in more than 90% of the country's cotton-producing territory. During the projection period, hybridisation in corn, paddy, and vegetables is expected to boost the sector's growth. The patenting procedure in India is lax, allowing businesses to duplicate better-performing seeds on the market. Furthermore, seed multiplication requires many rounds of planting following the identification of a good hybrid. As a result, rising Government efforts and player investments are likely to propel the country's market throughout the projection period.

The illegal cultivation of herbicide tolerant (HT) Bt. cotton has seen a huge jump this year, with seed manufacturers claiming that the sale of illegal seed packets has more than doubled from 30 lakh last year to 75 lakh this year. Industry lobbies have written to the Agriculture Ministry, demanding that action be taken to stop such sales and punish offenders, noting that cultivation of the genetically modified cotton variant has serious environmental and economic consequences.

Vibrant R&D Division

Kaveri Seed Company has established itself as a market leader by releasing promising products every year to meet aspirations of the farming community and the needs of the market. Volume contribution from new products has been stable in FY2020-2021, thanks largely to the Company's strong research and development (R&D) network in mandatory crops. The Company's R&D team of more than 145 personnel, include more than 45 scientists who consistently strive to deliver high yielding hybrids. It's state-of-the-art biotechnology lab uses cutting-edge tools with classical plant breeding processes, and its germ plasm bank contains a treasure trove to augment plant types suited to Indian conditions.

Modern infrastructure: Kaveri Seed has more than 1 lakh loyal producers with more than 100,000 acres under seed production. It has seven mega seed processing plants in different states, more than 10 lakh sq. ft. of modern packing and storage facilities and cumulative warehousing space across India. Its seed storage is supported by climate control warehouse and cold storage capacities of more than 15,000 MT. The seed biotech lab maintains quality standards as per Indian Minimum Seed Certification Standards (IMSCS); and each

product is tested in different outreach trial centres across India before their release.

Stewardship marketing network in India: Kaveri Seed has a network of more than 40,000 dealers and distributors across the country. The Company's marketing team also reaches out to farmers with its multi-crop portfolio of branded seeds.

Company Prospects

- Robust product portfolio in field and vegetable crops with R&D focus on multi-crop product portfolio suited to Indian conditions
- R&D division recognized since 2001 by Department of Scientific and Industrial Research (DSIR), Government of India
- Company's seeds hold great potential for export markets, as modern farming community prefers quality seeds and India is well placed to meet the world's ever increasing seed demand
- Telangana, Andhra Pradesh and Karnataka have congenial conditions for seed production throughout the year, offering great potential for low-cost seed production for the global market
- Focused on developing hybrids and favourable multi-location seed production for high hybrid seed yields at affordable prices for farming community
- Educates and trains distributors and retailers on modern products and practices in the seed sector for sustainable business growth.

Research and Development (R&D)

Agriculture science is progressing rapidly with new and sophisticated biotechnology tools, fostering innovations and cutting-edge product development. The Company's advanced R&D capabilities help design, develop and deliver latest products to market. Over the years, the Company has improved its product yield and seed quality, while successfully increasing seed tolerance to biotic and abiotic stresses.

Development of high productivity, stress resilient crops are critical for crop improvement and sustainable food production. To this end, Kaveri Seed uses the key biotech approaches of marker-assisted breeding (MB), genetic engineering (GE), and their integration with conventional breeding. The Company is also planning to work on phonemics to design plant ideotypes that will be resilient to the effects of climate change.

Kaveri Seed's robust R&D base has helped develop new hybrids in cotton, maize, rice, millets and vegetables, creating a significant impact on farm yield. The Company has a reliable track record of launching new products with a strong pipeline of products tailored to meet the needs of the farming community. The Company's experience of managing risk has helped it navigate the current volatility.

Technical innovations: The Company strives to improve returns while accelerating the pace of innovation. With a strong commitment to innovate futuristic products, it has aligned with national and international institutions to augment its research capabilities.

Plant variety protection: To safeguard the Company's products, a number of hybrids developed were registered with Protection of Plant Varieties and Farmers Right Act (PPVFRA).

Germplasm: The Company's germ plasm bank helps it to design and develop suitable varieties and hybrids best suited for farmers and consumers.

Central Varietal Release Committee: More than 25 hybrids were released and notified by the Central Varietal Release Committee (CVRC), Gol, and more are to be released soon.

Handling the Covid-19 Pandemic

During the pandemic, the Gol had classified the seed business under the "**Essential Commodity**" category with certain restrictions and guidelines. The HR department scrupulously followed the Gol's guidelines across the organization to prevent the spread of the virus and safeguard the health of employees.

During the pandemic period virtual meetings were conducted with employees to improve efficiency and motivation. Most meetings were conducted through video conferences, so that the progress of work and future plan of action could be initiated. Training programmes were conducted through webinars, wherein scientists attended online technical workshops and events. The Company's leadership also kept in touch with their teams for regular sharing of critical organization policies and practices.

DIVIDEND:

The Board of Directors, at their meeting held on 12th November 2021, declared an Interim Dividend @ 200% on the paid-up Equity Share Capital (i.e., ₹4/- per equity share of the face value of ₹2/- per share) for the financial year 31st March 2022, which was paid to the shareholders in December 2021.

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has approved and adopted the Dividend Distribution Policy and the same is available on the Company's website viz. <http://www.kaveriseeds.in/images/pdf/images/Dividend-Distribution-Policy.pdf> and is also provided as annexure.

TRANSFER OF AMOUNT TO RESERVE

The Company has transferred ₹10.00 Crores to the general reserve for the financial year ended 31st March 2022 under the provisions of Companies Act, 2013 and Rules there under.

BUYBACK OF EQUITY SHARES

In line with the practice of returning free cash flow to the shareholders, during the financial year 2021-22 the Company has completed its Fourth buy-back of 20,07,473 Equity Shares at an average price of ₹597.50/- per Equity Share for an aggregate consideration of ₹119.95 Crores. The offer size of the Buyback was 9.50% of the aggregate paid up equity share

capital and free reserves of the Company and represented 3.33% of the total issued and paid up equity share capital of the Company. The buyback process was completed on 11th October 2021 and the shares were extinguished on 13th October 2021.

SHARE CAPITAL

During the year, there was change in the Paid-up Share Capital of the Company.

The paid up Equity Share Capital of the Company as on 31st March 2022 was ₹ 1166.43 Lakhs (5,83,21,660 Equity Shares of ₹2/- each). During the year under review, the Company has bought back 20,07,473 equity shares of the Company.

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.

The Board of Directors of the Company has proposed the re-appointment of M/s. M. Bhaskar Rao & Co. Chartered Accountants (Firm Registration No. 000459S) as Statutory Auditors of the Company to hold office for the second term of five consecutive years, who shall hold office from the conclusion of 35th AGM until the conclusion of 40th AGM of the Company, based on the recommendation of Audit Committee. M/s. M. Bhaskara Rao & Co., Chartered Accountants, (ICAI Firm Registration No. 000459S) have consented to their appointment as the Statutory Auditors and have confirmed that the re-appointment, if made, would be within the limits specified under Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder.

INTERNAL AUDITORS

The Board of Directors of the Company has re-appointed M/s. M. Anandam & Co., Chartered Accountants as Internal Auditors to conduct Internal Audit of the Company for the financial year ended 31st March 2022. The Internal Audit reports are being reviewed on quarterly basis by the Audit Committee of the Company.

COST AUDITORS

Pursuant to the provisions of Section 148 (1) of the Act read with the Companies (Cost Records and Audit) Rules, 2014, your Company is not required to maintain cost records and accordingly no such audit is required to be conducted.

SUBSIDIARY COMPANIES

The Company has 4 subsidiaries as of March 31, 2022. 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 Section 136 of the Companies Act, 2013, the consolidated financial statements along with relevant documents and separate audited financial statements in respect of subsidiaries are available on the website of the Company <https://www.kaveriseeds.in/investors/subsidiaries-financials/>. 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.

During the Financial year, no Company has become or ceased to be Company's Subsidiary, Joint Venture or Associate Company.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH THE RELATED PARTIES

No material related party transactions, during the year under review, with the Promoters, Directors or Key Managerial Personnel falls under the scope of Section 188(1) of the Companies Act 2013. The information on transactions for the year under review were on arm's length basis and in the ordinary course of business with the related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in **Form No. AOC-2** and the same forms part of this report. The company has developed a Related Party Transactions framework through standard operation procedures for the purpose of identification and monitoring of such transactions. The related party transactions policy is available at <https://www.kaveriseeds.in/wp-content/uploads/2022/07/related-party-transaction-policy.pdf>

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub Section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules 2014 the Annual Return as at 31st March 2022 can be accessed at Company's website on <https://www.kaveriseeds.in/wp-content/uploads/2022/08/MGT-9.pdf>

SECRETARIAL AUDIT REPORT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors have appointed M/s. L.D.Reddy & Co., a firm of Company Secretaries in Practice (C.P.No.3752) as Secretarial Auditors to conduct Secretarial Audit of the Company for the financial year ended 31st March 2022. The Secretarial Audit Report issued by M/s. L.D.Reddy & Co, Practicing Company Secretaries in Form MR-3 is annexed to this Board's Report as **Annexure – A**.

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

ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/ Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by Mr. L. Dhanamjay Reddy, Practising Company Secretary, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is formed part of a Corporate Governance.

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

There are no qualifications, reservation or adverse remarks made by the statutory auditors in their report or by the Practising Company Secretary in the Secretarial Audit Report for the year ended 31st March 2022. During the year, there were no instances of frauds reported by auditors under Section 143(12) of the Companies Act, 2013.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors consists Mr. K. Purushotham (Chairman), Dr. S.Raghuvardhan Reddy, Mrs. M. Chaya Ratan and Mr. C. Mithunchand, members of the Committee. The Board has accepted all the recommendations made by the audit committee during the year. Further details can be seen in the chapter on Corporate Governance report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee presently consists of the following Directors namely Dr. S. Raghuvardhan Reddy, Chairman, Mr. K. Purushotham and Mrs. M. Chaya Ratan as Members.

CONSOLIDATED FINANCIAL STATEMENTS

In compliance with the relevant provisions of Section 133 of the Companies Act, 2013 and the Ind AS-110 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, 2022, which forms part of the Annual Report. The company has placed separately, the audited accounts of its subsidiaries on its website <https://www.kaveriseeds.in/investors/subsidiaries-financials/> in compliance with the provisions of Section 136 of the Companies Act, 2013.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has laid down a set of standards which enables implementation of internal financial controls across the organization

and ensure that the same are adequate and operating effectively. The Board periodically reviews the findings and recommendations of the statutory auditors, internal & secretarial auditors and suggests corrective actions whenever necessary. The Audit Committee of the Board of Directors is also actively reviewing the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Audit Committee of the Board of Directors, Statutory Auditors and Finance heads are periodically apprised of the internal audit findings and corrective actions are taken.

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

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

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The internal financial controls (IFC) framework at Kaveri Seeds encompasses internal controls over financial reporting (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 right decision making and good governance. Details in respect of adequacy of internal financial controls with reference to the financial statements are briefly iterated below:

- a. The Company maintains all its major records in ERP System.
- b. The Company has appointed internal auditors to examine the internal controls, whether the workflow of the organisation is being done through the approved policies of the Company. In every quarter, during the approval of financial statements, internal auditors present the internal audit report and the management comments on the internal audit observations; and
- c. The Board of Directors of the Company has adopted various policies such as Related Party Transactions Policy, Whistle Blower Policy, Policy to Determine Material Subsidiaries, Corporate Social Responsibility Policy, Dissemination of Material Events Policy, Documents Preservation Policy, Sexual Harassment Policy, Code of Conduct under Insider Trading Regulations, Code of

Conduct for Senior Management, Nomination and Remuneration Policy, Board Diversity Policy, Dividend Distribution Policy, Risk Management Policy and such other procedures for ensuring the orderly and efficient conduct of its business for safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.

INDIAN ACCOUNTING STANDARDS – IFRS CONVERGE STANDARDS

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

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- i) that the applicable accounting standards have been followed in the preparation of the Annual Accounts.
- ii) that the Directors have selected such Accounting policies and consistently applied judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 31st March 2022 and of the profit of the Company for that period.
- iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv) that the Directors have prepared the annual accounts on a going concern basis.
- v) that the Directors have laid down Internal Financial Controls to be followed by the Company and that the financial controls were adequate and were operating effectively and
- vi) that the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Company is managed and controlled by a Board comprising an optimum blend of Executive and Non-Executive Directors. As on date the Board of Directors comprises of Ten (10) Directors consisting of Five

Executive Directors including the Chairman & Managing Director and Five Independent Directors including the Women Independent Director.

The composition of the Board is in conformity with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the relevant provisions of the Companies Act, 2013. The Directors possess requisite qualifications and experience in general corporate management, strategy, finance, administration and other allied fields which enable them to contribute effectively to the Company in their capacity as Directors of the Company.

Pursuant to the provisions of Section 203 of the Companies Act, 2013 the Key Managerial Personnel (KMP) of the Company as on March 31, 2022 are: Mr. G.V.Bhaskar Rao, Chairman & Managing Director, Mrs. G.Vanaja Devi, Dr. Gundavaram Pawan, Mr. C. Vamsheedhar and Mr. C. Mithunchand, Whole time Directors, Mr. K.V. Chalapathi Reddy, Chief Financial Officer & Mr. V.R.S.Murti, Company Secretary.

Changes in Directors

Appointment of Dr. Gundavaram Pawan, Director (DIN : 00768751) as Whole time Director w.e.f.8th August 2022 is being proposed , subject to the approval of the members at the ensuing Annual General Meeting.

Director(s) retiring by rotation:

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

Declaration from Independent Directors

None of the Directors of the Company are disqualified under the provisions of the Companies Act, 2013 ('Act') or under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All Independent Directors have provided confirmations as contemplated under Section 149(7) of the Act. As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from the Company Secretary in practice, that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/ Ministry of Corporate Affairs or any such statutory authority, forms part of Corporate Governance Report as Annexure.

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

Registration of Independent Directors in Independent Directors Databank

All the Independent Directors of the Company have been registered and are members of Independent Directors Databank maintained by Indian Institute of Corporate Affairs.

COMMITTEES OF THE BOARD

The details pertaining to the composition of the Board and its Committees are included in the Corporate Governance Report, which is a part of this report.

MEETING OF INDEPENDENT DIRECTORS

A separate meeting of the Independent Directors was held under the Chairmanship of Mr. K. Purushotham, Independent Director on 11th February 2022, inter-alia, to discuss evaluation of the performance of Non- Independent Directors, the Board as a whole, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors expressed satisfaction with the overall performance of the Directors and the Board as a whole.

Familiarization Programme for Independent Directors

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

NUMBER OF MEETINGS OF THE BOARD AND AUDIT COMMITTEE

During the year under review five Board Meetings and Four Audit Committee Meetings were convened and held. The dates on which the Board Meetings were held on 29th May 2021, 13th August 2021, 25th August 2021, 12th November 2021 and 11th February 2022. The dates on which the Audit Committee Meetings were held on 29th May 2021, 13th August 2021, 12th November 2021 and 11th February 2022. The details of attendance of meetings held during the Financial Year 2021-22 forms part of the Corporate Governance Report. The time gap between the said meetings were within the period prescribed under the provisions of the Companies Act, 2013 and the SEBI guidelines thereof.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

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

FIXED DEPOSITS:

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

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure

Requirements) Regulations, 2015 and the guidance Note on Board Evaluation issued by the SEBI on 5th January 2017, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its committees.

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

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

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

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

In the board meeting that followed the meeting of the independent directors and meeting of nomination and remuneration committee, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

BOARD DIVERSITY

The Company recognizes and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversify the Board of Directors. The Board Diversity Policy is available on the Company's website <https://www.kaveriseeds.in/wp-content/uploads/2021/02/Policy-on-Board-Diversity.pdf>

APPOINTMENT OF DIRECTORS AND REMUNERATION POLICY

The assessment and appointment of board members is based on a combination of criterion that includes ethics, personal and professional stature, domain expertise, gender diversity and specific qualifications required for the position. A potential board member is also assessed on the basis of independent criteria defined in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR) Regulations. In accordance with Section 178(3) of the Companies Act, 2013, Regulation 19(4) of SEBI (LODR) Regulations and

on recommendations of the company's Nomination and Remuneration Committee, the Board adopted a remuneration policy for directors, KMP, senior management and other employees. The Policy is placed on the Company's website: <https://www.kaveriseeds.in/images/pdf/images/Nomination-and-Remuneration-Policy.pdf> and further details are set out in the Corporate Governance Report forming part of this annual report.

CORPORATE GOVERNANCE:

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

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

MANAGEMENT DISCUSSION AND ANALYSIS:

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

CORPORATE SOCIAL RESPONSIBILITY

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

The Company has incorporated a separate company in the name of 'Kaveri Bhaskar Rao Charitable Trust' under Section 8 of the Companies Act, 2013 to undertake CSR and other charitable activities. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. <https://www.kaveriseeds.in/wp-content/uploads/2021/09/CSR-Policy.pdf>

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 C.

EMPLOYEE STOCK OPTION SCHEME

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encouraging employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company.

Kaveri Seed Employee Stock Option Plan – 2018 (ESOP Plan)

On 19th July 2018, pursuant to the approval by the shareholders by way of Postal Ballot, the Board/Nomination and Remuneration Committee has been authorized to introduce, offer, issue and grant the share-based incentives to eligible employees of the Company and its subsidiaries under the ESOP Plan. The Kaveri Employee Stock Option Plan 2018 (ESOP Plan) to be implemented through the Kaveri Employees Trust (Trust) with an objective of enabling the company to attract and retain talented human resources by offering them the opportunity to acquire a continuing equity interest in the Company, which will reflect in their efforts to sustain the growth and profitability of the Company.

The ESOP Plan involves acquisition of shares, not exceeding 30,00,000 equity shares, from the secondary market through Barclays Wealth Trustees (India) Private Limited as Trustees of Kaveri Employees Trust for implementation and administration.

As on 31st March 2022 a total of 8,75,491 Equity Share (Eight Lakhs Seventy Five Thousand Four Hundred Ninty One Only) options were available in the Trust account.

The Nomination and Remuneration Committee (NRC), is empowered to formulate detailed terms and conditions of the ESOP Plan 2018, and supervise the same. The specific employees to whom the Options would be granted and their eligibility criteria would be determined by the Nomination and Remuneration Committee at its sole discretion. Further, the Nomination and Remuneration Committee is empowered to determine the eligible employees of subsidiary companies, whether existing or future, whose employees will be entitled to stock options under this Scheme.

The Nomination and Remuneration Committee has granted 6,29,516 options @ 315/- per option to the eligible employees of the Company on 31.03.2020 under ESOP Plan 2018. During the year 4000 options were exercised.

Further, the Nomination and Remuneration Committee at their meeting held on 25.03.2021 has granted 2,49,975 options @ ₹450/- per option to the eligible employees of the Company during the year under ESOP Plan 2018.

Both the granted options would vest on or after 1 (one) year from the respective date of grant(s) but not later than 4 (four) years from the date of grant of such Options or any other terms as decided by the Nomination and Remuneration Committee.

The ESOP Plan is in compliance with the SEBI (Share Based Employee Benefits) Regulations, 2014, as amended from time to time, and there has been no material change to the plan during the fiscal. The Disclosure required to be made under Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 is available on the Company's website at <https://www.kaveriseeds.in/wp-content/uploads/2022/09/ESOP-Disclosure-2022.pdf>

STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

Details in respect of remuneration paid to employees as required under Section 197 (12) of the Companies Act, 2013, read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended forms part of this report. In terms of Section 136 of the Companies Act, 2013 the same is open for inspection at the Registered Office of the Company. Copies of this statement may be obtained by the members by writing to the Company Secretary at the Registered Office of the Company. The ratio of the remuneration of each Director to the median employee's remuneration and other details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are enclosed in **Annexure – D** and forms part of this Report.

Affirmation that the remuneration is as per the remuneration policy of the Company.

In compliance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board, on the recommendation of the Nomination and Remuneration/Compensation Committee approved the Policy for Selection, Appointment of Directors, KMPs and Senior Management persons. The said Policy provides a framework to ensure that suitable and efficient succession plans are in place for appointment of Directors on the Board and other management members. The Policy also provides for selection and remuneration criteria for the appointment of Directors and senior management persons. The Company affirms that the remuneration is as per the remuneration policy of the Company.

INSURANCE

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

DIRECTORS AND OFFICERS INSURANCE ('D&O')

As per the requirements of Regulation 25(10) of the SEBI Listing Regulations, the Company has taken Directors and Officers Insurance ('D&O') for all the Directors and Key managerial Personnel of the Company.

BUSINESS RESPONSIBILITY REPORT

A detailed Business Responsibility Report in terms of the provisions of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements)

Regulations, 2015 is available as a separate section in this Annual Report.

DIVIDEND DISTRIBUTION POLICY

The Board has adopted a suitable Policy for Dividend Distribution as per the Regulation 43A of the SEBI (LODR) Regulations 2015. The policy is stated in the Annual Report and has been uploaded on the Company's website and can be accessed at <http://www.kaveriseeds.in/images/pdf/images/Dividend-Distribution-Policy.pdf>

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments in the business operations of the Company from the financial year ended March 31, 2022 to the date of signing of the Director's Report. There has been no change in the nature of business of the Company.

PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS

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

The details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof is not applicable to the Company.

VIGIL MECHANISM /WHISTLE BLOWER POLICY:

The Board of Directors has adopted the Whistle Blower Policy, which is in compliance with Section 177(10) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations 2015 to report genuine concerns or grievances. The Audit Committee Chairperson is the chief ombudsperson. The policy also provides access to the Chairperson of the Audit Committee for raising concerns. The Whistle Blower Policy has been posted on the website of the company. <https://www.kaveriseeds.in/images/pdf/images/whistle-blower-policy.pdf>

RISK MANAGEMENT

Pursuant to the requirement of SEBI (LODR) Regulations 2015, the Company has a risk management committee of the Board consisting of Director Mr. Dr. S.Raghuvardhan Reddy, Independent Director and Chairman of the Committee Mr. C.Vamsheedhar and Mr. C. Mithunchand as members of the Committee. The Company through its Risk Management Policy identified the various risks and challenges, internally as well as externally and takes appropriate measures with timely actions to mitigate them and also recommend the Board about risk assessment and minimization procedures. The Committee

is monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report and the Policy has been posted on the website of the company viz., <https://www.kaveriseeds.in/wp-content/uploads/2022/08/Risk-Management-Committee-Policy.pdf>

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

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

No application was made or any proceedings pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year.

LISTING ON STOCK EXCHANGES

The Company's shares are listed on BSE Limited and the National Stock Exchange of India Limited.

TRANSFER OF UN-PAID AND UN-CLAIMED AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

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

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

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 that ensures safety of all concerned, compliance to environmental regulations and preservation of natural resources.

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 for lodging complaints. The policy provides protection against sexual harassment of women at workplace and ensures prevention and redressal of such complaints. During the year under review, no complaints have been received under the policy. The said policy is available on the website of the company. <https://www.kaveriseeds.in/images/pdf/images/sexual-harrasment-policy.pdf>

COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETINGS

The Company complies with all applicable mandatory Secretarial Standards issued by the Institute of Company Secretaries of India.

INSIDER TRADING CODE

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

HUMAN RESOURCE MANAGEMENT

The great task of Product development, Supply chain, Marketing etc. was done at Kaveri Seeds successfully. We work as team by aligning objectives with organizational strategy to drive business out comes successfully and personal motivation.

The above success was possible, we strive to on board the right people, with right skills and knowledge, at right time. The talent of individual employees utilized effectively managing it with strategies and initiatives driven to achieve business goals.

Today Kaveri Seed's strength of 1198 member strong work force drives our growth effectively and efficiently.

Objective oriented Trainings under taken:

Besides organizing several developmental skills, we organize programmes to improve manage behavioral and communication skills of our people. We encourage our Scientists to attend the Seminars, Symposia and Work Shops to enrich their knowledge and participate in the interactive sessions. We also invite Sr. Consultants and experts in the field of Genetics & Plant Breeding, Biotechnology, Agronomy, Seed Technology etc. to conduct knowledge sessions. These sessions will give motivation to our scientists to develop promising products with

futuristic needs to meet the aspirations of the farmers, so as to increase the farm income and to improve their lives.

Incentives: The employees who were associated for a long period with the Company were recognized and a token of appreciation given. Every quarter in all the departments “Utkrishta Puraskar” award were given to the best performer . The aim is incentivizing employees to focus on and to achieve sustainable objectives.

The Company has formulated and adopted the Employee Stock Option Plan with a view to motivate the employees of the Company to continue extending their participation to the Company and enable the Company to achieve long term financial growth. The administration and implementation of the plan has been entrusted to the Compensation Committee of the Company.

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:

The Directors acknowledge and would like to place on record the commitment and dedication on the part of the employees of your Company for their continued efforts in achieving good results. Your Company is grateful to the Distributors, Dealers, Customers and farming community 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.

Place: Secunderabad,

Date: 08.08.2022

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

Sd/-

G.V.BHASKAR RAO

Managing Director

Sd/-

G.VANAJA DEVI

Whole time Director

Form No. AOC -1

Statement Containing Silent features of the financial statement of subsidiaries/ associate companies/joint ventures

(₹ in Lakhs)

S. No	Name of the subsidiary	Kaveri Microteck Private Limited	Aditya Agritech Private Limited	Genome Agritech Private Limited	Genomix Agri Genetics Private Limited	Kaveri Employee Trust
1	The date since when subsidiary was acquired	24-06-2013	18-04-2013	13-09-2013	16-10-2017	01-04-2019
2	Reporting period	31-03-2022	31-03-2022	31-03-2022	31-03-2022	31-03-2022
3	Share capital	1,655.78	110.00	18.00	10.00	0.01
4	Reserves & surplus	1,642.75	1,131.41	(510.88)	(29.13)	122.35
5	Total assets	5,036.71	5,393.64	58.55	968.65	3,870.95
6	Total Liabilities	1,738.18	4,152.23	551.43	987.79	3,748.59
7	Investments	0.01	-	0.06	-	3,839.89
8	Turnover	3,479.86	8,944.14	-	2,331.30	-
9	Profit / (loss) before taxation	484.54	165.47	(0.80)	9.05	33.12
10	Provision for taxation	5.76	49.19	-	(0.40)	13.23
11	Profit / (loss) after taxation	478.78	116.28	(0.80)	9.45	19.89
12	Other Comprehensive income	5.04	1.58	-	-	-
13	Total Comprehensive Income	483.82	117.86	(0.80)	9.45	19.89
14	Proposed Dividend	-	-	-	-	-
15	% of shareholding	100%	70%	51%	100%	100%

Notes:

- i) There are no subsidiaries which are yet to commence operations.
- ii) There are no subsidiaries which have been liquidated or sold during the year.
- iii) There are no material subsidiaries of the company under SEBI(LODR), Regulations, 2015.
- iv) M/s. Kaveri Employee Trust, which is wholly controlled by the company has been consolidated.

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.Bhaskar Rao (Ind.) Chairman & MD of the Company
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f.01.04.2021 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	1.20 Acres Land on Lease for a period of 2 years at ₹0.66 Lakhs per year.

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 Wholtime 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.01.04.2021 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 ₹ 9.36 Lakhs per year.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	G. Vanaja Devi Wholtime Director of the Company
b)	Nature of contracts/ arrangements/transaction	Purchase of Agricultural Land
c)	Duration of the contracts/ arrangements/transaction	Sale Deed dated:11.03.2022
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	0.15 Acres Agricultural Land purchased for ₹67.50 Lakhs.

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.01.04.2021 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	38.19 Acres Land on Lease for a period of 2 years at ₹10.43 Lakhs per year.

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. 01.04.2021 b. Godown Lease Agreement for 5years w.e.f.01.04.2017 c. Cold Storage Lease Agreement for 2years w.e.f.01.03.2022

Sl. No.	Particulars	Details
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a. 28.19 Acres Land on Lease for a period of 2 years at ₹5.70 Lakhs per year. b. 33171 Sft Godown on Lease for a period of 5 years at ₹44.35 Lakhs per year. c. 100000 Cft Coldstorage on Lease for a period of 2 years at ₹129.00 Lakhs per year. During FY 21-22 paid ₹10.75 lakh

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.01.04.2021 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 ₹11.98Lakhs per year.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Bhaskara Investments Partnership firm where our directors are partners
b)	Nature of contracts/ arrangements/transaction	Land Lease Paid
c)	Duration of the contracts/ arrangements/transaction	Two years w.e.f.01.04.2021 respective agreements.
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	5.00Acres Land on Lease for a period of 2 years at ₹3.20Lakhs per year.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Microteck Private Limited Subsidiary of the Company
b)	Nature of contracts/ arrangements/transaction	Godown Lease Received & Rent Paid for Agriculture Infrastructure facilities
c)	Duration of the contracts/ arrangements/transaction	a) Godown Lease Agreement for 10years w.e.f.01.04.2018 to 31.03.2028 at Kandlakoi b) Godown Lease Agreement for 10years w.e.f.01.04.2018 to 31.03.2028 at GundlapochamPally
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	a) 39480 Sft Godown on Lease for a period of 20 years at ₹39.8 Lakhs per year. b) 39618 Sft Godown on Lease for a period of 20 years at ₹39.93 Lakhs per year.

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 ₹7646.91 Lakhs during the financial year 2021-22.

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

Sl. No.	Particulars	Details
c)	Duration of the contracts/ arrangements/transaction	-
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Sale of Hybrid Seeds worth ₹ 1610.26 Lakhs during the financial year 2021-22.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Microteck Pvt. Ltd Subsidiary of the Company
b)	Nature of contracts/ arrangements/transaction	Advances paid
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Advances paid worth of ₹(62.47) Lakhs during the year 2021-22.

Sl. No.	Particulars	Details
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a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Employee Trust ESOP Trust of the Company
b)	Nature of contracts/ arrangements/transaction	Advances paid
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Advances paid worth of ₹(16.91) Lakhs during the year 2021-22.

Sl. No.	Particulars	Details
a)	Name(s) of the related party & nature of relationship	M/s. Kaveri Bhaskar Rao Charitable Foundation CSR Trust
b)	Nature of contracts/ arrangements/transaction	Contribution to Charitable Foundation
c)	Duration of the contracts/ arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	Contribution made for CSR Expenditure worth of ₹492.57 Lakhs during the year 2021-22.

Place: Secunderabad,

Date: 08.08.2022

By order of the Board of Directors

For KAVERI SEED COMPANY LIMITED

Sd/-

G.V.BHASKAR RAO

Managing Director

Sd/-

G.VANAJA DEVI

Whole time Director

Annexure - A

Secretarial Audit Report

For the Financial Year Ended 31st March 2022

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

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

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 Limited**(hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit,We hereby report that in my opinion, the Company has, during the audit period from 01.04.2021 to 31.03.2022,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 Limited**("The Company") for the period from 01.04.2021 to 31.03.2022
2. according to the provisions of:
 - i. The Companies Act, 2013 (the Act) and the Rules made thereunder;
 - ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. SEBI (Prohibition of Insider Trading) Regulations, 2015
 - c. The Securities and Exchange Board of India(Issue of capital and Disclosure Requirements) Regulations, 2009;(Not Applicable to the company during audit period)
 - d. The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014.
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**).
 - 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, 2009 (**Not applicable to the Company during the audit period**)
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - vi. The Payment of Wages Act, 1936
 - vii. The Minimum Wages Act, 1948
 - viii. Employees Provident Fund And Misc. Provisions Act, 1952
 - ix. Employees State Insurance Act,1948
 - x. Payment of Gratuity Act,1972

- xi. Employee's Compensation Act, 1923
 - xii. Labour Welfare Fund Act, 1987
 - xiii. Contract Labour (Regulation & Abolition) Act, 1970
 - xiv. Income Tax Act, 1961
 - xv. GST Acts and Rules made thereunder
 - xvi. The Insurance Act, 1938, as amended
 - xvii. The Factories Act, 1948 and rules there under
 - xviii. Water (Prevention & Control of Pollution) Act, 1974 and rules there under
 - xix. Air (Prevention & Control of Pollution) Act, 1981 and rules there under
 - xx. The Environment (Protection) Act, 1986
 - xxi. Hazardous and Other Wastes (Management & Trans boundary Movement) Rules, 2016
 - xxii. Customs Act, 1962
 - xxiii. Newspaper Publications
 - xxiv. The Petroleum Act, 1934 and Petroleum Rules, 2002
 - xxv. The Payment of Bonus (Amendment) Act, 2015
 - xxvi. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
3. I have also examined compliance with the applicable clauses of
- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii) The Listing Agreements entered into by the Company with the BSE Limited and National Stock Exchange of India Limited.
4. 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:
- 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;
 - The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
 - 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;
 - Payment of remuneration to Directors including the Managing Director and Whole-time Directors,
 - Appointment and remuneration of Statutory Auditor, Internal Auditor, Cost Auditor and Secretarial Auditor.
 - Format of Balance Sheet and statement of profit and loss is as per Schedule III of the Companies Act, 2013 read with Companies Indian Accounting Standards (Ind AS) Rules, 2015;
 - Report of the Board of Directors;
 - The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent;\
 - Maintenance of various statutory registers and documents and making necessary entries therein has been done as per Companies Act, 2013;
 - 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;
 - Declaration and payment of dividends;
 - Transfer of certain amounts as required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
5. We further report that there was no prosecution initiated and no fines or penalties were imposed during the period under review under the Companies Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed there under against the Company or its Directors and Officers.
6. We Further Report That:
- The Company is paying wages to all employees as per the provisions of Minimum Wages Act, 1948 and The Payment of Wages Act, 1936

- The company is 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 has renewed the Insurance Policy under Employees State Insurance Act, 1948.
 - The Company is paying bonus to all employees as per the provisions of the Payment of Bonus (Amendment) Act, 2015.
7. 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.
8. We further Report that during the audit Period the Company has
- No Public /Right/Preferential Issue of Shares/Debentures/ Sweat Equity etc.,
 - Buy-back of 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: 16.08.2022

Place: Hyderabad

For L.D.Reddy & Co.,

Company Secretaries

Sd/-

L. Dhanamjaya Reddy

(Proprietor)

M. No. 13104

CP No.3752

UDIN No: A013104D000799593

Annexure to Secretarial Audit Report

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

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

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

Date: 16.08.2022
Place: Hyderabad

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

Sd/-

L. Dhanamjaya Reddy
(Proprietor)
M. No. 13104
CP No.3752
UDIN No: A013104D000799593

Annexure - B

Annual Report on Corporate Social Responsibility (CSR) activities for the Financial Year 2021-22

1. Brief outline on CSR Policy of the Company

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

2. Composition of CSR Committee

Sl. No.	Name of the Member	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Sri G.V.Bhaskar Rao	Chairman	1	1
2.	Smt. G.Vanaja Devi	Member	1	1
3.	Dr. S.Raghuvardhan Reddy	Member	1	1

3. Weblink: http://www.kaveriseeds.in/images/pdf/images/csr_policy.pdf

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule(3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 if applicable (attach the report) Not Applicable for the financial year under review

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in Lakhs)	Amount required to be set-off for the financial year, if any (₹ in Lakhs)
1.	2020-21	Nil	Nil
2.	2019-20	Nil	Nil
3.	2018-19	Nil	Nil

6. Average net profit of the company as per Section 135 (5) ₹ 25,799.58 Lakhs

7. (a) Two percent of average net profit of the company as per section 135 (5) ₹ 515.99 Lakhs

(b) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years ₹ 201.28 Lakhs

(c) Amount required to be set off for the financial year, if any Nil

(d) Total CSR obligation for the financial year (7a+7b-7c) ₹ 717.27 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

Total Amount spent for the financial year	Amount Unspent (₹ in Lakhs)			
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second provision to Section 135(5)	
	Amount	Date of transfer	Name of the fund	Amount
₹ 717.27 Lakhs	₹ 284.77 Lakhs	22-04-2022		Not applicable

8. (b) Details of CSR amount spent against ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Si. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Project Duration	Amount allocated for the project (₹ in Lakhs)	Amount spent in the current financial year (₹ in Lakhs)	Amount transferred to Unspent CSR account for the project as per Section 135 (6) (₹ in Lakhs)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name Registration Number	
Education												
1.	Creation and maintenance of Library and Lab facilities to the Govt.school premises to help the students to enrich their knowledge and skill levels..	(ii) Promoting Education	Yes	Telangana	Warangal Urban	2 Years	75.00	29.55	45.00	No	Kaveri Bhaskar rao Charitable Foundation	CSR00003856
Rural Transformation												
2.	Agriculture promotion, Farmer welfare and newer cultivation technics through Rythu Vedika's	(x) Rural Development	Yes	Telangana	Warangal Urban	2 Years	65.00	61.17	-	No	Kaveri Bhaskar rao Charitable Foundation	CSR00003856
3.	Village development activities and development of rural infrastructure	(x) Rural Development	Yes	Telangana	Warangal Urban	2 Years	60.00	36.65	20.00	No	Kaveri Bhaskar rao Charitable Foundation	CSR00003856
4.	Promoting & encouraging rural sports by creating sports facilities & Infrastructure	(vii) Promote Rural Sports	Yes	Telangana	Warangal Urban	3 Years	250.00	49.63	194.77	No	Kaveri Bhaskar rao Charitable Foundation	CSR00003856
5.	Rural development activities by developing Infrastructure, Roads and others	(x) Rural Development	Yes	Telangana	Warangal Urban	3 Years	150.00	124.34	25.00	No	Kaveri Bhaskar rao Charitable Foundation	CSR00003856
TOTAL								301.34	284.77			

8. (c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)
Si. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount spent for the Project (₹ in Lakhs)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency Name CSR Registration Number
Education								
1.	Educational development, support to poor students and promoting quality education	(i) Promoting Education	Yes	Telangana	Warangal Urban	56.47	No	Kaveri Bhaskar rao Charitable Foundation CSR00003856
2.	Providing and Creating hostel facilities for Blind Children.	(ii) Promoting Education	Yes	Telangana	Siddipet	311.51	No	Kaveri Bhaskar rao Charitable Foundation CSR00003856
Rural Transformation								
3.	Contribution for Community hall facilities	(x) Rural Development	Yes	Telangana	Nalgonda & Ranga reddy	23.42	Yes	Direct
Disaster Response								
4	Distribution of Essential items during Covid pandemic	(xii) Disaster Management	Yes	Telangana	Warangal Urban	15.00	No	Kaveri Bhaskar rao Charitable Foundation CSR00003856
Other Initiatives								
5	Creating Logistic facilities to carry demise persons	(x) Rural Development	Yes	Telangana	Warangal Urban	5.73	No	Kaveri Bhaskar rao Charitable Foundation CSR00003856
TOTAL						412.13		

8. (d) Amount Spent on Administrative Overheads - ₹ 3.81 Lakhs
- (e) Amount spent in Impact Assessment, if applicable - Nil
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) - Nil
- (g) Excess amount for set off, if any - Nil

Si. No	Particulars	Amount (₹ in Lakhs)
(i)	Two percent of average net profit of the company as per section 135 (5)	515.99
(ii)	Total amount spent for the financial year	717.27
(iii)	Excess amount spent for the financial year [(II)-(i)]	201.28
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	201.28
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

9. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Si. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project Duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project- Completed/ Ongoing
1.	Eudcation Promotion-I	Creation and maintenance of Library and Lab facilities to the Govt.school premises to help the students to enrich their knowledge and skill levels..	2020	2 Years	75.00	29.55	38.56	Ongoing
2.	Agriculture & Farmer welfare-I	Agriculture promotion, Farmer welfare and newer cultivation technics through Rythu Vedika's	2020	2 Years	65.00	61.17	158.53	Completed
3.	Rural Development -I	Village development activities and development of rural infrastructure	2020	2 Years	60.00	36.65	94.79	Ongoing
TOTAL						127.37	291.88	

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset to created or acquired through CSR spent in the financial year Not Applicable
11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per Section 135(5) Due to Covid Pandemic the company has not able to spend the allocated amounts in the financial year. Hence the unspent amount related to ongoing projects has been transferred to unspent CSR Account and will be spent in the next financial years.

For and on behalf of the Board of Directors
Kaveri Seed Company Limited

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Place: Secunderabad,
Date: 08.08.2022

Annexure - C

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

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

(A) CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy.
- The Company has taken adequate measures to conserve and reduce the energy consumption.
- (ii) The steps taken by the company for utilizing alternate sources of energy.
- The company constantly exploring various alternative sources of energies to reduce cost and pollution.

- (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 - NA
- 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

(B) TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption
- We have not absorbed any Technology recently. The processing of seeds is being developed in house by the company and improvements in existing seed process systems.

- (iv) The expenditure incurred on Research and Development:

Particulars	(₹ In Lakhs)	
	2021-22	2020-21
Capital	213.82	143.86
Recurring	3706.62	2869.16
Total	3920.44	3013.02
Total R&D expenditure as percentage of total turnover	4.28%	3.05%

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a) Earnings: ₹ 1135.83 (1521.47) Lakhs
- b) Out go : ₹ 214.68 (314.65) Lakhs

For and on behalf of the Board of Directors
Kaveri Seed Company Limited

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

Place: Secunderabad,
Date: 08.08.2022

Annexure - D

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	118.50:1
2.	Mrs. G.Vanaja Devi, Whole time Director	73.28:1
3.	Mr. C.Vamsheedhar, Whole time Director	35.58:1
4.	Mr. C.Mithunchand, Whole time Director	29.49:1

Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Mr. K. Purushotham, Smt M.Chaya Ratan and Dr. Hanchinal Rayappa Ramappa Independent Directors were paid only sitting fees for attending the Board and Committee Meetings.

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

Sl. No.	Name & Designation	% of Increase in Remuneration
1.	Mr. G.V.Bhaskar Rao – Chariman & MD	11.39
2.	Mrs. G.Vanaja Devi, Whole time Director	11.39
3.	Mr. C.Vamsheedhar, Whole time Director	11.27
4.	Mr. C.Mithunchand, Whole time Director	11.25
5.	Mr. K.V.Chalapathi Reddy, Chief Financial Officer	11.34

Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Mr. K. Purushotham, Smt M.Chaya Ratan and Dr. Hanchinal Rayappa Ramappa Independent Directors were paid only sitting fees for attending the Board and Committee Meetings.

- (iii) The percentage increase in the median remuneration of employees in the financial year was 10.09%.
- (iv) The number of permanent employees on the rolls of the Company as on March 31, 2022 was 1198.
- (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 2022.

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

For and on behalf of the Board of Directors

Place: Secunderabad,
Date: 08.08.2022

Sd/-
G.V.BHASKAR RAO
Managing Director

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)

Overview:

Kaveri Seed Company Limited presents its 'Business Responsibility Report' (BRR), as mandated by Securities and Exchange Board of India (SEBI) and in line with the 'National Voluntary Guidelines on Social, Environmental and Economic of Business' (NVGs), as released by the Ministry of Corporate Affairs in July 2011. The report has been prepared as prescribed and in accordance with the Regulation 34 of the SEBI (LODR) Regulations, 2015.

About Kaveri Seed Company Limited:

Kaveri Seed Company Limited (www.kaveriseeds.in) head quartered at Secunderabad, Telangana, India. It is one of the leading seed producing Company in the country. With about four decades of industry experience, it has emerged as a premier multi-crop seed producing Company. Over the years, the Company has enhanced farmer trust by providing a complete seeds basket, comprising of field and vegetable crop seeds. Backed by its strong R&D program, the Company specializes in the production of multi crop product portfolio crop seeds including maize, cotton, rice, pearl millet, mustard, wheat, sorghum, sunflower and a number of vegetables.

The product innovations is supported by its strong R&D dedicated team of researchers, the Company designs and develops productive hybrids that excel in markets and meet the changing needs of farmers and consumers. It is consistently building a robust portfolio of mandate crops to help enhance farm yield. It actively engages with farmers to educate them about latest farming techniques. Kaveri Seeds also helps farmers to implement best agricultural practices to ensure higher yield and improve the farmer lives.

The Company has not only been successful in developing an innovative product range but, has also helped to meet previously unmet requirements of the farmer community. From providing complete crop solutions, across crops, terrains and seasons, to capitalizing on emerging opportunities, Kaveri Seed has successfully reached out to

farmers around the country. We humbly attribute our success to our customer – farmer their preferred choice is “**Kaveri brand**” products in our multi-crops. We also advise the farmers to deal with multiple challenges of climate change, need based irrigation, plant protection for pest and disease and abiotic situations.

The latest breeding methods provide an opportunity to target national and global challenges as well as local needs and help us to achieve sustainable agricultural production and food security. All in all, the intended increase in agricultural productivity in a sustainable way would become more challenging, we pledge for it.

The Company developed modern Biotechnology lab with sophisticated equipment to do research on frontier technologies. State -of -the - art Seed Technology and Seed Biotechnology laboratories, using latest methods to carry out seed testing by maintaining prescribed seed quality standards of Indian Minimum Seed Certification Standard (IMSCS) prescribed by the Govt.

At Kaveri Seeds, employees are considered as ‘**valued assets**’ to the organization. We manage employees with a consistent and productive approach by balancing to meet the human aspirations of the people and attaining the strategic and financial goals of the organization. We believe in HR philosophy of creating and maintaining **3 Cs – Culture, Commitment, and Competency** of the organization through employees.

Our marketing is very strong as team and it will create maximum impact with targeted goals. Entire team will work with cohesively to attain the marketing goals fixed. As per customer need the developed products based on the segment wise we concentrate our efforts to penetrate our promising products to PAN India.

Company engaged in community strengthening initiatives in the areas of education, health, agriculture and social welfare. We are passionately endorse the sustainable agriculture and interventions in education, health care etc.,

For more details visit : www.kaveriseeds.in

Business Responsibility Report – 2021-22

SECTION A : GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L01120TG1986PLC006728
2. Name of the Company	Kaveri Seed Company Limited
3. Registered Office address	#513-B, 5th Floor, Minerva Complex, S.D. Road, Secunderabad-500003, Telangana, India
4. Website	www.kaveriseeds.in
5. e-mail id	cs@kaveriseeds.in
6. Financial Year reported	1st April 2021 to 31st March 2022

7. Sector(s) that the Company is engaged in (industrial activity code-wise)	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, Rice and Vegetable seeds.	
9. Total number of locations where business activity is undertaken by the Company	Nil	
i. Number of International Locations	The Company has 7 mega Seed Processing, Packing and Cold storage plants including R&D Center	
ii. Number of National Locations		
10. Markets served by the Company – Local/State/National/International	The Company's operations are mainly carried out from Hyderabad, Telangana, India with seed processing unit at Pamulparthy Plant and exports its seed to Bangladesh and Nepal.	

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid up Capital (INR)	₹1166.43 Lakhs
2. Total Turnover (INR)	₹91500.02 Lakhs (standalone) and ₹96998.16 Lakhs (consolidated)
3. Total profit after taxes (INR):	₹20890.31 Lakhs (standalone) and ₹21279.68 Lakhs (consolidated)
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):	CSR spent during the financial year 2021-22 was ₹515.99 Lakhs (2.47% of standalone profit after tax)
5. List the activities in which expenditure in 4 above has been incurred.	CSR Activities of Kaveri Seed are focused on Education & Rural Development. For details refer Annual Report on CSR activities.

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

SECTION D : BR INFORMATION:

1. Details of Director/Directors responsible for BR	<p>a. Details of the Director responsible for implementation of the BR policies:</p> <p>Name : Mr. G.V.Bhaskar Rao Designation: Managing Director DIN Number : 00892232 Tel.No.040-49192344 Email ID: cs@kaveriseeds.in</p> <p>b. Details of the BR head : same as above</p>
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2. Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)

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

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

All the policies in Kaveri Seed are governed by its guiding principles and core values. These policies are mapped to each principle hereunder:

Kaveri Seed Policies Mapping to BR Policies

S. No.	Principle	Applicable Policies
P1	Business should conduct and govern themselves with Ethics, Transparency and Accountability	Whistle Blower Policy Code of Conduct Kaveri guide to business conduct
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle	Environment Quality, Occupational Health & Safety Policy
P3	Businesses should promote the wellbeing of all employees	HR Policy & HR Manual, HR Training Policy, Prevention of Sexual Harassment Policy
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized	CSR Policy,
P5	Businesses should respect and promote human rights	Whistle Blower Policy Code of Conduct
P6	Business should respect, protect, and make efforts to restore the environment	Environment, Quality Occupational Health and Safety Policy
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.	Values & Beliefs, Kaveri Business Guide
P8	Businesses should support inclusive growth and equitable development	CSR Policy
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.	Values & Beliefs, Environment, Quality Occupational Health and Safety Policy

2a. If answer to the compliance status of any of the Principles listed above is 'No', please explain why

Sl. No	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles									
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The company does not have financial or manpower resources available for the task									Not Applicable
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

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

The BR Performance revolves around a number of policies which is assessed by the BR Head monthly, quarterly and annually based upon its importance and impact on the environment and Company's operations & activities

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 sixth Business Responsibility Report of the Company for the Financial Year 2021-22 which forms part of the Company's Annual Report for FY 2021-22. The same can be accessed at https://www.kaveriseeds.in/images/pdf/images/annual-reports/Annual_Report_2018_19_Final.pdf. Previous reports were made for the financial year 2016-17, 2017-18, 2018-19, 2019-20 and 2020-21

All policies are communicated to Kaveri Seed Employees upon joining as well as reinforced through employee training sessions. Kaveri Seed has well established the policies in accordance with the statutory guidelines and the relevant SEBI Regulations.

- Whistle Blower Policy/Vigil Mechanism
- The Dividend Distribution Policy
- Code of practices for fair disclosure of unpublished price
- Remuneration Policy
- Policy on preservation and archival of documents
- Policy for Determination of Materiality for Disclosure of Information/Events to the Stock Exchanges
- Policy on Related Party Transactions
- Policy for determining Material Subsidiaries
- Risk Management Policy

The above policies are accessed by anyone from the Company's website www.kaveriseeds.in

Key elements of Kaveri Seed's Corporate Governance are transparency, disclosure, internal controls, risk management, internal and external communications, and adherence to high standards of safety, health, environment, accounting fidelity, products and service quality.

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

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

Principle 2 - Product Life Cycle Sustainability

Companies which have built on competencies of product life cycle sustainability have earmarked to become market leaders. Kaveri seeds has consistently built on these competencies. Leading seed companies have made strategic investments in their supply-chain capabilities and set up efficient and effective organizations that overcome cross-

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability:

Kaveri Seeds fosters a work culture with high ethical principles and standards and encourages its employees to perform with total integrity, commitment and ownership. Commitment to ethical and lawful business conduct is a cornerstone of

Kaveri Seed business practices. It is a fundamental shared value among the Board of Directors, the senior management and all the employees in the company. Kaveri Seed has adopted the 'Code of Conduct' (Code), to ensure ethics, transparency and accountability in all aspects of the business, and creates value for its stakeholders in a sustainable manner. The code embodies the belief that being aware of the company's responsibility towards its stakeholders and acting with the Company's legitimate interest in mind, is essential for the Company's long-term excellence. All Directors and senior management personnel shall affirm compliance with this Code on an annual basis.

functional silos. By outperforming the overall level of maturity in their sectors, they have been able to disrupt them, as Kaveri seeds have done to the seed industry. The Company has been able to redefine the customers' expectations of service and their ability to bring innovation to the market, turning its excellence in supply-chain execution into a powerful source of competitive advantage. Kaveri considered being the very best company in seed production continues to evolve and reinvent innovative methodologies in supply chains, even though it has already achieved a leading position in their industry. By doing so, the Company has been able to manage risks; respond to changes in the economic, technological, and competitive environment; and exploit new opportunities more effectively than their competitors. It has been able to innovate and defy on the product lifecycle thereby bring in better seeds.

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

- Kaveri Plant team has installed & commissioned 7 Magnetic Cut Seed Separators to replace 40 grading conveyors which would enhance the quality recovery, ensure the increase of per day output and also pack cotton seed within set timelines. Operations do not generate any waste and minimum manpower engaged for the task.
- A dedicated 35000 SFT Processing, Packing & Cold Storage facility was created for systematic operations of the wide range of Vegetable Seed products; proper handling and accountability of these expensive products can be possible with this facility.
- A huge capacity cold storage facility has been created to store the foundation seeds, safe guard them from High temperature and Relative humidity and also to protect the viability of the seeds. Vicinity of cold storage to the processing plant make operations easy to monitor and control, in addition to savings in logistics cost.
- Cotton seed pouches packing made easy by changing from cartoon packing to BOPP bags. An integrated conveying system with Pouch filling in BOPP bags, weighing of secondary bags and stitching of FG bags in online operations is big savings for the company. Huge discarded cartoons waste averted.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

chemical waste and help protect the environment around & d) Delinting of cotton is done in dilute sulphuric acid process, where acid is reused multiple times during the delinting of the seeds. Thus making it safe and pollution free process.

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

Kaveri Seed continues to emphasize employee training and capability building by placing employee well-being at the forefront, as a key enabler in the organizational strategy.

1. Please indicate the Total number of employees.

The company has 1198 employees as on 31.03.2022

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

The company has no contractual employees as on 31.03.2022

3. Please indicate the Number of permanent women employees.

The company has 53 women employees as on 31.03.2022

4. Please indicate the Number of permanent employees with disabilities

Two

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

Nil

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

Not Applicable

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

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

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

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

Principle 4 - Stakeholders Engagement

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

Yes.

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

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

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

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

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

Principle 5 - Human Rights

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

The policy covers the employees of the company

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

None was received

Principle 6

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

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

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

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

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

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

Yes

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

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

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

To promote clean and green transportation we are using battery operated vehicles inside the plant.

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

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

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

No pending notices as on 31.03.2022

Principle 7 - Policy Advocacy

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

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

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

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

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

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

Principle 8 - Community Development (CSR)

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

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

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

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

the local representatives in formulating the various activities to obtain maximum benefit by community.

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

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

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

During the year 2021-22 the company has directly spent an amount of ₹ 23.42 Lakhs on various CSR activities as referred in Point 1 and contributed ₹492.57 Lakhs to the Foundation for carrying CSR Activities. The Foundation has spent ₹693.85 Lakhs on various CSR activities. Details of the projects under taken are mentioned in a separate section of the annual report.

Principle 9 - Customer value

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

The Company has mechanism to handle customer complaints. As on March 31, 2022 no complaints were pending beyond the acceptable timeline as per the Standard Operating Procedures (SOPs).

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 behaviour during the last five years and pending as on end of financial year.

Nil.

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

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

For and on behalf of the Board of Directors

Sd/-

G.V.BHASKAR RAO
Managing Director

Sd/-

G.VANAJA DEVI
Whole time Director

Place: Secunderabad,
Date: 08.08.2022

Dividend Distribution Policy

Your Company's Board follows the provisions of the Companies Act, 2013 and other applicable Regulations of SEBI LODR with regard to payment of dividends at its discretion during the fiscal year and may recommend the interim/special dividends paid as final dividends. Your Company observed all the parameters prescribed by SEBI in relation to the following key aspects for considering payment of dividend for any year.

- (a) The circumstances under which the shareholders of the company may or may not expect dividend
- (b) The financial parameters that shall be considered while declaring dividend
- (c) Internal and external factors that shall be considered for declaration of dividend
- (d) How the retained earnings shall be utilised
- (e) Parameters that shall be adopted with regard to various classes of shares

For detailed policy please visit website of your Company at the web link:

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

Preamble:

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

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

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

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

Category of Dividends

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

Final Dividend

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

Process for approval of Payment of Final Dividend:

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

Interim Dividend

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

Process for approval of Payment of Interim Dividend:

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

Declaration of Dividend

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

- i) Current financial year's profits:
 - a) after providing for depreciation in accordance with law;
 - b) after transferring to reserves such amount as may be prescribed or as may be otherwise considered appropriate by the Board at its discretion.
- ii) The profits for any previous financial year(s):
 - a) after providing for depreciation in accordance with law;
 - b) remaining undistributed; or
- iii) out of i) & ii) both.

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

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

Factors to be considered while declaring Dividend

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

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

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

External Factors:-

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

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

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

Internal Factors:-

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

- i) Profits earned during the year;
- ii) Present & future Capital requirements of the existing businesses;
- iii) Brand/ Business Acquisitions;
- iv) Expansion/ Modernization of existing businesses;
- v) Additional investments in subsidiaries/associates of the Company;
- vi) Fresh investments into external businesses;
- vii) Any other factor as deemed fit by the Board.

Dividend Range

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

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

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

Review & Amendments

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

Report on Corporate Governance

Report Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (Listing Regulations), compliance with the requirements of Corporate Governance is set out below:

COMPANY'S PHILOSOPHY

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

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

Key elements of corporate governance are transparency, internal controls, risk management, internal and external communications, high standards of safety, health, environment, accounting fidelity, and product quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes/mechanisms to serve this purpose.

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

BOARD OF DIRECTORS

Composition and size of the Board

As of the date of the Report, the Board of Kaveri Seed had Ten Directors, comprising Five Executive Directors including the Chairman & Managing Director and Five are the Independent Directors including Women Independent Director.

The composition of the Board is in conformity with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Listing Agreement entered into with the Stock Exchanges.

The Directors have expertise in the fields of strategy, management, production, finance, marketing and Research & Development. The Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure. Each Director informs the Company on annual basis about the Board and Board Committee positions he/she occupies in other companies including Chairmanships and notified changes during the term of their directorship in the Company. None of the Directors on the Board hold directorships in more than eight listed entities as per 17A of SEBI (LODR) Regulations. Further none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he or she is a Director. Necessary disclosures regarding committee positions in other public companies as on 31st March 2022 have been made by the Directors.

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

The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions. All material information is circulated to the Directors, including minimum information that are required to be made available to the Directors under Part A of Schedule II of the Listing Regulations.

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

i) Composition of Board, their positions, other Directorships and memberships of Committees held by each of them as on 31st March 2022:

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on 30.09.2021	Number of Directorships in other companies	Number of committee positions held in public companies Chairman - Member
Sri G.V. Bhaskar Rao	Chairman & Managing Director (Promoter)	5	Yes	11	-
Smt. G. Vanaja Devi	Executive Director (Promoter)	5	No	4	-
Dr. Gundavaram Pawan	Executive Director	4	No	1	-

Name of the Director	Category	Number of Board Meetings attended	Attendance at the last AGM held on 30.09.2021	Number of Directorships in other companies	Number of committee positions held in public companies Chairman - Member
Sri C. Vamsheedhar	Executive Director	5	Yes	4	0 - 1
Sri C. Mithun Chand	Executive Director	5	Yes	3	0 - 2
Dr. S. Raghuvardhan Reddy	Independent Director	5	Yes	1	1 - 2
Dr. S.M .Ilyas	Independent Director	4	Yes	1	0 - 0
Sri K. Purushotham	Independent Director	5	Yes	1	1 - 1
Smt. M. Chaya Ratan	Independent Director	4	Yes	1	0 - 1
Dr. Rayappa Ramappa Hanchinal	Independent Director	5	Yes	2	0 - 0

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 Committee and Stakeholders' Relationship Committee of public limited companies including Kaveri Seed Company Limited are considered as per Regulation 26(1)(b) of SEBI (LODR) Regulations, 2015.
- 3) None of the Directors of the Company is a Director in other listed entity (ies)
- 4) Leave of absence was granted on request to those directors who could not attend the meeting(s).
- 5) Mr. G.V.Bhaskar Rao, Mrs. G.Vanaja Devi and Dr. G.Pawan are related to each other.
- 6) Mr. C.Vamsheedhar and Mr. C.Mithun Chand are related to each other.
- 7) Dr. Gundavaram Pawan, Director appointed as whole time Director w.e.f 08.08.2022.

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

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

Details of Equity Shares of the Company held by the Directors as on March 31, 2022 are given below:

Name	Category	No. of Shares
Mr. G.V. Bhaskar Rao	MD & Chairman	5358530
Mr. G.V. Bhaskar Rao – HUF	HUF	9985649
Mrs. G. Vanaja Devi	Executive Director	14090157
Dr. G. Pawan	Executive Director	2228876
Mr. C. Vamsheedhar	Executive Director	976587
Mr. C. Mithun Chand	Executive Director	857344
	TOTAL	33497143

The company has not issued any convertible instruments.

ii) Board Committees:

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

iii) Meetings of the Board:

The Board of Directors must meet at least four times in a year, with a maximum time gap of one hundred twenty days between two Board meetings. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. Notices of Board Meetings were sent to the Directors as required under Section 173 of the Companies Act, 2013 well in advance. The Agenda along with the explanatory notes are sent in advance to the Directors. In special and exceptional circumstances, additional or supplementary items(s) on the agenda are permitted. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. The Company's Board met Five times during the financial year under review on 29th May 2021, 13th August 2021, 25th August 2021, 12th November 2021 and 11th February 2022.

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

Date of Meeting	Board Strength	No. of Directors Present
29.05.2021	10	10
13.08.2021	10	10
25.08.2021	10	10
12.11.2021	10	8
11.02.2022	10	9

iv) Independent Directors Meeting

Pursuant to Schedule IV of the companies Act, 2013 and the rules made there under, the Independent Directors of the company shall hold at least one meeting in a year, without the attendance of non-independent directors and members of the management. During the financial year 2021-22, one separate meeting of the Independent Directors was held on 11th February 2022. The Independent Directors, inter alia, reviewed the performance of Non-Independent Directors, Board as a whole and Chairman of the Company, taking into account the views of executive directors and non-executive directors. The Board periodically reviews the compliance reports of all laws applicable to the Company.

v) Information given to the Board:

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

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

- Materially important demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences;
- Significant development in the human resources and industrial relations fronts.

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

vi) Disclosure of relationships between directors inter-se

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

vii) Details about familiarization program

Senior management personnel of the Company make presentations to the Board Members on periodical basis, briefing them on the operations of the Company, plans, strategy, risks involved, new initiatives, plant visit etc., and seek their opinions and suggestions on the same. Also, the Directors are briefed on their specific responsibilities and duties that may arise from time to time. Any new Director who joins the Board is presented with a brief background of the Company, its operations and is informed of the important policies of the Company including the Code of Conduct for Directors and senior management personnel and the Code of Conduct for Prevention of Insider Trading, Policy on Related Party Transactions, Policy on Remuneration, Policy on Material Subsidiaries, Whistle Blower Policy, Corporate Social Responsibility Policy etc.,

The details of the familiarization program are placed on the Company's website at: <https://www.kaveriseeds.in/wp-content/uploads/2022/08/Familiarization-Programs-for-Independent-Directors.pdf>

viii) Details of skills / expertise / competence of the Board of Directors

Name	Category	Skills/ Expertise/ Competence
Mr. Venkata Bhaskar Rao Gundavaram	Promoter - Executive Chairman & MD	He is a graduate in agricultural science and he oversees the production planning and provides guidance in R&D, overall management and business development of the company.
Dr. Pawan Gundavaram	Executive Director	He is a MBBS - MD in medicine. He is focus on strategic issues and long-term business plans and operations of the Company.
Mrs. Vanaja Devi Gundavaram	Promoter and Executive Director	She looks after CSR responsibility activities, in addition to assisting the MD in general functioning of the company
Mr. Vamsheedhar Chennamaneni	Executive Director	He is a key player and growth driver in the 'Team Kaveri and oversees the General Management and overall Marketing of the company.
Mr. Mithun Chand Chennamaneni	Executive Director	He is M.B.A. Apart from general management, he has rich experience in finance, accounts and administration in regulatory affairs of the company.
Dr. Suravaram Raghuvardhan Reddy	Independent Director	He is a Ph.D (Agriculture) and Ex-Vice Chancellor of Acharya N.G. Ranga Agricultural University having vast experience in the Agriculture & Research activities.
Dr. Syed Mohammed Ilyas	Independent Director	He is M.Sc., Agricultural Engineering. He was retired as a Director of National Academy of Agricultural Research Management (NAARM), Hyderabad and he has held several eminent professional positions from Indian Agricultural Research Institute, New Delhi. He has rich experience in the Agriculture & Research management and other International Assignments.
Mr. Kalakala Purushotam	Independent Director	He is a B.Sc., (Agricultural) from A.P. Agricultural University and passed Banking examinations (CAIIB Part I) conducted by the Institute of bankers, Mumbai and retired as General Manager cadre in IOB and has rich experience in finance banking, money markets accounting, management, strategy etc.,
Mrs. Chaya Ratan Musinipally	Independent Director	She is IAS (Retired) and M.Sc Eco Social policy & planning from London School of Economics, London. She has rich experience in overall rural management, Rural development and social activities.
Dr. Rayappa Ramappa Hanchinal	Independent Director	He obtained Ph.D in Agriculture, Genetics and Plant Breeding. He is also Fellow of National Academy of Agricultural Sciences, National Academy of Biological Sciences and Honorary fellow/fellow of many professional societies including Bioversity International- Rome. He was awarded with as many as 24 national /international Awards. Also, a grantee for the Obama-Singh 21st Century knowledge initiative (2012). He was awarded M.S.Swaminathan in 2015-16 by RICAREA, Hyderabad and a certificate of appreciation from World Bank group.

ix) Statement on Declaration by Independent Directors

Dr. S.Raghuvardhan Reddy, Dr. S.M.Ilyas, Sri K.Purushotham, Smt. M. Chaya Ratan and Dr. Rayappa Ramappa Hanchinal are the Independent Directors on the Board of the Company as on March 31, 2022. All the Independent Directors have given their respective declarations under Section 149(6) and 149(7) of the Companies Act, 2013 and the Rules made thereunder. The Board of Directors, based on the declaration(s) received from the Independent Directors, has verified the veracity of such disclosures and confirms that the Independent Directors fulfill the conditions of independence

specified in the Listing Regulations and are independent of the management.

As required by SEBI (LODR) Regulations, 2015, a certificate from Company Secretary in Practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities & Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority, is attached to this Report as Annexure-A.

Further, Annual Secretarial Compliance Report issued by the Company Secretary in Practice pursuant to Circular dated February 08, 2019 issued by SEBI is also attached to this Report as Annexure-B.

x) Resignation of Independent Directors

During the year no directors were tendered their resignation.

xi) Appointment of Independent Directors

During the year no directors were appointed.

xii) Details of Director proposed for retire by rotation and re-appointment at the Annual General Meeting

Dr. G. Pawan, retire by rotation and being eligible offer himself for re-appointment as Director of the Company.

Dr. Gundavarm Pawan (DIN 00768751) is a MBBS from Jawaharlal Nehru Medical College, Karnataka, and holds Doctor of Medicine Degree from Illinois State University, USA. Dr. Pawan by profession an eminent medical doctor in the United States. Now, he is shifted to India and he looks after operations of the Company. He is a second generation entrepreneur and experienced in general management. Dr. Pawan has zeal, enthusiasm, lot of creativity and unique thinking. Due to his consistent focus on strategic issues, long-term business and operational plans, it will help elevate Kaveri Seeds to reach a new zenith of competitiveness. As a Whole time Director will give a helping hand to Chairman and Managing Director (CMD) in day to day activities and give proactive suggestions. He has been instrumental in formulating strategic and long-term business plans, assisting the CMD to do justice to his role and take vital decisions for sustainable value creation of the Company and stakeholders.

COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities as mandated by applicable regulation; which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by Members of the Board, as a part of good governance practice. The Chairman of the respective Committee(s) informs the Board about the summary of the discussions held in the Committees Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

During the year, all recommendations of the Committees of the Board which were mandatorily required have been accepted by the Board.

The Board has established the following statutory and non-statutory Committees:

AUDIT COMMITTEE

The management is responsible for the Company's internal controls and the financial reporting process while the statutory auditors are responsible for performing independent audits of the Company's Financial Statements in accordance with generally accepted auditing practices and for issuing reports based on such audits. The Board of Directors has entrusted the Audit Committee to supervise these process and thus ensure accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting. The composition, procedures, powers and role/functions of the Audit Committee constituted by the Company comply with the requirements of Regulation 18 of the SEBI (LODR) Regulations, 2015.

The primary objective is to monitor and provide effective supervision of the management's financial reporting process with a view to ensure accurate timely and proper disclosures and transparency integrity and quality financial reporting.

i) Role of Audit Committee:

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient and credible information is disclosed.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- Review, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to;
- Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgment by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statements;
- Disclosure of any related party transactions;
- Modified Opinion(s) the draft audit report;
- Review, with the management, the quarterly financial statements before submission to the Board for approval;

- Review, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Review, with the management, performance of statutory and internal auditors, adequacy of the internal financial control systems;
- Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- Discussion with internal auditors of any significant findings and follow up there on;
- Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- Examine into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- Review the functioning of the Whistle Blower mechanism;
- Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background etc., of the Candidate.
- Carry out any other functions as is mentioned in the terms of reference of the Audit Committee under the SEBI (LODR) Regulations, 2015 and Companies Act, 2013.
- Management discussion and analysis of financial condition and results of operations;

- Adequacy of internal control systems and the Company's statement on the same prior to endorsement by the Board, such review to be done in consultation with the management, Statutory and Internal Auditors;
- Reports of Internal Audit and discussion with Internal Auditors on any significant findings and follow-up thereon;
- System for storage, retrieval, security etc. of books of account maintained in the electronic form;
- Review the existing loans / advances and investments.
- Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015

ii) Composition and other details of Audit Committee

The Audit Committee comprises of four members, out of four, three members are Independent Directors.

Mr. K. Purushotham, Chairman of Audit Committee, is an Independent Director having expertise in accounting and financial management. Dr. S. Raghuvardhan Reddy, Mrs. M. Chaya Ratan and Mr. C. Mithun Chand are the members of the Committee.

The Audit Committee Meetings are usually held at the Registered Office of the Company and are usually attended by the Independent Directors, one Executive Director, Chief Financial Officer, Statutory Auditors and Internal Auditor of the Company. The Company Secretary acts as Secretary of the Audit Committee.

The heads of departments of Finance & Accounts, Internal Auditor and the Statutory Auditors are the permanent invitees to the Audit Committee.

During the year under report the Audit Committee has met four times on 29th May 2021, 13th August 2021, 12th November 2021, and 11th February 2022.

The attendance at the Audit Committee meetings during the financial year 2021-22 is as under:

Member	No. of Meetings	Attendance
Mr. K. Purushotham	4	4
Dr. S. Raghuvardhan Reddy	4	4
Mr. C. Mithun Chand	4	4
Mrs. M. Chaya Ratan	4	3

NOMINATION AND REMUNERATION COMMITTEE:

Brief description of terms of reference of Nomination and Remuneration Committee:

- Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

- Carry on the evaluation of every director's performance;
- Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
- Recommend to the Board a policy, relating to the remuneration of the Directors and Key Managerial Personnel;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Grant, issue and allot of options to eligible employees and administering the various Employee Stock Option Scheme(s) from time to time and
- Undertake any other matter as the Board may decide from time to time.

The composition of the Nomination and Remuneration/Compensation Committee comprises of three Independent Directors. Mr. K. Purushotham, Chairman of the Committee and Dr. S. Raghuvardhan Reddy & Mrs. M. Chaya Ratan are the members of the Committee. During the year, the Nomination and Remuneration Committee met one time on 13.08.2021.

The attendance at the Nomination and Remuneration meeting(s) during the financial year 2021-22 is as under:

Member	No. of Meetings	Attendance
Mr. K. Purushotham	1	1
Dr. S.Raghuvardhan Reddy	1	1
Mrs. M. Chaya Ratan	1	1

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.

iii) REMUNERATION OF DIRECTORS:

a. Executive Directors:

Name of the Director	Salary per annum	Contribution to PF & Gratuity	(Amount in ₹)
			Total
Sri G.V. Bhaskar Rao	3,88,62,295	27,55,692	4,16,17,987
Smt. G. Vanaja Devi	2,40,31,668	17,04,060	2,57,35,728
Sri C. Vamsheedar	1,15,61,835	9,35,220	1,24,97,055
Sri C. Mithun Chand	95,64,241	7,93,572	1,03,57,813
TOTAL	8,40,20,039	61,88,544	9,02,08,583

The nomination and remuneration policy as adopted by the Board is placed on the Company's website at <http://www.kaveriseeds.in/images/pdf/images/Nomination-and-Remuneration-Policy.pdf>

ii) Performance evaluation of Directors & Formulation of the criteria for evaluation of Independent Directors and the Board;

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

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

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

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

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

In the board meeting that followed the meeting of the independent directors and meeting of nomination and remuneration committee, the performance of the board, its committees, and individual directors was also discussed. The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

Sri G.V. Bhaskar Rao, Smt. G. Vanaja Devi, Sri C. Vamsheedhar and Sri C. Mithun Chand were re-appointed as executive directors w.e.f 15th November 2021 for a period of 5 years on the terms and conditions contained in the respective resolutions passed by the Members in the 34th Annual General Meeting. The notice period is as per the rules of the Company. There was no severance fee payable to them for cessation of their executive directorship. During the year, there is no grant to the Directors under ESOP Scheme.

b. Non-Executive Independent Directors:

There were no pecuniary transactions with any non-executive independent directors of the Company

Non-Executive Independent Directors are paid sitting fee for attending the Board meetings and Committee meetings. Sitting fee for Board Meeting is ₹40,000/- and Committee Meetings is ₹15000/- being paid to Non-Executive Independent Directors for attending each meeting of the Board of Directors and Committee meetings. During the year, the sitting fees paid for attendance of Board and Committee meetings are as follows:

(Amount in ₹)		
Member	Designation	Sitting Fee Paid
Dr. S.Raghuvardhan Reddy	Independent Director	3,35,000
Dr. S.M.Ilyas	Independent Director	1,60,000
Sri K. Purushotham	Independent Director	2,75,000
Smt. M. Chaya Ratan	Independent Director	2,20,000
Sri Hanchinal Rayappa Ramappa	Independent Director	2,00,000

STAKEHOLDERS RELATIONSHIP COMMITTEE:

Dr. S. Raghuvardhan Reddy, Non-executive Director is the Chairperson of the Committee and Mr. C.Vamsheedhar, Mr. C.Mithun Chand are the other members of the Committee.

The main functions of the Stakeholders Relationship Committee considers and resolves all matters of the grievances of the security holders of the Company including complaints related to transfer of shares, non-receipt of annual reports, dividends, issue of duplicate share certificates etc. Specifically look into various aspects of interest of shareholders, debenture holders and other security holders.

Review of measures taken for effective exercise of voting rights by shareholders.

Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agent.

Review of various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports /statutory notices by the shareholders of the Company

The attendance at the Stakeholders Relationship Committee meeting(s) during the financial year 2021-22 held on 11.02.2022 is as under:

Member	No. of Meetings	Attendance
Dr. S. Raghuvardhan Reddy	1	1
Mr. C.Vamsheedhar	1	1
Mr. C.Mithun Chand	1	1

Name and designation of Compliance Officer:

Mr. V.R.S.Murti, Company Secretary & Compliance Officer Email ID for investor grievances: cs@kaveriseeds.in

During the year the Company has not received any grievances from the investors, except the request from the shareholder for issue of duplicate share certificate, the same was resolved. As on 31st March, 2022 there were no investor grievances pending and no transfers were pending for approval.

RISK MANAGEMENT COMMITTEE:

Pursuant to the requirement of SEBI (LODR) Regulations 2015, the company has a risk management committee of the Board consisting the Directors of Dr. S.Raghuvardhan Reddy, Independent Director and Chairman of the Committee Mr. C.Vamsheedhar and Mr. C. Mithunchand, members of the Committee.

Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit Committee has additional oversight in the area of financial risks and controls. The major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the Management Discussion and Analysis, which forms part of this report. The Risk Management Policy is available on the Company's website at: <https://www.kaveriseeds.in/wp-content/uploads/2022/08/Risk-Management-Committee-Policy.pdf>

All members were attended the Risk Management Committee Meetings held on 12.11.2021 and 11.02.2022.

DIVIDEND DISTRIBUTION POLICY

Pursuant to Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, requires that the top 500 listed Companies based on the market capitalization to formulate Dividend Distribution Policy. In compliance with the said requirement, the Company has formulated the Dividend Distribution Policy, the details of which are available on the Company's website at <http://www.kaveriseeds.in/images/pdf/images/Dividend-Distribution-Policy.pdf> and is also provided an attachment of Directors Report.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

As per the Companies Act, 2013, the Company is required to constitute a Corporate Social Responsibility (CSR) Committee of the Board consisting of three or more directors, at least one of whom will be an independent director. The constitution of CSR Committee is as under:

Mr. G.V. Bhaskar Rao, Chairman
Mrs. G. Vanaja Devi, Member
Dr. S. Raghuvardhan Reddy, Member

All members were attended the Corporate Social Responsibility Committee meeting held on 29.05.2021.

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 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/images/pdf/images/csr_policy.pdf

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
32nd Annual General Meeting 2018-2019	September 17, 2019	3.00 PM	Surana Udyog Hall. FTAPCCI House, Red Hills, Hyderabad – 500 004., Telangana	4
33rd Annual General Meeting 2019-2020	September 29, 2020	11.00 A.M	Meeting held through Video Conferencing Facility ("VC")/ Other Audio Visual Means ("OAVM")	Nil
34th Annual General Meeting 2020-2021	September 30, 2021	11.00 A.M	Meeting held through Video Conferencing Facility ("VC")/ Other Audio Visual Means ("OAVM")	6

i. Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2021-22.

The results were announced to the stock exchanges on 18th June 2021 and also placed on the website of the Company.

ii. Postal Ballot:

During the financial year 2021-22, the Company has conducted Postal Ballot and Special Resolution(s) was passed, the details are given below:

The Company had sought the approval of the shareholders by way of a Special Resolution(s) through notice of Postal Ballot dated 15th April 2021 for the following item:

Continuation of Directorship of Mr. Purushotam Kalakala (DIN: 01540645), Non-Executive & Independent Director of the Company, who will attain the age of 75 years on 5th July 2021:

Mr.L.Dhanamjaya Reddy (Mem.No.13104) of L.D.Reddy & Co., Practicing Company Secretaries, appointed as the Scrutinizer to scrutinize the Postal Ballot and e-voting and ballot process in a fair and transparent manner.

The procedure for Postal Ballot as prescribed under Section 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 has been followed. The scrutinizer submitted a report to the Chairman stating that the resolutions have been duly passed by the members with requisite majority.

MEANS OF COMMUNICATION:

The Quarterly, Half yearly and Annually Financial Results of the company are published in leading newspapers in English and Telugu (Regional Language). The results are also displayed on the Company's website <http://www.kaveriseeds.in/investors/financial-information/#tab-quarterly-financial-results> for the information of shareholders and general public. Financial Results, Presentation, Con call Transcripts made to the institutional investors/analysts after the declaration of quarterly; half yearly and annual results are submitted to the National Stock Exchange of India Limited and BSE Limited as well as uploaded on the company's website. Further all material information which will have some bearing on the operation of the Company is sent to all Stock Exchanges concerned and also placed on the Company's website. A Management Discussion and Analysis Statement is a part of the Company's Annual Report.

i) NSE Electronic Application Processing System (NEAPS) and BSE Listing Centre

The Company also filed information through NEAPS and BSE Listing Centre – a web based application provided by NSE & BSE which facilitates online filing of Financial Results, Announcements, Corporate Governance Reports and Shareholding Pattern etc., by the company.

ii) Extensive Business Reporting Language (XBRL)

XBRL is a language for electronic communication of business and financial data. 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.

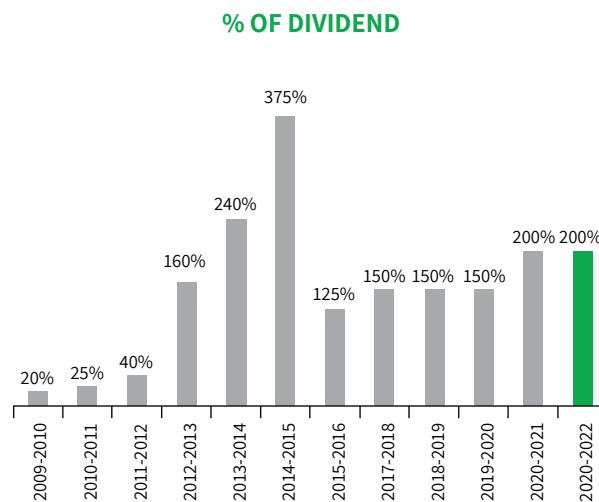
Your Company's Annual Reports are also available on the Company's web site <http://www.kaveriseeds.in/investors/financial-information/#tab-annual-reports>

GENERAL SHAREHOLDERS INFORMATION:

i.	35th Annual General Meeting	Thursday, 29th September, 2022 at 12:00 Noon
	- Date and Time	
	- Venue	Pursuant to the Circulars issued by Ministry of Corporate Affairs, the AGM will be convened through Video Conferencing (VC)/ Other Audio Visual Means (OAVM).
ii.	Financial Calendar	<p>i. Financial Year – April to March</p> <p>ii. First Quarter Results – within 45 days of the end of the quarter.</p> <p>iii. Half-yearly Results – within 45 days of the end of the quarter.</p> <p>iv. Third Quarter Results – within 45 days of the end of the quarter.</p> <p>v. Results for the year ending March 31, 2023 – within 60 days of the end of the quarter (Audited)</p>
iii.	Date of Book Closure	27.09.2022 to 29.09.2022 (both days inclusive)
iv.	Payment of Dividend	During the year 2021-22, the company has paid an Interim Dividend of ₹4/- per equity share.
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 2022-23.
vii.	Stock Code:	
	Bombay Stock Exchange Limited	532899
	National Stock Exchange of India Ltd	KSCL

viii. Dividend History:

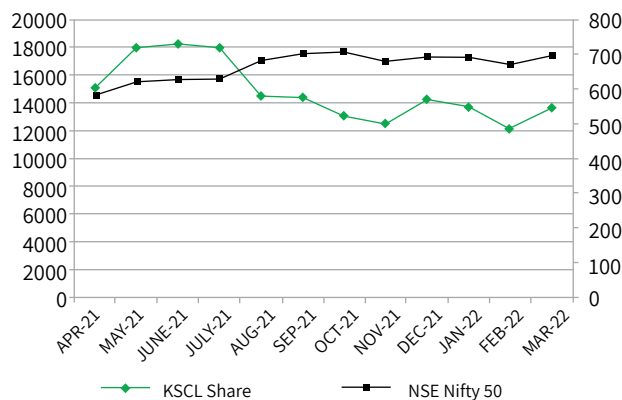
Financial Year	% of Dividend
2021-2022	200
2020-2021	200
2019-2020	150
2018-2019	150
2017-2018	150
2015-2016	125
2014-2015	375
2013-2014	240
2012-2013	160
2011-2012	40
2010-2011	25
2009-2010	20



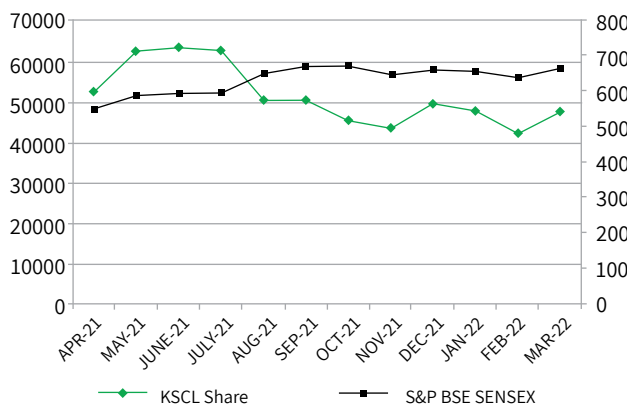
ix. Monthly High & Low quotations and volume of shares traded on NSE & BSE during the year:

Month	National Stock Exchange				Bombay Stock Exchange			
	High	Low	Close	Volume	High	Low	Close	Volume
Apr-21	622.40	510.00	604.35	5746663	622.00	500.00	604.10	632384
May-21	816.65	595.25	719.15	12563917	815.85	592.00	719.05	1600077
Jun-21	747.95	675.00	730.10	6272420	747.15	639.00	730.00	765227
Jul-21	781.90	680.65	719.90	5143208	787.85	680.15	721.20	1262396
Aug-21	789.75	544.60	578.20	17360136	788.80	545.00	577.90	951435
Sep-21	616.10	564.80	579.10	6044884	616.00	565.05	578.90	591240
Oct-21	590.00	512.80	520.95	2713494	590.35	516.00	521.05	375931
Nov-21	547.50	472.10	499.55	2038406	547.00	468.55	499.60	223133
Dec-21	584.75	492.00	571.00	3193451	583.00	491.05	569.05	267104
Jan-22	582.15	532.10	551.95	3240515	581.90	527.15	550.95	300798
Feb-22	574.00	473.05	485.90	2025286	573.65	473.60	485.90	172657
Mar-22	565.50	467.25	547.00	2972336	567.80	468.00	546.25	248033

STOCK PERFORMANCE OF KAVERI SEED COMPANY LIMITED Vs. NIFTY 50



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



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

xi. Registrar to an issue and Share Transfer Agents:

M/s. Bigshare Services Pvt. Ltd., is the Registrars and Share Transfer Agents and Depository Transfer Agents of the Company. Any request pertaining to investor relations may be forwarded to the following address:

Mr. S.D. Prabhakar,
Deputy General Manager,
Bigshare Services Pvt. Ltd.,
306, 3rd Floor, Right Wing, Amrutha Ville,
Opp.Yashodha Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad – 500 082
Telangana.
Tel.Nos. + 91- 40- 40144967/ 23374967
Fax No. + 91-40 - 23370295
E-mail: bsshyd@bigshareonline.com

xii. Share Transfer System and Dematerialization of shares and liquidity:

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Equity shares of the Company representing 100% of the Company's share capital are dematerialized as on 31st March 2022.

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 INE455101029

xiii. Kaveri Seed Employee Stock Option Plan – 2018 (ESOP Plan)

The Company grants share-based benefits to eligible employees with a view to attracting and retaining the best talent, encourag-

ing employees to align individual performances with Company objectives, and promoting increased participation by them in the growth of the Company.

As on March 31, 2022 a total of 8,75,491 Equity Shares (Eight Lakh Seventy Five Thousand Four Hundred Ninety One Only) options were available in the Trust account.

The Nomination and Remuneration Committee (NRC), is empowered to formulate detailed terms and conditions of the ESOP Plan 2018, and supervise the same. The specific employees to whom the Options would be granted and their eligibility criteria would be determined by the Nomination and Remuneration Committee at its sole discretion. Further, the Nomination and Remuneration Committee is empowered to determine the eligible employees of subsidiary companies, whether existing or future, whose employees will be entitled to stock options under this Scheme.

The Nomination and Remuneration Committee has granted 6,29,516 options @ 315/- per option to the eligible employees of the Company on 31.03.2020 under the ESOP Plan 2018. During the year 4000 options are exercised under this ESOP grant.

Further, the Nomination and Remuneration Committee, at their meeting held on 25.03.2021, granted 2,49,975 options @ ₹450/- per option to the eligible employees of the Company.

Both the granted options would vest on or after 1 (one) year from the respective date of grant(s) but not later than 4 (four) years from the date of grant of such Options or any other terms as decided by the Nomination and Remuneration Committee.

The ESOP Plan is in compliance with the SEBI (Share-Based Employee Benefits) Regulations, 2014, as amended from time to time, and there has been no material change to the plan during the fiscal. The Disclosure required to be made under Regulation 14 of SEBI (Share-Based Employee Benefits) Regulations, 2014 is available on the Company's website at <https://www.kaveriseeds.in/wp-content/uploads/2022/09/ESOP-Disclosure-2022.pdf>

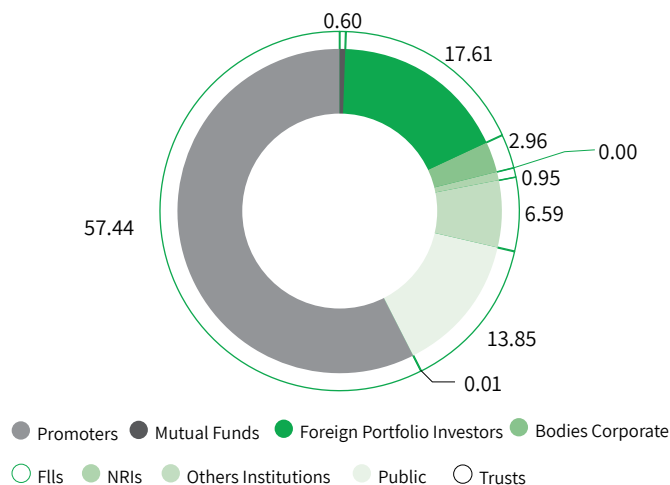
xiv. Distribution Schedule & Shareholding Pattern as on 31st March 2022

Category of Shares	No. of Shareholders	No. of Shares	% of total capital
1 - 500	66028	3783837	6.49
501 - 1000	1326	1005598	1.72
1001 - 2000	711	1045913	1.79
2001 - 3000	195	497234	0.85
3001 - 4000	113	402171	0.69
4001 - 5000	74	341574	0.59
5001 - 10000	118	866361	1.49
10001 - and above	143	50378972	86.38
Total	68708	58321660	100

Note: The above total number of shareholders without the consolidation of their respective folios.

Categories of Equity Shareholders as on 31st March 2022:

Category	No. of Shares	Percentage (%)
Promoters	3,34,97,143	57.44
Mutual Funds	3,48,859	0.60
Foreign Portfolio Investors	1,02,67,846	17.61
Bodies Corporate	17,29,152	2.96
Foreign Institutional Investors	0	0.00
Non Resident Indians	5,51,543	0.94
Other Institutions	38,47,524	6.59
Public	80,75,998	13.85
Trusts	3,595	0.01
TOTAL	5,83,21,660	100

Categories of Shareholder & Percentages**xv. 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 2022.

xvi. 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.

xvii. Plant Locations:

S. No.	Units
--------	-------

- Gatlanarsingapur Plant**
Door No.6-96/2, Gatlanarsingapur Post, Bheemadevarapally Mandal Warangal Urban District, Telangana State.
- Eluru Plant**
Sy.No.853, Koppaka village, Pedavegi Mandal West Godavari Distirct, Andhra Pradesh State.
- Eluru Plant**
Sy.No.154/5, Akannagudem village, Pedavegi Mandal West Godavari Distirct, Andhra Pradesh State.
- 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, Pamulparthy Village, Markkook Mandal, Siddipet District, Telangana State.

S. No.	Units
--------	-------

- Molangur Plant**
Sy.No.708, 709/A and 713/A Molangur village, Shankarapatnam Mandal, Karimnagar District, Telangana State.
- Gowraram Plant**
Sy.No.72 & 73 Part, Gowraram Village, Wargal Mandal, Medak Dist.,
- Pamulparthy Cold Storage Unit**
Sy.No.712, 743, Pamulparthy Village, Markkook Mandal, Siddipet District, Telangana State.

xviii. Registered Office, Corporate Office & Address for correspondence

Kaveri Seed Company Limited
CIN: L01120TG1986PLC006728
513-B, 5th Floor, Minerva Complex, S.D.Road, Secunderabad – 500 003, Telangana.
Tel.Nos.+91 40-27721457/27842398
Fax No.+91 40-27811237
Email: cs@kaveriseeds.in
Website: www.kaveriseeds.in

xix. 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 <https://www.kaveriseeds.in/wp-content/uploads/2022/07/related-party-transaction-policy.pdf>

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/images/pdf/images/whistle-blower-policy.pdf>

iv) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:

The Company has complied with the mandatory requirements of SEBI (LODR) Regulations, 2015 and is in the process of implementation of non-mandatory requirements.

v) Policy on Material Subsidiaries

The Company does not have any material unlisted Indian subsidiary in terms of Regulation 24 of the Listing Regulations. The Minutes of the Meetings of Board of Directors of all the subsidiary companies are periodically placed before the Board of Directors of the Company. 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: <https://www.kaveriseeds.in/images/pdf/images/material-subsiary.pdf>

vi) The Policy on dealing with Related Party Transactions is available on the website of the Company: <https://www.kaveriseeds.in/wp-content/uploads/2022/07/related-party-transaction-policy.pdf>

vii) The Company has adopted the Policy on Dissemination of Information on the material events to stock exchanges in accordance with the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The said policy is available on the website of the Company: https://www.kaveriseeds.in/images/pdf/images/Policy_on_Disclosure_of_Material_Events_and_Information_final.pdf

viii) The Company has adopted the policy on preservation of documents in accordance with Regulation 9 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Documents Preservation Policy is available on the website of the Company: <https://www.kaveriseeds.in/images/pdf/images/policy-for-preservation-of-documents.pdf>

ix) The Company has adopted Policy on Dividend Distribution. Policy on Dividend Distribution is available on the website of the Company: <http://www.kaveriseeds.in/images/pdf/images/Dividend-Distribution-Policy.pdf>

x) The Board has adopted the Board Diversity Policy which sets out the approach to diversify of the Board of Directors. The Board Diversity Policy is available on the Company's website <https://www.kaveriseeds.in/wp-content/uploads/2021/02/Policy-on-Board-Diversity.pdf>

xi) Recommendations of Committees of the Board

There were no instances during the financial year 2021-22 wherein the Board had not accepted the recommendations made by any Committee of the Board.

iii) Total fee for all services paid by the listed entity and its subsidiaries on a consolidated basis, to the statutory auditor and all entities in the network firm network entity of which the statutory auditor is a part;

₹ In Lakhs

Fees (including taxes)	Kaveri Seed Company Limited to Statutory Auditors	Kaveri Seed Company Limited to network firms of Statutory Auditors	Subsidiaries of Kaveri Seed Company Limited to Statutory Auditors and its network firms
Statutory Audit	23.60	-	-
Certification & other attest services	1.36	-	-

₹ In Lakhs

Fees (including taxes)	Kaveri Seed Company Limited to Statutory Auditors	Kaveri Seed Company Limited to network firms of Statutory Auditors	Subsidiaries of Kaveri Seed Company Limited to Statutory Auditors and its network firms
Non-audit services	-	-	-
Outlays and Taxes	-	-	-
Total	24.96	-	-

xiii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, prohibition and redressal) Act, 2013:

The policy is on Sexual Harassment is available on the website of the Company: <https://www.kaveriseeds.in/images/pdf/images/sexual-harassment-policy.pdf>

- Number of complaints filed during the financial year: 0
- Number of complaints disposed of during the financial year: 0
- Number of complaints pending as on end of the financial year: Nil

xiv) 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.

xv) Adoption of discretionary requirements as specified in Part E of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

With regard to discretionary requirements, the Company has adopted clauses relating to the following:

Reporting of Internal Auditor: Internal auditor reports directly to the Audit Committee.

Shareholder Rights: Quarterly financial results are published in leading newspapers, viz. The Business Standard (all editions - English) and vernacular – Nava Telangana (Hyderabad Edition - Telugu). The audited results for the financial year are approved by the Board and then communicated to the members through the Annual Report and also published in the newspapers.

Modified opinion(s) in audit report: All the financial statements received during the last five (5) years were with unmodified audit opinion.

Other Discretionary Requirements: At present, other discretionary requirements have not been adopted by the Company.

xvi) The Disclosures of the compliance with Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 are as follows:

Regulation	Particulars of Regulations	Compliance status (Yes/No)
17	Board of Directors	Yes
18	Audit Committee	Yes
19	Nomination and Remuneration Committee	Yes
20	Stakeholders Relationship Committee	Yes
21	Risk Management Committee	Yes
22	Vigil mechanism	Yes
23	Related Party Transactions	Yes
24	Corporate Governance requirements with respect to subsidiary of listed entity	Yes
25	Obligations with respect to Independent Directors	Yes
26	Obligation with respect to Directors and senior management	Yes
27	Other Corporate Governance requirements	Yes
46(2)(b) to (i)	Functional Website	Yes

xvii) Compliance Certificate of Corporate Governance:

Certificate issued by M/s. L.D.Reddy & Co., Practicing Company Secretaries, (Mem.No.13104) confirming compliance with the conditions of Corporate Governance as stipulated under Schedule V - E of SEBI (LODR) Regulations, 2015 is attached to this report forming part of the Annual Report is attached to this Report as Annexure - D

xviii) Proceeds from public issues, rights issues, preferential issues, etc.

During the year ended 31st March 2022, there were no proceeds from public issues, rights issues, preferential issues, etc.

xix) Disclosure with respect to Demat suspense account/ unclaimed suspense account

In accordance with the requirement of Clause F of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company reports the following details in respect of equity shares lying in the suspense account:

S. No.	Particulars	Number of shareholders	Number of equity shares
1	Aggregate number of shareholders and the outstanding shares in the suspense account lying as on April 1, 2021.	10	2010
2	Shareholders who approached the Company for transfer of shares from Unclaimed Suspense account during the year.	0	0
3	Shareholders to whom shares were transferred from the Unclaimed Suspense account during the year.	0	0
4	Shareholders whose shares are transferred to the demat account of the IEPF Authority pursuant to the provisions of Section 124 of the Companies Act, 2013.	4	345
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense account at the end of the year i.e., as on March 31, 2022.	14	2355

The voting rights on the shares outstanding in the suspense account as on March 31, 2022 shall remain frozen till the rightful owner of such shares claim the shares.

xx) Transfer of unclaimed/unpaid amounts to the Investor Education and Protection Fund:

Shareholders who have not claimed their dividend for the years 2014-15 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 2014-15 will be transferred to the Investor Education and Protection Fund of the Central Government on the due date. The shares on which dividend remains unclaimed for seven consecutive years will be transferred to the IEPF as per Section 124(6) of the Companies Act, 2013, and the applicable rules. In view of this, members are requested to claim their dividends from the Company, within the stipulated timeline. The members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on www.iepf.gov.in.

xxi) Letter of appointment

Each independent director upon appointment is given a letter of appointment. The terms and conditions of the appointment of the independent directors is available on the Company's website at: <http://www.kaveriseeds.in/images/pdf/images/appointment-of-independent-directors.pdf>

xxii) Code of Conduct

The Board of Directors has laid down a 'Code of Conduct' (code) for all the Board members and the Senior Management of the Company and this code is posted on the website of the company. Annual declaration is obtained from every person covered by the code.

The Company has a comprehensive Code of Conduct for prevention of insider trading in accordance with the requirements of SEBI (Prohibition of Insider Trading) Regulations, 2015. The Board has formulated a Code of Conduct to regulate, monitor and report trading by insiders and the Board has also adopted a code of practices and procedures for fair disclosure of un-published price sensitive information, in order to align the same with SEBI (Prohibition of Insider Trading)(Amendment) Regulations.

xxiii) CEO and CFO Certification

The Chairman and Managing Director and the Chief Financial Officer of the Company have given the annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of SEBI (LODR) Regulations, 2015 is attached to this Report as **Annexure - C**.

For and on behalf of the Board of Directors

Place: Secunderabad,
Date: 08.08.2022

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
G.VANAJA DEVI
Whole time Director

DECLARATION ON CODE OF CONDUCT

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 2022.

For KAVERI SEED COMPANY LIMITED

Date:08.08.2022
Place: Secunderabad

Sd/-
G.V.BHASKAR RAO
Managing Director

Annexure A

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

Pursuant to Regulation 34 (3) read with Schedule V Para-C Sub clause (10) (i) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Members,

Kaveri Seed Company Limited.

Hyderabad.

SUB: Certificate under Schedule V(C)(10)(i) of SEBI (Listing Obligations and Disclosure Requirements), 2015

I, L. Dhanamjay Reddy, Practicing Company Secretary, proprietor of L.D.Reddy & C o., Company Secretaries, have examined the Company and Registrar of Companies records, books and papers of Kaveri Seed Company Limited (CIN: L01120TG1986PLC006728) having its Registered office at 513B,5th Floor, Minerva Complex, Sarojini Devi Road, Secunderabad - 500003, Telangana, India (the Company) as required to be maintained under the Companies Act, 2013, SEBI Regulations, other applicable rules and regulations made thereunder for the Financial Year ended on March 31, 2022.

In my opinion and to the best of my information and according to the examinations carried out by me and explanations and representation furnished to me by the Company, its officers and agents, we certify that none of the following Directors of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as on March 31, 2022:

List of Director of the Company as on 31st March, 2022:

S. No.	DIN	Full Name	Designation
1	00892232	Sri. VenkataBhaskar Rao Gundavaram	Managing Director
2	00328947	Smt. Vanaja Devi Gundavaram	Whole time Director
3	00768751	Dr.Pawan Gundavaram	Whole time Director
4	01458939	Sri. ChennamaneniVamsheedhar	Whole time Director
5	00764906	Sri. Mithun Chand Chennamaneni	Whole time Director
6	01540645	Sri. PurushotamKalakala	Director
7	01992206	Sri. Raghuardha Reddy Suravaram	Director
8	03542011	Sri. Syed Mohammed Ilyas	Director
9	08085687	Smt. Chaya RatanMusinipally	Director
10	08138621	Sri. RayappaRamappaHanchinal	Director

Date :26.08.2022

Place : Hyderabad

For **L.D.Reddy & C o.,**
Company Secretaries

Sd/-

L. Dhanamjay Reddy

(Proprietor)

M.No. A13104

CP. No.3752

UDIN:A013104D000852272

Annexure B

Secretarial compliance report of M/s. KAVERI SEED COMPANY LTD for the year ended 31st March 2022

I, L. Dhanamjaya Reddy, proprietor of L.D. Reddy & Co., Company Secretaries have examined:

- all the documents and records made available to us and explanation provided by M/s. KAVERI SEED COMPANY LTD. ("the listed entity"),
- the filings/ submissions made by the listed entity to the stock exchanges,
- website of the listed entity,
- other document/filing, as may be relevant, which has been relied upon to make this certification,

For the year ended 31st March 2022 ("Review Period") in respect of compliance with the provisions of:

- the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

- Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013;
- Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- other regulations as applicable and circulars/ guidelines issued thereunder;

and based on the above examination, I/We hereby report that, during the Review Period:

- The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

S. No.	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
Nil	Nil	Nil	Nil

- The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.
- The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

S. No.	Action taken by	Details of violation	Details of action taken E.g. Fines warning letter, debarment, etc.	Observations/ Remarks of the Practicing Company Secretary, if any
Nil	Nil	Nil	Nil	Nil

- d. The listed entity has taken the following actions to comply with the observations made in previous reports:

S. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
Nil	Nil	Nil	Nil	Nil

- e. The reporting of clause 6(A) and 6(B) of the circular No.CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by the Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

For **L.D.Reddy & C o.,**
Company Secretaries

Sd/-

L. Dhanamjay Reddy

(Proprietor)

M.No. A13104

CP. No.3752

UDIN: A013104D000274277

Date :05.05.2022

Place : Hyderabad

Annexure C

CEO/CFO CERTIFICATION

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulations, 2015)

We hereby certify that:

- a. We have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March 2022 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

Place: Secunderabad,
Date: 23.05.2022

Sd/-
G.V.BHASKAR RAO
Managing Director

Sd/-
K.V. CHALAPATHI REDDY
Chief Financial Officer

Annexure D

PRACTISING COMPANY SECRETARIES CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF

KAVERI SEED COMPANY LTD

513B,5TH FLOOR,MINERVA COMPLEX,
SAROJINI DEVI ROAD, SECUNDERABAD TG 500003 IN

We have examined the compliance of the conditions of Corporate Governance by **M/s. Kaveri Seed Company Ltd** for the year ended on March 31, 2022 as stipulated under Regulations 17 to 27, Clauses (b) to (i) of sub- regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations).

The Compliance of the Conditions of Corporate Governance is the responsibility of the management our examination was limited to the review of procedure and implementation thereof, as adopted by the company for ensuring compliance with conditions of corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations, made by the Directors and the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid -19 pandemic, we certify that the company has complied with the conditions of corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2022.

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

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

Sd/-
L. Dhanamjay Reddy
(Proprietor)
M.No. A13104
CP. No.3752
PR:1262/2021
UDIN: A013104D000852338

Date :26.08.2022
Place : Hyderabad

Independent Auditor's Report

To
The Members of
Kaveri Seed Company Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of Kaveri Seed Company Limited ("the Company"), which comprise the Balance Sheet as at 31 March 2022, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. No.	Key Audit Matter	Auditor's Response
1	<p>Revenue: Management estimate of provision for sales return and Discount & schemes:</p> <p>Estimate for sales returns and discounts and schemes was a critical audit matter in the audit of the Company's financial statements for the year ended 31 March 2022.</p> <p>Management estimates the amount of returns expected based on the goods returned in the past and current market demands.</p> <p>The management considers revenue as key measure for evaluation of performance.</p> <p>Refer Note 2.1, 2.10, 12, 29 and 30 to the Standalone Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We have performed the following principal audit procedures in relation to revenue recognised:</p> <ul style="list-style-type: none"> Assessing the appropriateness of the Company's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers"). Understanding and Testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of sales returns and discount amounts. Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. Performed analytical procedures on current year revenue based on seasonal trends and where appropriate, conducting further enquiries and testing.

S. No.	Key Audit Matter	Auditor's Response
2	<p>Valuation and classification of Investments:</p> <p>Company has Investments in Mutual funds, Real estate fund and other equity instruments.</p> <p>The Company holds significant amount of funds in the form of investments. Also, considering the complexities involved in classification of investments, the Company considers investments as material account balance.</p> <p>Refer Note 2.13 and 6 to the Standalone Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We focused on the valuation and existence of the investments and also the classification and disclosures in the Company's financial statements for the year ended 31 March,2022.</p> <p>We have performed the following principal audit procedures in relation to investments:</p> <ul style="list-style-type: none"> • We obtained independent confirmation of the number of units held and net asset value per unit for each of the underlying investments as at the year end date. We agreed the details confirmed to the valuation of these investments as per the accounting records. • Re-computation of profit / (loss) on sale of investments, valuation of investments including fair value movements. • Review of valuation and classification of investment in accordance with Nature of investment made, company's policies, business model and applicable accounting standards.
3	<p>Valuation of Biological assets:</p> <p>The value of Biological assets is measured at fair value less costs to sell. The fair value is determined based on the growth potential of individual standing crops. The growth potential varies depending on the geographic location and varieties of crops. The valuation requires estimates of growth, harvest, sales price and costs.</p> <p>Due to the level of judgment involved in the valuation of biological assets, involvement of discretionary assumptions by management regarding biological transformation and quality of crop and significance of biological assets to the Company's financial position, this is considered to be a key audit matter.</p> <p>Refer Note 2.5 and 11 to the Standalone Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We have performed the following principal audit procedures in relation to biological assets:</p> <ul style="list-style-type: none"> • We have tested management's controls and effectiveness of systems in place for the valuation of biological assets based on the stage of crop as measured by the company. • We have assessed the key assumptions contained within the fair value calculations including sales price assumptions and growth assumptions. • We have performed the analytical review of the results of valuation to highlight outliers which warrant further audit procedures. • Comparison of actual production costs with provisions made towards standing crops.

Information Other than the Standalone Financial Statements and Auditor's Report thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Business Responsibility Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the standalone financial statements and our auditor's report thereon. The above listed reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the above listed reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (changes in equity), and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibility for the Audit of Standalone Financial Statements

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

expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained upto the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the 'Annexure A', a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Companies Act, 2013, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of the account;
 - d) in our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with rules made thereunder;
 - e) on the basis of written representations received from the directors as on 31 March 2022, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements - Refer Note 38 to the standalone financial statements;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. there has been no delay in transferring amounts, which are required to be transferred, to the Investor Education and Protection Fund by the Company for the year ended 31 March 2022.
 - iv. (a) the Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - v. (b) the Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the company

from any person or entity, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- (c) Based on audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.

- vi. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No 000459S

Sd/-

M. V. Ramana Murthy

Partner

Membership No.206439

UDIN: 22206439AJKREE5840

Hyderabad, 23 May 2022

Annexure A to the Independent Auditor's Report

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited)

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment have been physically verified during the year by the management in accordance with programme of verification, which in our opinion, provides for physical verification of all the property, plant and equipment at reasonable intervals having regard to the size of the Company and the nature of their assets, the discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (c) The title deeds of immovable properties shown in property, plant and equipment schedule are held in the name of Company as at the balance sheet date.
- (d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year and accordingly, paragraph 3(i)(d) of the Order is not applicable.
- (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) Inventories were physically verified during the year by the management at reasonable intervals. In our opinion, the coverage and procedure of such verification by the Management is appropriate having regard to the size of the Company and the nature of its operations. No discrepancies of 10% or more in the aggregate for each class of inventories were noticed on such physical verification of inventories when compared with books of account.
- (b) The Company has not been sanctioned working capital limits in excess of ₹5 crores, in aggregate, at any points of time during the year, from banks or financial institutions on the basis of security of current assets and accordingly, paragraph 3(ii)(b) of the Order is not applicable.
- 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 Act. Accordingly, paragraph 3 (iii) of the Order is not applicable.
- iv. The Company has complied with the provisions of section 185 and 186 of the Act in respect of loans and investments made. The Company has not given any guarantee and securities to any person to which provisions of the Section 185 and 186 of the Act are applicable.
- v. The Company has not accepted any deposits or amounts which are deemed to be deposits to which the directions issued by the Reserve Bank of India and provisions of Section 73 to Section 76 or any other relevant provision of the Act and the Rules framed there under, were applicable. Further no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal and accordingly, paragraph 3(v) of the Order is not applicable.
- vi. The maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Act, for the business activities carried out by the Company.
- vii. In respect of statutory dues:
 - (a) The Company is generally regular in depositing undisputed statutory dues including goods and service tax, provident fund, employee's state insurance, income tax, sales tax, service tax, custom duty, excise duty, value added tax, cess and any other material statutory dues applicable to it with the appropriate authorities during the year.

There were no undisputed amounts payable in respect of goods and services tax, provident fund, employee' state insurance, income tax, sales tax, service tax, customs duty, excise duty, value added tax and cess which were in arrears as at 31 March 2022 for a period of more than six months from the date they become payable; and

(b) The details of statutory dues which have not been deposited as on 31 March 2022 on account of disputes are given below:

Statute	Nature of dues	Forum where dispute is pending	Period to which the amount relates	Amount involved (₹ in Lakhs)
Central Excise Act	Excise Duty	Commissioner of Customs & central Excise, Hyderabad	April 2010 To March 2014	276.59
APGST Act	Purchase Tax	Hon'ble High court of Andhra Pradesh	April 2003 To March 2004	22.37
Bihar VAT Act	VAT & CST (Interest and penalty)	Hon'ble High court of Bihar	April 2012 To March 2013	11.94

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. (a) In our opinion, during the year, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- (b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) The Company has not taken any term loan during the year and there are no unutilized term loans at the beginning of the year and hence, reporting under paragraph 3(ix)(c) of the Order is not applicable.
- (d) The Company did not avail or raise any loans or borrowings from any financial institutions, banks, government or debenture holders during the year, accordingly, paragraph 3(ix)(d)(e) and (f) are not applicable to the company.
- x. (a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the Order is not applicable.
- (b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible), and accordingly, paragraph 3(x)(b) of the Order is not applicable.
- xi. (a) During the course of our examination of the books and other records of the Company carried out in accordance with the generally accepted auditing practices in India, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year, nor have we been informed of such case by the management.
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-14 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- (c) We have taken into consideration the whistle blower complaints received by the Company during the year (and upto the date of this report), while determining the nature, timing and extent of our audit procedures.
- xii. The Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii. In our opinion, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act where applicable and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. (a) In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion, during the year the Company has not entered into any non-cash transactions with directors or directors of its subsidiaries or persons connected with them and hence provisions of Section 192 of the Act are not applicable.
- xvi. (a) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi)(a), (b) and (c) of the Order is not applicable.
- (b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directors, 2016) and accordingly, paragraph 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year, accordingly paragraph 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring

a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act.

(b) There are no unspent amount in respect of ongoing projects, under sub-section (5) of section 135 of the Companies Act. Accordingly, paragraph 3(xx)(b) is not applicable.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No 000459S

Sd/-
M. V. Ramana Murthy
Partner

Membership No.206439
UDIN: 22206439AJKREE5840

Hyderabad, 23 May 2022

Annexure B

to the Independent Auditor's report

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any

evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion and according to the information and explanation given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2022, based on the internal control over financial reporting criteria established by the Company considering the essential

components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **M. Bhaskara Rao & Co.,**
Chartered Accountants
Firm Registration No 000459S

Sd/-

M. V. Ramana Murthy

Partner

Membership No.206439

UDIN: 22206439AJKREE5840

Hyderabad, 23 May 2022

Balance Sheet

as at 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
Property, Plant and Equipment	3	23,658.69	24,025.10
Capital work-in-progress	4	4,322.94	2,558.73
Other Intangible assets	5	49.88	88.29
Financial Assets			
Investments	6	7,563.91	6,814.12
Loans	7	3,047.32	2,860.87
Non-current Tax Assets (Net)	8	855.08	752.36
Other non-current Assets	9	3,199.10	1,971.04
Total Non-current assets		42,696.92	39,070.51
(2) Current assets			
Inventories	10	74,995.25	71,413.49
Biological Assets	11	8,181.55	16,422.24
Financial Assets			
Investments	6	46,419.88	55,871.07
Trade receivables	12	7,170.66	7,378.89
Cash and cash equivalents	13	1,433.25	689.80
Other Bank balances	14	12.90	13.98
Other Financial Assets	15	9.37	22.11
Other current assets	16	2,513.56	2,478.93
Assets classified as held for sale	17	2,862.93	2,862.93
Total current assets		1,43,599.35	1,57,153.44
Total Assets		1,86,296.27	1,96,223.95
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	18	1,166.43	1,206.58
Other Equity	19	1,28,261.73	1,25,000.58
Total Equity		1,29,428.16	1,26,207.16
LIABILITIES			
(1) Non-current liabilities			
Financial Liabilities			
Borrowings	20	60.59	108.18
Other financial liabilities	21	138.30	-
Provisions	22	1,438.15	974.16
Deferred tax liabilities (Net)	23	1,686.47	1,571.53
Other non-current liabilities	24	857.71	895.74
Total Non-current liabilities		4,181.22	3,549.61
(2) Current liabilities			
Financial Liabilities			
Current Maturities of Long term debt	25	47.58	47.58
Trade payables	26		
Total Outstanding dues of Micro and Small Enterprises		626.26	432.15
Total Outstanding dues other than Micro and Small Enterprises		22,091.05	35,228.48
Other financial liabilities	27	191.58	139.10
Provisions	28	89.85	103.32
Other current liabilities	29	29,640.57	30,516.55
Total Current liabilities		52,686.89	66,467.18
Total Equity and Liabilities		1,86,296.27	1,96,223.95
See accompanying notes to the financial statements	1-57		

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Statement of Profit and Loss

for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
I Income			
Revenue from Operations	30	91,500.02	98,698.07
Other Income	31	4,383.25	4,801.68
Total Income		95,883.27	1,03,499.75
II Expenses			
Cost of Material Consumed	32	45,827.02	67,786.23
Changes in Inventories of Finished Goods and Work in Progress	33	6,173.05	(15,031.50)
Employee Benefits Expense	34	7,609.50	7,100.87
Finance Costs	35	12.10	38.52
Depreciation & Amortisation	36	2,010.45	2,131.99
Other Expenses	37	12,433.11	10,155.26
Total Expenses		74,065.23	72,181.37
III Profit before Tax (I-II)		21,818.04	31,318.38
IV Less : Tax expense			
Current Tax		556.21	588.14
Earlier Years Tax		-	(130.76)
Deferred Tax		371.52	927.73
			330.00
			787.38
V Profit for the Year (III-IV)		20,890.31	30,531.00
VI Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or loss			
Fair value of Equity Investments through OCI		11.04	24.55
Actuarial gain/(loss) on employee benefits through OCI		55.59	17.77
		66.63	42.32
(ii) Income Tax relating to items that will not be reclassified to Profit or loss			
Fair value of Equity Investments through OCI		(3.72)	(58.12)
Actuarial gain/(loss) on employee benefits through OCI		0.42	(0.36)
		(3.30)	(58.48)
		63.33	(16.16)
B (i) Items that will be reclassified to Profit or loss			
Fair value of Investments through OCI		(1,033.77)	(776.10)
(ii) Income tax relating to items that will be reclassified to profit or loss			
Fair value of Investments through OCI		259.89	626.91
		(773.88)	(149.19)
Total Other Comprehensive Income		(710.55)	(165.35)
VII Total Comprehensive Income for the year (V+VI)		20,179.76	30,365.65
VIII Earnings Per Equity Share			
Basic (equity shares, par value ₹2 each)		35.23	50.61
Diluted (equity shares, par value ₹2 each)		35.23	50.61
See accompanying notes to the financial statements	1-57		

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholtime Director
DIN: 00328947

Statement of Changes in Equity

All amounts are Rupees in lakhs unless otherwise stated

A. Equity Share Capital

Particulars	Amount
Issued and paid up equity share capital	
Balance as at 31 March, 2020	1,206.58
Changes in equity share capital during the year	-
Balance as at 31 March, 2021	1,206.58
Changes in equity share capital during the year	40.15
Balance as at 31 March, 2022	1,166.43

B. Other Equity

Particulars	General Reserve	Retained Earnings	Capital Redemption Reserve	Other Comprehensive Income		Total
				Fair Value gain/ (loss) on Investments	Actuarial gain / (loss) on employee benefits	
Balance as at 1 April, 2020	1,000.00	93,265.96	174.52	2,946.65	(408.67)	96,978.46
Other Comprehensive Income for the year				(182.76)	17.41	(165.35)
Profit for the Year		30,531.00				30,531.00
Dividend and Dividend Tax		(2,413.17)				(2,413.17)
Transfer from OCI towards sale of equity investments		69.63				69.63
Transferred to General Reserve	1,000.00	(1,000.00)				-
Balance as at 31 March 2021	2,000.00	1,20,453.42	174.52	2,763.90	(391.26)	1,25,000.58
Other Comprehensive Income for the year				(766.56)	56.01	(710.55)
Profit for the Year		20,890.31				20,890.31
Buyback of Equity Shares	(2,000.00)	(12,589.82)				(14,589.82)
Dividend and Dividend Tax		(2,332.87)				(2,332.87)
Transferred to General Reserve	1,000.00	(1,000.00)				-
Transferred to Capital Redemption Reserve		(40.15)	40.15			-
Adjustment on exercise of ESOP		4.07				4.07
Balance as at 31 March 2022	1,000.00	1,25,384.96	214.67	1,997.35	(335.25)	1,28,261.73
See accompanying notes to the financial statements	1-57					

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Cash Flow Statement

for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Cash flows from operating activities		
Profit before taxation and exceptional items	21,818.04	31,318.38
Adjustments for:		
Fairvalue gain on Investments	(1,470.01)	(1,717.06)
Depreciation & Amortisation	2,010.45	2,131.99
(Profit)/Loss on sale of Fixed Assets	(9.29)	10.71
Dividend Received	(0.82)	(0.67)
Gain from Investments	(2,495.16)	(2,676.18)
Provision for impairment loss	-	103.75
Provision for Bad Debts	764.03	394.88
Interest received	(227.70)	(254.48)
Finance charges	12.10	38.52
Operating profit before working capital changes	20,401.64	29,349.84
(Increase)/Decrease in Inventories and Biological Assets	4,658.93	(15,634.96)
(Increase)/Decrease in Trade Receivables and other receivables	(555.80)	1,194.18
(Increase)/Decrease in Loans & Other Financials Assets	(90.81)	78.88
Increase/(Decrease) in Trade Payables	(12,943.30)	9,119.32
Increase/(Decrease) in Provisions	510.18	520.94
Increase/(Decrease) in Other liabilities	(776.79)	405.09
Taxes paid during the year	(658.92)	(737.93)
Net cash generated by operating activities	10,545.13	24,295.36
Cash flows from investing activities		
Payments for property, plant and equipment	(4,535.12)	(3,892.87)
Proceeds from disposal of property, plant and equipment	17.59	11.48
Purchase of investment	(35,097.69)	(51,888.78)
Proceeds from disposal of investments	46,741.52	34,256.53
Payments for intangible assets	(1.41)	(10.01)
Proceeds from earmarked balances with Bank	1.08	(1.23)
Loans repaid by subsidiaries	62.47	8.73
Dividend Received	0.82	0.67
Interest received	37.07	7.18
Net cash generated for investing activities	7,226.33	(21,508.30)

Cash Flow Statement

for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Year Ended 31 March, 2022	Year Ended 31 March, 2021
Cash flows from financing activities		
Buyback of Equity Shares	(14,629.97)	-
Repayments of borrowings	(47.58)	(47.58)
Dividend	(2,332.87)	(2,413.17)
Finance charges	(17.59)	(45.70)
Net cash used in financing activities	(17,028.01)	(2,506.45)
Net increase in cash & cash equivalents	743.45	280.60
Cash & Cash equivalents at the beginning of the year	689.80	409.20
Cash & Cash equivalents at the end of the year (Refer Note 13)	1,433.25	689.80
See accompanying notes to the financial statements	1-57	

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

1 Corporate Information

Kaveri Seed Company Limited (“the Company”) was incorporated on August 27, 1986, as private limited company and converted into public limited company on November 07, 2006. The company is into research, production, processing and marketing of various high quality hybrid seeds. The company has been listed on 04.10.2007 on the Bombay Stock Exchange and the National Stock Exchange in India. The financial statements reflect the results of its operations carried on by the company.

The standalone financial statements have been authorised for issue by the board of directors of the company on 23th May 2022.

2 Summary of significant accounting policies

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereunder, guidelines issued by Securities and Exchange Board of India (SEBI), relevant provisions of the Act and other Accounting principles generally accepted in india

2.2 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally accepted accounting principles in india on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fairvalue. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fairvalue, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

All assets and liabilities have been classified as current or non current as per the Company’s normal operating cycle and other

criteria as set out in the Division II of Schedule III of Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the financial statements.

2.4 Property, Plant & Equipment and Other Intangible assets:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses if any. Subsequent costs are included in the asset’s carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as “Capital work-in-progress”. Depreciation is provided using WDV method over the estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Separately purchased intangible assets are initially measured at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis, from the date that they are available for use.

2.5 Biological Asset

Recognition and measurement

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

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

- (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 is measured at the end of each reporting period at its fair value less costs to sell.

2.6 Leases:

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

2.7 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

2.8 Government Grants

Government Grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related cost for which the grants are intended to compensate. Specifically government grants whose primary condition is that the company purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

2.9 Impairment of Assets:

i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

Impairment loss on financial assets carried at amortised cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. In a subsequent period if the amount of impairment loss decreases and the

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

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 is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and indirect taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The company classifies the right to consideration in exchange for goods as a receivable and is presented net of impairment in the Balance Sheet

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

2.11 Dividend and Interest Income

Dividend income from investments is recognised when the shareholders right to receive payment has been established (provided that it is probable that the economic benefits will flow to the 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. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Gains and losses arising on settlement and translating monetary items at reporting date are included in the profit or loss.

2.13 Financial Instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

The company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

is to hold these assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

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

Financial assets at fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

Financial assets at cost

Investment in subsidiaries are measured at cost.

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

2.14 Non current assets held for sale:

Non-Current Assets are classified as Held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as Held for Sale are measured at the lower of their carrying amount and fair value less cost of sell and are presented separately in the Balance Sheet

2.15 Employee Benefits:

a) Gratuity:

The company accounts for its gratuity liability a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for the Company.

Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

b) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund a defined contribution plan in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary 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.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

c) Compensated absences:

The company provides for the encashment of leave subject to certain company's rules. The employees are entitled to accumulate leave subject to certain limits for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

d) Other short term employee benefits:

Other short-term employee benefits such as performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

2.16 Share Based Payment Arrangements

Employees of the Company receive remuneration in the form of sharebased payments in consideration of the services rendered.

a) Equity settled share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense in the statement of profit and loss, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and performance conditions at the vesting date. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "share-based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

b) Cash settled share-based payment transactions

The fair value of the amount payable to employees in respect of share-based payment transactions which are settled in cash is recognised as an expense, with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment.

The liability is re-measured at each reporting date and at the settlement date based on the fair value of the share-based payment transaction. Any changes in the liability are recognised in the statement of profit and loss.

2.17 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.

2.18 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.

2.19 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 to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments as other expense.

2.20 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share, the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity

shares are deemed converted as of the beginning of the period unless issued at a later date.

2.21 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 are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2.22 Critical accounting estimates and judgements:

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainty and judgements in applying accounting policies that have the most significant effect on standalone financial statements are as follows.

- Provision for doubtful debts - Refer note no.12
- Provision for schemes - Refer note no.29
- Provision for returns - Refer note no.29
- Biological assets - Refer note no.11
- Measurement of useful life and residual values of property, plant and equipments and useful life of intangible assets - Refer note no.3

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

2.23 Recent accounting pronouncements :

Ministry of Corporate Affairs (“MCA”) notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2002 MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022 as below

Ind As16 - Property, Plant and Equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, Plant and Equipment. The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

IndAS37-Provisions, Contingent Liabilities and Contingent Assets – The amendment specifies that the ‘cost of fulfilling’ a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

3 Property, Plant and Equipment

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01-04-2021	12,841.33	9,720.97	18,464.71	789.90	967.53	173.89	261.49	43,219.83
For the year	126.36	397.14	726.40	25.77	276.41	12.85	47.93	1,612.86
Deletions	-	-	12.77	-	71.51	1.15	6.65	92.08
Balance as at 31-03-2022	12,967.69	10,118.11	19,178.34	815.67	1,172.43	185.59	302.77	44,740.61
Accumulated Depreciation/ Amortisation								
Balance as at 01-04-2021	-	4,642.00	12,955.87	514.90	753.82	123.45	204.71	19,194.73
For the year	-	532.84	1,195.64	74.61	99.43	25.43	42.67	1,970.62
Deletions	-	-	10.33	-	65.70	1.10	6.30	83.43
Balance as at 31-03-2022	-	5,174.84	14,141.18	589.51	787.55	147.78	241.08	21,081.92
Net Carrying Amount								
Balance as at 31-03-2022	12,967.69	4,943.27	5,037.16	226.16	384.88	37.81	61.69	23,658.69
Gross Carrying Amount								
Balance as at 01-04-2020	11,656.36	9,645.51	18,081.35	861.53	1,052.71	205.38	264.02	41,766.86
For the year	1,416.75	75.46	475.05	17.55	40.15	10.50	44.55	2,080.00
Deletions	231.78	-	91.68	89.18	125.32	41.99	47.08	627.03
Balance as at 31-03-2021	12,841.33	9,720.97	18,464.71	789.90	967.53	173.89	261.49	43,219.83
Accumulated Depreciation/ Amortisation								
Balance as at 01-04-2020	-	4,140.53	11,710.21	508.18	788.57	129.56	212.51	17,489.56
For the year	-	501.46	1,317.14	91.44	83.31	33.77	36.92	2,064.06
Deletions	-	-	71.49	84.72	118.06	39.89	44.73	358.89
Balance as at 31-03-2021	-	4,642.00	12,955.87	514.90	753.82	123.45	204.71	19,194.73
Net Carrying Amount								
Balance as at 31-03-2021	12,841.33	5,078.97	5,508.85	275.00	213.71	50.44	56.78	24,025.10

4 Capital work-in-progress

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01-04-2021	-	2,361.69	160.04	-	-	-	37.00	2,558.73
Additions	-	2,042.75	374.96	17.70	21.30	22.95	150.13	2,629.79
Deletions \ Transfers	-	468.68	345.75	-	21.30	-	29.85	865.58
Balance as at 31-03-2022	-	3,935.76	189.25	17.70	-	22.95	157.28	4,322.94
Carrying Amount								
Balance as at 01-04-2020	-	1,295.84	0.36	2.20	-	-	-	1,298.40
Additions	-	1,143.76	277.51	6.70	-	-	37.00	1,464.97
Deletions \ Transfers	-	77.91	117.82	8.91	-	-	-	204.64
Balance as at 31-03-2021	-	2,361.69	160.04	-	-	-	37.00	2,558.73

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

4 Capital work-in-progress (Contd..)

4.1 Ageing of Capital Work in Progress as at 31-03-2022

Type of Projects	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,200.68	1,092.01	993.55	36.71	4,322.94
Projects temporarily suspended	-	-	-	-	-

4.2 Ageing of Capital Work in Progress as at 31-03-2021

Type of Projects	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,280.08	1,233.71	38.48	6.46	2,558.73
Projects temporarily suspended	-	-	-	-	-

5 Other InTangible assets

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 01-04-2021	373.60	373.60
For the year	1.41	1.41
Deletions	-	-
Balance as at 31-03-2022	375.01	375.01
Accumulated Depreciation/Amortisation		
Balance as at 01-04-2021	285.31	285.31
For the year	39.82	39.82
Deletions	-	-
Balance as at 31-03-2022	325.13	325.13
Net Carrying Amount		
Balance as at 31-03-2022	49.88	49.88
Gross Carrying Amount		
Balance as at 01-04-2020	555.71	555.71
For the year	10.01	10.01
Deletions	192.12	192.12
Balance as at 31-03-2021	373.60	373.60
Accumulated Depreciation/Amortisation		
Balance as at 01-04-2020	399.88	399.88
For the year	67.94	67.94
Deletions	182.51	182.51
Balance as at 31-03-2021	285.31	285.31
Net Carrying Amount		
Balance as at 31-03-2021	88.29	88.29

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

6 Investments

Particulars	As at 31 March 2022		As at 31 March 2021	
Non Current Investments				
Equity Investments of Subsidiaries	2,985.93		2,985.93	
Less: Provision for impairment	30.29	2,955.64	30.29	2,955.64
Equity Investments in Other Entities		-		1.00
Investment in Real Estate Portfolio Management Fund		4,509.15		3,769.85
Equity Investments - Others		99.12		87.63
		7,563.91		6,814.12
Current Investments				
Liquid Mutual Fund Units		2,213.19		3,625.01
Fixed Maturity Plan Mutual Fund Units		-		8,133.16
Other Debt Mutual Fund Units		44,206.69		44,112.90
		46,419.88		55,871.07

Particulars	As at 31 March 2022		As at 31 March 2021	
	Qty Nos	Amount	Qty Nos	Amount
Non Current Investments				
Un-Quoted				
Equity Investment in Subsidiaries				
(Investments Carried at Cost)				
Equity shares of ₹10 each fully paid up in Aditya Agritech Pvt Ltd	7,70,000	77.00	7,70,000	77.00
Equity shares of ₹10 each fully paid up in Kaveri Microteck Pvt Ltd	1,65,57,789	2,868.64	1,65,57,789	2,868.64
Equity shares of ₹10 each fully paid up in Genome Agritech Pvt Ltd	91,800	30.29	91,800	30.29
Equity shares of ₹10 each fully paid up in Genomix Agri Genetics Pvt Ltd	99,999	10.00	99,999	10.00
		2,985.93		2,985.93
Equity Investments in Other Entities				
(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	-
Equity Shares of ₹10 each in Swadeshi Biotechnics Ltd -fully paid up	-	-	7,000	1.00
		-		1.00
Investment in Real Estate Portfolio Management Fund				
(Investments Carried at Fair Value through Profit & Loss Statement)				
ASK Real Estate Special Situations Mutual Fund	336.16	395.39	375	371.11
ASK PMS Real Estate Special Opportunities Portfolio - III	-	3,981.96	-	3,275.04
		4,377.35		3,646.15

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

6 Investments (Contd..)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Qty Nos	Amount	Qty Nos	Amount
(Investments Carried at Fair Value through Other Comprehensive Income)				
ASK Real Estate Special Situations Mutual Fund	112.05	131.80	125	123.70
		131.80		123.70
		4,509.15		3,769.85
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	32,642	10.27	32,642	11.95
Equity shares of ₹10 each in Bank of Maharashtra - fully paid up	1,900	0.32	1,900	0.40
Equity shares of ₹10 each in Indian Overseas Bank - fully paid up	9,700	1.76	9,700	1.55
Equity Shares of ₹1 each in Tata Consultancy Services Ltd - fully paid up	2,320	86.77	2,320	73.73
		99.12		87.63
Current Investments				
Unquoted				
(Other than trade)				
Liquid Mutual Fund Units				
(Investments Carried at Fair Value through Profit & Loss Statement)				
HDFC Liquid Fund -Direct Plan - Growth Option	-	-	37,084	1,500.23
Tata Treasury Advantage Fund direct Plan - Growth	68,128	2,213.19	68,128	2,124.78
		2,213.19		3,625.01
Fixed Maturity Plan Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Aditya Birla Sun Life Fixed Term Plan - Series PB (1190 Days) - Direct Growth	-	-	30,00,000	378.80
Aditya Birla Sun Life Fixed Term Plan - Series PE (1159 Days) - Direct Growth	-	-	30,00,000	377.73
Aditya Birla Sun Life Fixed Term Plan - Series QJ (1098 Days) - Direct Growth	-	-	1,50,00,000	1,863.09
Franklin India Fixed Maturity Plans - Series 3 - Plan F 1098 days - Direct - Growth	-	-	50,00,000	630.50
ICICI Prudential Fixed Maturity Plan Series 83-1113 Days Plan E Direct Plan Cumulative	-	-	1,70,00,000	2,141.27
ICICI Prudential Fixed Maturity Plan Series 83-1105 Days Plan M Direct Plan Cumulative	-	-	51,04,334	638.36
Kotak FMP Series 235 Direct - Growth	-	-	50,00,000	627.94
Nippon Fixed Horizon Fund -XXXVIII -Series 03 - Direct Growth Plan	-	-	60,00,000	751.72
UTI Fixed Term Income Fund Series XXIX - XI (1112 Days)-Direct Growth Plan	-	-	64,78,435	723.75
		-		8,133.16

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

6 Investments (Contd..)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Qty Nos	Amount	Qty Nos	Amount
Other Debt Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Aditya Birla Sun Life Medium Term Plan-Growth-Direct Plan	60,30,081	1,726.86	60,30,081	1,620.25
HDFC Credit Rist Debt Fund - Direct Growth	2,85,10,870	5,880.02	2,85,10,870	5,466.56
		7,606.88		7,086.81
(Investments Carried at Fair Value through Profit & Loss Statement)				
Axis Money Market Fund - Direct Growth (MMDGG)	1,96,016	2,257.68	1,96,016	2,169.67
Aditya Birla Sun Life Savings Fund-Growth-Direct Plan	2,25,959	1,006.22	-	-
HDFC Money Market Fund - Direct Plan - Growth Option	-	-	6,705	299.98
HDFC Ultra Short Term Fund- Direct Growth	4,62,02,429	5,735.02	-	-
ICICI Prudential Ultra Short Term Fund - Direct Plan Growth-8123	-	-	1,76,00,293	4,026.47
IDFC Ultra Short Term Fund Direct Plant - Growth	1,72,54,440	2,141.45	1,72,54,440	2,065.55
Invesco India Money Market Fund - Direct Plan Growth	-	-	82,232	2,010.50
Invesco India Ultra Short Term Fund - Direct Plan Growth	43,677	1,008.24	45,287	1,006.46
Kotak Savings Fund - Direct Plan - Growth	1,18,01,085	4,251.95	90,13,558	3,126.15
Nippon India Money Market Fund - Direct Growth Plan Growth Option	30,112	1,008.91	71,784	2,311.97
SBI Savings Fund - Direct Plan - Growth	60,66,252	2,157.24	60,66,252	2,073.92
Tata Money Market Fund Direct Plan - Growth	65,952	2,522.88	68,520	2,514.60
UTI Money Market Fund - Direct Growth Plan	86,498	2,154.46	86,498	2,071.76
Aditya Birla Sun Life Low Duration Fund- Growth - Direct Plan	1,30,099	752	1,30,099	718.24
ICICI Prudential Short Term Fund - Direct Plan - Growth Option	69,16,614	3,531	69,16,614	3,362.80
Kotak Banking and PSU Debt Fund Direct Growth	31,53,640	1,712	31,53,640	1,624.87
Kotak Low Duration Fund Direct Growth 1	23,356	678	23,356	647.80
Nippon India Floating Rate Fund - Direct Growth Plan (FRAGG)	-	-	61,88,835	2,227.24
Nippon India Low Duration Fund - Direct Growth Plan Growth Option	1,11,442	3,531	88,960	2,686.78
Sundaram Banking and PSU Debt Fund - Direct Growth (BDDG)	60,89,291	2,152	60,89,291	2,081.33
		36,599.81		37,026.09
		44,206.69		44,112.90
Market Value of Quoted Investments		99.12		87.63
Aggregate amount of Quoted Investments		37.81		37.81
Aggregate amount of Unquoted Investments		47,147.89		56,300.31
Aggregate amount of impairment in value of investments		30.29		30.29
Investments Carried at Cost		2,955.64		2,955.64
Investments Carried at Fair Value through Other Comprehensive Income		7,837.79		15,432.30
Investments Carried at Fair Value through Profit & Loss		43,190.36		44,297.25
(Investments Carried at amortised Cost)		-		-

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

6 Investments (Contd..)

Investments in Mutual Funds

Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI) or Profit & loss. Accordingly Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) or Statement of Profit & loss for the year ended as the case may be.

Investments in Subsidiaries

The Company has designated these investments at cost.

Investments in Equity Instruments of Other Entities (Quoted and Unquoted)

Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI). Accordingly, these investments are required to be measured at fair value. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI).

Equity Investment in Subsidiaries	Nature of Business	Proportion (%) of equity interest	
		31 March 2022	31 March 2021
Equity shares of ₹10 each fully paid up in Aditya Agritech Pvt Ltd	Seeds	70	70
Equity shares of ₹10 each fully paid up in Kaveri Microteck Pvt Ltd	Micronutrients	100	100
Equity shares of ₹10 each fully paid up in Genome Agritech Pvt Ltd	Seeds	51	51
Equity shares of ₹10 each fully paid up in Genomix Agri Genetics Pvt Ltd	Seeds	100	100

Transaction with Stuck off Company:

S. No	Name of the Stuck off Company	Nature of transactions	Transactions during the year	Balance O/S at the end of the year	Relationship with the Stuck off Company if any, to be disclosed
1	Swarna Bharat Biotechnics Pvt Ltd	Investment writtenoff	-	-	Investee
2	Swadeshi Biotechnics Ltd	Investment writtenoff	0.55	-	Investee

7 Loans

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
Loan to Kaveri Employees Trust	3,047.32	2,860.87
	3,047.32	2,860.87

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

8 Non-current Tax Assets (Net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance Income Tax and Tax Deducted at Source (Net of Provision ₹3,778.56 Lakhs (31 March 2021: ₹ 3222.35 Lakhs))	855.08	752.36
	855.08	752.36

9 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
Security deposits	333.31	322.68
Advances for Capital Expenses	2,865.79	1,648.36
	3,199.10	1,971.04

10 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Measured at lower of cost or net realisable value		
Raw Materials	9,006.01	7,491.89
Work in Process	7,420.00	11,054.21
Finished Goods	58,569.24	52,867.39
	74,995.25	71,413.49

11 Biological Asset

Particulars	As at 31 March 2022	As at 31 March 2021
Standing Crop	8,181.55	16,422.24
	8,181.55	16,422.24

Reconciliation of Biological Asset

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Balance at the beginning of the year	16,422.24	8,916.23
Add : Cost incurred during the year	36,190.28	42,377.19
Less: Changes in fair value	1,507.59	2,986.54
Less: Transfer of Biological assets to Inventories	42,923.38	31,884.64
Balance at the end of the year	8,181.55	16,422.24

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

12 Trade receivables

Particulars	As at 31 March 2022	As at 31 March 2021
Considered good - Unsecured	7,097.02	7,379.31
Receivables which have significant increase in credit risk	3,120.55	2,051.74
Receivables- Credit impaired	1,272.20	1,578.63
Less: Loss Allowance	(4,319.10)	(3,630.80)
	7,170.66	7,378.89

Trade receivables Ageing 31-03-2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6Months	6Months- 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	2,241.70	3,153.41	1,282.89	419.03	-	-	7,097.02
(ii) Undisputed trade receivables - which have significant increase in credit risk	0.01	-	-	73.63	1,791.94	1,254.97	3,120.55
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	0.19	527.31	527.50
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	3.54	19.19	244.94	59.84	417.19	744.70
Total	2,241.71	3,156.95	1,302.08	737.59	1,851.97	2,199.47	11,489.76
Less:							
Provision for Baddebts							4,319.10
Net Debtors							7,170.66

Trade receivables Ageing 31-03-2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6Months	6Months- 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables - considered good	1,542.28	2,136.58	1,856.07	1,844.38	-	-	7,379.31
(ii) Undisputed trade receivables - which have significant increase in credit risk	-	-	0.02	0.70	224.44	1,826.57	2,051.74
(iii) Undisputed trade receivables - credit impaired	-	-	-	-	172.94	354.55	527.50
(iv) Disputed trade receivables - considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables - which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables - credit impaired	-	0.59	23.91	215.15	113.57	697.91	1,051.13
Total	1,542.28	2,137.17	1,880.00	2,060.23	510.96	2,879.04	11,009.68
Less:							
Provision for Baddebts							3,630.80
Net Debtors							7,378.89

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

12 Trade receivables (Contd..)

Trade receivables from related parties are disclosed in note no. 47

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

The Company maintains a provision for doubtful debts based on ageing of receivable as tool to determine the degree of liquidity. Receivable due for more than two years along with those referred for recovery through legal proceeding are considered for provision.

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Movement in the Loss Allowance		
Balance at the beginning of the year	3,630.80	3,327.38
Movement during the year based on ageing	688.30	303.42
Balance at the end of the year	4,319.10	3,630.80

13 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	4.18	3.63
Balances with Banks - Current Accounts	1,429.07	686.17
	1,433.25	689.80

14 Other Bank Balances

Particulars	As at 31 March 2022	As at 31 March 2021
Earmarked balances with banks		
- Unclaimed Dividend	12.90	13.98
	12.90	13.98

15 Other Financial Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Interest Receivable	9.37	22.11
	9.37	22.11

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

16 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
Advance to suppliers	2,027.42	2,052.04
Advance to Related Parties (Refer Note no. 47)	-	62.47
Advance to Staff	108.79	120.67
Prepaid expenses	283.79	221.32
Others	23.80	22.43
Gratuity Asset (Refer Note no. 48)	69.76	-
	2,513.56	2,478.93

17 Assets classified as held for sale

Particulars	As at 31 March 2022	As at 31 March 2021
Assets held for sale	2,862.93	2,862.93
	2,862.93	2,862.93

The Company had decided to dispose off two immovable properties . Due to the ongoing Covid-19 Pandemic, the Company was not able to dispose off the same till 31st March 2022 and expects to dispose of the assets in the year 2022-23.

18 Equity Share Capital

Particulars	As at 31 March 2022	As at 31 March 2021
Share Capital		
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹2/- each	2,000.00	2,000.00
Issued,Subscribed & Paid up		
583,21,660(6,03,29,133) Equity shares of ₹2/-each	1,166.43	1,206.58
	1,166.43	1,206.58

a) Reconciliation of number of Shares at the beginning and at the end of the reporting period.

Equity Shares of ₹2/- each

Particulars	As at 31 March 2022		As at 31 March 2021	
	No of shares	₹ in Lakhs	No of shares	₹ in Lakhs
At the beginning of the year	6,03,29,133	1,206.58	6,03,29,133	1,206.58
Add: Issued during the year	-	-	-	-
Less: Shares Cancelled during the year	20,07,473	40.15	-	-
At the end of the year	5,83,21,660	1,166.43	6,03,29,133	1,206.58

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

18 Equity Share Capital (Contd..)

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

Name of the Shareholder	As at 31 March 2022		As at 31 March 2021	
	No of shares	% of holding	No of shares	% of holding
G Vanaja Devi	1,40,90,157	24.16%	1,40,90,157	23.36%
G V Bhaskar Rao - HUF	99,85,649	17.12%	99,85,649	16.55%
G V Bhaskar Rao	53,58,530	9.19%	53,58,530	8.88%

c) Details of Promoters share holding

Name of the Promoter	As at 31 March 2022			As at 31 March 2021		
	No of shares	% of holding	% change during the year	No of shares	% of holding	% change during the year
G Vanaja Devi	14,090,157	24.16%	0.80%	14,090,157	23.36%	0.00%
G V Bhaskar Rao - HUF	9,985,649	17.12%	0.57%	9,985,649	16.55%	0.00%
G V Bhaskar Rao	5,358,530	9.19%	0.31%	5,358,530	8.88%	0.00%
G Pawan	2,228,876	3.82%	0.13%	2,228,876	3.69%	0.00%
C Vamsheedhar	976,587	1.67%	0.05%	976,587	1.62%	0.00%
C Mithunchand	857,344	1.47%	0.05%	857,344	1.42%	0.00%

d) 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.

e) Buy back of Equity Shares

Aggregate number of shares bought back during the period of five years immediately preceding the reporting date.

Particulars	Year ended 31 March				
	2022	2021	2020	2019	2018
Equity Shares of ₹ 2 each	2,007,473	-	2,800,000	2,963,000	2,962,962

f) Employee Stock Option Scheme

As per Kaveri ESOP 2018 Scheme during the current period the company has granted NIL (YE March 2021: 249,975) options through Kaveri Employee Trust (ESOP Trust). The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years. Liability recognised at 31 March 2022 and cost recognised is disclosed in notes (Refer Note 49)

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

19 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
a) General Reserve				
Opening Balance	2,000.00		1,000.00	
Less: Utilized for Buyback	(2,000.00)		-	
Add: Transfer from Retained Earnings	1,000.00	1,000.00	1,000.00	2,000.00
b) Retained Earnings				
Opening Balance	120,453.42		93,265.96	
Add:				
Profit for the year	20,890.31		30,531.00	
Less:				
Transferred to General Reserve	(1,000.00)		(1,000.00)	
Payment of Dividend & Dividend Tax	(2,332.87)		(2,413.17)	
Utilized for Buyback	(12,589.82)		-	
Transfer from OCI towards sale of equity investments	-		69.63	
Adjustment on exercise of ESOP	4.07		-	
Transferred to Capital Redemption Reserve	(40.15)	125,384.96	-	120,453.42
c) Capital Redemption Reserve				
Opening Balance	174.52		174.52	
Add:				
Transfer from Retained Earnings	40.15	214.67	-	174.52
d) Other Comprehensive Income - Fair Value Gain on Investments				
Opening Balance	2,763.90		2,946.65	
Add:				
Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	11.04		24.55	
Fair value of Investments through OCI will be reclassified to Profit & Loss	(1,033.77)		(776.10)	
Less:				
Tax on Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	3.72		58.12	
Tax on Fair value of Investments through OCI will be reclassified to Profit & Loss	(259.89)	1,997.35	(626.91)	2,763.90
e) Other Comprehensive Income - Actuarial Gain/(Loss) on Employee Benefits				
Opening Balance	(391.26)		(408.67)	
Add:				
Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit or loss	55.59		17.77	
Less:				
Tax on Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit & Loss	(0.42)	(335.25)	0.36	(391.26)
		128,261.73		125,000.58

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

19 Other Equity (Contd.)

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.

Retained Earnings: Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

Other Comprehensive Income: The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

Capital Redemption Reserve: Face value of the No. of Shares cancelled through buyback is transferred to Capital Redemption Reserve.

20 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
Term Loan from Department of Biotechnology, Ministry of Science & Technology	60.59	108.18
	60.59	108.18

Two Term Loans from Department of Biotechnology, Ministry of Science & Technology with 2% p.a interest is secured by all equipment, Plant & Machinery and other movable assets of the company acquired for the project and is repayable in ten equal half yearly instalments starting from June,2019.

21 Other Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits from customers	138.30	-
	138.30	-

22 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Gratuity (Refer note 48.3)	-	47.27
Provision for Compensated absences (Refer note 48.2)	358.75	396.20
Provision for ESOP Liability (Refer note 49)	1,079.40	530.69
	1,438.15	974.16

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

23 Deferred tax liabilities (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax Liability/(Asset) on account of timing difference relating to Property, Plant and Equipment as per tax books and financial books.	13.03	7.44
Provision for Bad and doubtful trade receivables	(32.61)	(27.41)
Employee Benefits	(4.32)	(5.49)
Employee Benefits recognised through Other Comprehensive Income	(0.86)	(0.44)
Impairment of investments	(7.62)	(7.62)
Fair value gain on investments through Profit & Loss Statement	1,047.09	677.12
Fair value gain on investments through Other Comprehensive Income	671.76	927.93
	1,686.47	1,571.53

24 Other Non current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits from customers	837.64	872.54
Grant/Subsidy	20.07	23.20
	857.71	895.74

24.1 Grant/subsidy Reconciliation:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	23.20	26.33
Add: Received during year	-	-
Less: Amortised during year	3.13	3.13
Closing balance	20.07	23.20

25 Current Maturities of Long term debt

Particulars	As at 31 March 2022	As at 31 March 2021
Current Maturities of Long term debt	47.58	47.58
	47.58	47.58

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

26 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Creditors for Expenses	11,568.04	20,825.74
Sundry Creditors	11,149.27	14,834.89
	22,717.31	35,660.63
Total Outstanding dues of Micro and Small Enterprises	626.26	432.15
Total Outstanding dues other than Micro and Small Enterprises	22,091.05	35,228.48
	22,717.31	35,660.63

Trade payables as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than3 years	
(i) MSME	626.26	-	-	-	-	626.26
(ii) Others	10,661.66	10,570.29	845.83	0.36	3.24	22,081.38
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	9.68	9.68
Total	11,287.92	10,570.29	845.83	0.36	12.92	22,717.31

Trade payables as on 31.03.2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than3 years	
(i) MSME	432.15	-	-	-	-	432.15
(ii) Others	19,572.73	15,442.47	182.00	12.87	8.73	35,218.81
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	9.68	9.68
Total	20,004.88	15,442.47	182.00	12.87	18.41	35,660.63

Trade payables to related parties are disclosed in note no.47

27 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Unclaimed Dividend	12.90	13.98
Interest Accrued but not due	0.46	5.94
Capital Payables	178.22	119.18
	191.58	139.10

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 2022 and 31st March 2021.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

28 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Compensated absences (Refer note 48.2)	89.85	103.32
	89.85	103.32

29 Other Current Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advances from customers for sales	25,114.87	24,551.27
Payable to staff	988.93	891.85
Statutory Payables	264.39	188.29
Advance for sale of assets	252.30	252.30
Provision for returns	654.24	1,312.15
Provision for schemes	2,365.84	3,318.37
Others	-	2.30
	29,640.57	30,516.55

30 Revenue from Operations

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Sale of Seeds (net)		
- Domestic	90,181.73	97,118.49
- Exports	1,318.29	1,579.58
	91,500.02	98,698.07

The company deals in variety of hybrid seeds which are sold directly to dealers or distributors with similar characteristics in terms of revenue recognition, nature, timing, cashflows etc. The operations of company are primarily located in India. Thus, the quantitative disclosure in respect of disaggregation of revenue is not required.

31 Other Income

Particulars	Year Ended 31 March 2022		Year Ended 31 March 2021	
Profit on sale of assets (Net)	9.29		(10.71)	
Dividend Income	0.82		0.67	
Profit on sale of Investments	2,495.16		2,676.18	
Interest Income				
Interest on financial asset measured at amortised cost	203.37		187.16	
Interest on others	24.33	227.70	67.32	254.48

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

31 Other Income (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Others	175.93	160.87
Grant/Subsidy amortisation	3.13	3.13
Fair value gain on Investments (Net)	1,470.01	1,717.06
Foreign exchange gain (Net)	1.21	-
	4,383.25	4,801.68

32 Cost of Material Consumed

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Raw Material Consumed/Production Expenses		
Opening Stock	7,491.89	6,888.43
Add : Purchases/Production Expenses including processing Charges**	47,341.14	68,389.69
	54,833.03	75,278.12
Less : Closing Stock	9,006.01	7,491.89
	45,827.02	67,786.23
**Processing Charges		
Freight Inward	1,880.40	1,696.95
Repairs & Maintenance		
Plant & Machinery	363.59	342.60
Buildings & Godowns	46.97	59.22
Cold Storage	284.73	126.77
Factory Maintenance	1,715.03	1,710.26
Seed Certification charges	3.46	0.87
Power & Fuel	888.53	766.76
Godown Rent	182.57	166.04
Expense on processing	572.75	1,073.67
Other Farm & Cultivation expenses	77.04	181.10
R&D Expenses ***	3,706.62	2,869.16
	9,721.69	8,993.40
***R&D Farm Expenses		
Salaries and allowances to employees	1,564.07	1,316.36
Cultivation Expenses	126.66	81.63
Fertilizers & Pesticides	171.90	62.91
Electricity charges	29.14	17.63
Electrical items & motor repairing charges	18.56	4.90
Farm Maintenance	228.83	128.16
Labour charges	934.54	655.53

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

32 Cost of Material Consumed (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Postage & telephones	11.54	8.64
Printing & Stationery	9.63	5.80
Security charges	50.12	46.11
Staff Welfare	9.67	9.09
Travelling expenses	34.80	29.52
Vehicle Maintenance	19.76	18.99
Land Lease	191.97	139.84
Research Expenses	75.65	124.77
Testing Expenses	217.88	199.28
Professional Expenses	11.90	20.00
	3,706.62	2,869.16

33 Changes in Inventories of Finished Goods and Work in Progress

Particulars	Year Ended 31 March 2022		Year Ended 31 March 2021	
(Increase)/Decrease in Finished goods				
Opening Stock	52,867.39		47,750.18	
Closing Stock	58,569.24	(5,701.85)	52,867.39	(5,117.21)
(Increase)/Decrease in Work in Process				
Opening Stock	11,054.21		8,645.93	
Closing Stock	7,420.00	3,634.21	11,054.21	(2,408.28)
(Increase)/Decrease in Biological Assets				
Opening Stock	16,422.24		8,916.23	
Closing Stock	8,181.55	8,240.69	16,422.24	(7,506.01)
	6,173.05		(15,031.50)	

34 Employee Benefits Expense

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Salaries to Staff	6,390.30	5,990.02
Employee Stock option Expense	557.09	527.92
Contribution to Provident and other funds	528.96	473.66
Staff Welfare Expenses	133.15	109.27
	7,609.50	7,100.87

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

35 Finance Costs

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest on Termloans	2.66	3.60
Interest on Others	0.12	24.55
Bank Charges	9.32	10.37
	12.10	38.52

36 Depreciation and Amortisation

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Depreciation on Property, Plant & Equipment	1,970.63	2,064.05
Depreciation on Intangible Assets	39.82	67.94
	2,010.45	2,131.99

37 Other Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
a. Establishment Expenses		
Travelling Expenses	1,969.36	1,435.31
Postage & Telephone	96.08	81.88
Payment to Auditors (Refer Note No.37.1)	24.96	22.17
Vehicle Maintenance	214.98	137.75
Rent	91.54	60.37
Printing & Stationery	53.13	55.98
Insurance	279.38	172.37
Books & Periodicals	0.64	0.56
Rates & Taxes	106.27	151.95
Office Maintenance	90.02	78.19
General Expenses	5.11	69.76
Conveyance	1.55	4.26
Donations & Subscriptions (Refer Note No.37.2)	8.57	21.25
Legal Expenses	122.72	108.60
Professional Charges	236.32	222.07
Professional Tax	0.95	0.34
GST Expense	216.09	293.65
CSR Expenditure (Refer Note No.54)	515.99	462.14
Market Cess	44.09	27.68

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

37 Other Expenses (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Security Charges	137.80	138.44
Computer Maintenance	81.58	166.05
Directors Sitting Fees	11.90	10.10
Foreign Exchange Loss	-	6.03
Buyback Expenses	123.54	0.24
Provision for impairment loss on investments and Other Receivables	-	103.94
Total	4,432.57	3,831.08
b. Selling & Distribution Expenses		
Sales promotion expenses	3,518.30	3,021.62
Advertisement	10.13	8.82
Freight & Forwarding	3,039.38	2,533.24
Farmers Meeting Expenses	466.99	306.90
Staff & Dealers Meeting Expenses	83.41	50.67
Bad debts Write Off	118.30	8.05
Provision for Bad Debts & Other Receivables	764.03	394.88
Total	8,000.54	6,324.18
Total of (a) + (b)	12,433.11	10,155.26

37.1 Audit Fees (including Goods & Service Tax)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
a) For statutory audit	23.60	21.83
b) For other services	1.36	0.18
c) For reimbursement of expenses	-	0.16
	24.96	22.17

37.2 Donations & Subscriptions

Donations & Subscriptions includes ₹3.50 lakhs (31 March 21 : Nil) Donation paid to Political party.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

38 Commitments and Contingencies

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
A. Claims against the Company not acknowledged as debts. This comprises of		
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits, pending before various judicial forums and tax authorities, aggregating to	324.46	324.46
ii. Other matters not related to tax	10.75	10.75
iii. Compensation, claims from farmers, customers and Government departments.	1,929.70	193.20
	2,264.91	528.41

Consequent to the search proceedings on the Company, during the year 2017-18, the Company had submitted returns for the block assessment years from FY 2011-12 to FY 2017-18 in response to notice u/s 153A disclosing the same income as was disclosed in the returns filed earlier. Assessments upto the date of search have been completed by the Income Tax Department.

Aggrieved by the departments' basis for initiating search proceedings, the Company filed a writ petition before the Hon'ble High Court of Telangana, Hyderabad, challenging the validity of the search proceedings. The Hon'ble High Court granted interim stay against assessment proceedings pending disposal of the writ. The assessment of income as per returns submitted in response to notice u/s 153A, for said block period is kept in abeyance by the Income Tax Department in view of the interim stay granted by the Hon'ble High Court. Additional tax liability, if any, is dependent on the outcome of the writ petition and consequent completion of the assessment.

B. Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	3,718.66	1,882.20

39 Income Taxes:

The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows:

Income tax recognised in profit or loss	Year Ended 31 March 2022	Year Ended 31 March 2021
Statutory Income tax rate	25.17%	25.17%
Differences due to:		
Income Exempt from Tax	-22.59%	-23.04%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.02%	0.01%
Taxable Income at Different Rates	-0.08%	-0.28%
Others	0.03%	0.02%
Effective tax rate	2.55%	1.88%

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

40 Movement in Deferred Tax (Assets)/Liabilities

Movement during the Year ended March 31st, 2022

Deferred Tax (Asset)/Liabilities	As at 01 April, 2021	(Credit)/charge in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2022
Provision for employee benefits	(5.93)	1.17	-	(5.18)
Provision for bad and doubtful trade receivables	(27.41)	(5.20)	(0.42)	(32.61)
Depreciation	7.44	5.59	-	13.03
Provision for impairment of investments	(7.62)	-	-	(7.62)
Fair value gain on investments through Profit & Loss Statement	677.12	369.97	-	1,047.09
Fair value gain on investments through Other Comprehensive Income	927.93	-	(256.17)	671.76
	1,571.53	371.52	(256.59)	1,686.47

Movement during the Year ended March 31st, 2021

Deferred Tax (Asset)/Liabilities	As at 01 April, 2020	(Credit)/charge in the statement of Profit and Loss	Recognised in OCI	Year Ended 31 March 2021
Provision for employee benefits	(8.53)	2.25	0.36	(5.93)
Provision for bad and doubtful trade receivables	(34.88)	7.47	-	(27.41)
Depreciation	16.57	(9.13)	-	7.44
Provision for impairment of investments	-	(7.62)	-	(7.62)
Fair value gain on investments through Profit & Loss Statement	340.09	337.03	-	677.12
Fair value gain on investments through Other Comprehensive Income	1,496.72	-	(568.79)	927.93
	1,809.97	330.00	(568.43)	1,571.53

41 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.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

42 Earning Per Equity Share :

Earnings per Share has been computed as under

Particulars	As at 31 March 2022	As at 31 March 2021
Profit for the Year		
Weighted average Equity Shares outstanding (in no.s)	20,890.31	30,531.00
Earnings Per Share (Face Value of ₹2/- each)-	59,297,187	60,329,133
Basic	35.23	50.61
Diluted	35.23	50.61

43 Dividend on Equity Share

Dividend on Equity Shares paid during the year

Particulars	As at 31 March 2022	As at 31 March 2021
Interim Dividend ₹4 Per share for FY 2021-22 (₹4 per share for FY 2020-21)	2,332.87	2,413.17
	2,332.87	2,413.17

The interim dividend declared and paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

44. Financial Instruments

Refer Note 2.13 for accounting policy on Financial Instruments.

A. Accounting Classification and Fair Values

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

Particulars	As at 31 March 2022	As at 31 March 2021
Financial Assets		
Financial assets measured at fair value		
Investments measured at		
i. Fair value through other comprehensive income	7,837.79	15,432.30
ii. Fair value through Profit & Loss Statement	43,190.36	44,297.25
Financial assets measured at amortised cost		
i. Interest free loan to employee trust	3,047.32	2,860.87
	54,075.47	62,590.42
Financial Liabilities		
i. ESOP Liability	1,079.40	530.69

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, current account balances with group companies, trade payables and unpaid dividends at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

44. Financial Instruments (Contd.)

B. Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit or Loss and Other Comprehensive Income are as follows:

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Financial assets measured at fair value through other comprehensive income		
Investment in equity & debt instruments	(1,022.73)	(751.55)
Financial assets measured at fair value through Profit & Loss Statement		
Investment in equity & debt instruments	1,470.01	1,717.06

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:

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March, 2022				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	99.12	7,738.68	-	7,837.79
ii. Fair Value through Profit or Loss	-	43,190.36	-	43,190.36
As at 31 March, 2022				
Liabilities at fair value				
i. Esop liability	-	1,079.40	-	1,079.40

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

44. Financial Instruments (Contd.)

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March, 2021				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	87.63	15,343.66	1.00	15,432.30
ii. Fair Value through Profit or Loss	-	44,297.25	-	44,297.25
As at 31 March, 2021				
Liabilities at fair value				
i. Esop liability	-	530.69	-	530.69

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, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

45. Financial Risk Management

The Company's business activities are exposed to a variety of financial risks namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

A. Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy with a positive cash balance throughout the year ended 31 March, 2022 and 31 March, 2021. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

45. Financial Risk Management (Contd.)

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.

As at 31 March, 2022	Carrying amount	Payable within 1 year	More than 1 year	Total
Financial liabilities				
Trade payables (including acceptances)	22,717.31	22,717.31	-	22,717.31
Borrowings	108.18	47.58	60.59	108.18
Unpaid dividend	12.90	12.90	-	12.90
Other Payables	138.76	0.46	138.30	138.76
Capital Payables	178.22	178.22	-	178.22

As at 31 March, 2021	Carrying amount	Payable within 1 year	More than 1 year	Total
Financial liabilities				
Trade payables (including acceptances)	35,660.63	35,660.63	-	35,660.63
Borrowings	155.76	47.58	108.18	155.76
Unpaid dividend	13.98	13.98	-	13.98
Other Payables	5.94	5.94	-	5.94
Capital Payables	119.18	119.18	-	119.18

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.

a Currency Risk

Potential Impact of Risk

The impact of risk due to change in foreign currency value is very minimum on the company as the company's exposure to foreign currency is very low.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

45. Financial Risk Management (Contd.)

As at 31 March, 2022, 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 ₹401.62 Lakhs (31 March, 2021 ₹438.89 Lakhs).

Management Policy

The Company is not majorly exposed to foreign currency exchange risk because of its low volume foreign currency transactions, even though management exercises proper precautions to minute the currency risk in foreign exchange transactions. The company deals with US Dollar and Euro for its foreign currency transactions.

The Company makes its exports against advance irrevocable LC to mitigate the risk of currency exchange due to delay in remittances. The company does not opt for forward exchange contracts. Foreign exchange transactions are closely monitored to reduce the risk.

The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

Sensitivity to Risk

A 5% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to approximately an additional ₹20.08 Lakhs gain in the Statement of Profit and Loss (2020-21: ₹21.94 Lakhs). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

b 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 2022, the investments in debt mutual funds amounts to ₹41920.84 Lakhs (31st March, 2021 ₹51017.17 Lakhs). These are exposed to price risk.

Management Policy

The Company takes all the precautions to minimise price risk arising from investments in debt mutual funds. The company is investing mainly in debt mutual funds through leading mutual fund companies and in best mutual funds where price risk is very low. The company 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 gain of ₹209.60 Lakhs in the Statement of Profit and Loss or Other Comprehensive Income (2020-21: gain of ₹255.09 Lakhs). A 0.5 % decrease in prices would have led to an equal but opposite effect.

C 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 2022 and 2021.

Management Policy

The Company makes maximum of the investments in non interest sensitive sectors to mitigate interest rate risk.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

45. Financial Risk Management (Contd.)

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.

d Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables is moderate due to the Company's customer base being large and diverse and also company receives good amount of receipts towards advances. All trade receivables are reviewed and assessed for default on a quarterly basis based on collections and ageing.

Our historical experience of collecting receivables is that credit risk is moderate . Hence trade receivables are considered to be a single class of financial assets.

Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc. The Company has given inter-corporate deposits (ICD) only to its subsidiaries amounting ₹ Nil Lakhs (31st March, 2021 ₹62.47 Lakhs).

The Company's maximum exposure to credit risk as at 31st March, 2022 and 2021 is the carrying value of each class of financial assets.

46 Disclosures Pursuant to Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 186 of The Companies Act, 2013

Advances to subsidiaries

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Kaveri Microteck Pvt Ltd		
Balance as at the year end	-	62.47
Maximum amount outstanding at any time during the year	101.96	175.69

47 Related Party Transactions

47.1 Following is the list of related parties and their relationships

A. Key managerial persons and their relatives

- 1 Mr. G.V.Bhaskar Rao
- 2 Mrs. G. Vanaja Devi
- 3 Mr. C. Vamsheedhar
- 4 Mr. C. Mithun Chand
- 5 Mr. G.Pawan
- 6 G.V.Bhaskar Rao - HUF
- 7 Mrs. Ch. Madhavi
- 8 Mr. K.V.Chalapathi Reddy
- 9 Mr. V.R.S. Murti

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 Related Party Transactions (Contd.)

B. Subsidiary Companies

- 1 M/s. Aditya Agritech Pvt Ltd
- 2 M/s. Genome Agritech Pvt Ltd
- 3 M/s. Kaveri Microteck Pvt Ltd
- 4 M/s. Genomix Agri Genetics Pvt Ltd

C. Other related firms & Associates

- 1 M/s. Kaveri Infra
- 2 M/s. Bhaskara Investments
- 3 M/s. Kaveri Bhaskarrao Charitable Foundation
- 4 M/s. Kaveri Employees Trust

47.2 Related party transactions for the year are as follows:

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Remuneration paid		
Mr. G.V.Bhaskar Rao	416.18	373.63
Mrs. G. Vanaja Devi	257.36	231.05
Mr. C. Vamsheedhar	124.97	112.31
Mr. C. Mithun Chand	103.58	93.11
Mr. K.V.Chalapathi Reddy	99.78	89.62
Mr. V.R.S. Murti	4.00	4.00
	1,005.87	903.72

Note: The managerial remuneration paid to Managing Director and other Executive Directors is approved by NRC vide their meeting dated 13 August 2021 and by members vide their meeting dated 30 September 2021. As on the date of approval of the Financial Statements the rectification of the resolution passed in the AGM held on dated 30 September 2021 is subject to the approval by the members of the Company through postal ballot.

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.66	0.63
Mrs. G. Vanaja Devi	9.36	8.92
Mr. G.Pawan	10.43	9.93
G.V.Bhaskar Rao - HUF	60.80	47.67
M/s. Kaveri Infra	11.98	11.41
M/s. Bhaskara Investments	3.20	3.05
M/s. Kaveri Microteck Pvt Ltd	-	36.00
	96.43	117.61

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 Related Party Transactions (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Dividend paid		
Mr. G.V.Bhaskar Rao	214.34	214.34
Mrs. G. Vanaja Devi	563.61	563.61
Mr. C. Vamsheedhar	39.06	39.06
Mr. C. Mithun Chand	34.29	34.29
Mr. G.Pawan	89.16	89.16
G.V.Bhaskar Rao - HUF	399.43	399.43
Mr. K.V.Chalapathi Reddy	0.48	0.48
M/s. Kaveri Employees Trust	35.18	35.18
	1,375.55	1,375.55
Advances Paid during the year		
M/s. Kaveri Microteck Pvt Ltd	(62.47)	(8.73)
M/s. Kaveri Employee Trust	(16.91)	-
	-	(8.73)
Land Lease Received		
M/s. Kaveri Microteck Pvt Ltd	79.73	75.93
	79.73	75.93
Sales made during the year		
M/s. Aditya Agritech Pvt Ltd	7,646.91	8,349.79
M/s. Genomix Agri Genitics Pvt Ltd	1,610.26	1,409.09
	9,257.17	9,758.88
Land Purchased		
Mrs. G. Vanaja Devi	67.50	-
	67.50	-
CSR Expenditure		
M/s. Kaveri Bhaskarrao Charitable Foundation	492.57	412.14
	492.57	412.14
Provision for Baddebts		
M/s. Genome Agritech Pvt Ltd	-	172.94
	-	172.94
Provision for Impairment of Investments		
M/s. Genome Agritech Pvt Ltd	-	30.29
	-	30.29

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 Related Party Transactions (Contd.)

Particulars	As at 31 March 2022	As at 31 March 2021
Credit balances outstanding		
Outstanding Land lease to KMP and relatives	9.68	3.30
Outstanding Land lease to Associates	-	-
Outstanding remunerations to KMP	39.63	39.91
Advance received from M/s. Aditya Agritech Pvt Ltd	3,672.80	4,521.57
Advance received from M/s. Genomix Agri Genitics Pvt Ltd	294.88	446.55
Advances received from KMP for Sale of Land	252.30	252.30
Debit balances outstanding		
Outstanding advance paid to M/s. Kaveri Microteck Pvt Ltd	-	62.47
Outstanding loan paid to M/s. Kaveri Employee Trust	3,742.46	3,759.37
Trade receivable balance from M/s. Genome Agritech Pvt Ltd	527.50	527.50
Provision for receivable balance from M/s. Genome Agritech Pvt Ltd	527.50	527.50
Provision for impairment of investments in M/s. Genome Agritech Pvt Ltd	30.29	30.29

48 Employee Benefit plans

48.1 Defined Contribution Plan:

The company has certain defined contribution plans. Contributions are made to provident fund in India for qualifying employees at the specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹528.96 Lakhs (31 March 2021 : 473.66 Lakhs)

48.2 Compensated Absences:

The company provides for accumulation of compensated absences. These employees can carry forward portion of unutilised compensated absences and utilise it in future period or receive cash in lieu thereof as per the company's policy. The company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the company towards its obligation was ₹448.60 Lakhs (31 March 2021 : ₹499.52 Lakhs)

48.3 Gratuity:

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design mitigate the risks commonly affecting the liabilities and the financial results.

- a) Interest rate risk : the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- b) Salary inflation risk : Higher than expected increases in salary will increase the defined benefit obligation
- c) Demographic risk : For example, as plan is open to new entrants an increase in membership will increase the defined benefit obligation. Also the plan only provides benefits upon completion of a vesting criteria. Therefore if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

48 Employee Benefit plans (Contd.)

Reconciliation of Defined Benefit Obligation

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening of defined benefit obligation	882.88	735.52
Current service cost	151.27	133.04
Past service cost	-	-
Interest on defined benefit obligation	59.94	50.03
Remeasurements due to:		
Actuarial loss / (gain) arising from change in financial assumptions	(40.92)	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(25.80)	(16.79)
Benefits paid	(77.19)	(18.92)
Closing of defined benefit obligation	950.19	882.88

Reconciliation of Plan Assets

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening fair value of plan assets	835.62	542.16
Employer contributions	212.52	271.26
Interest on plan assets	60.13	40.14
Administration expenses	-	-
Remeasurements due to:		
Actual return on plan assets less interest on plan assets	(11.13)	0.97
Benefits paid	(77.19)	(18.92)
Closing fair value of plan assets	1,019.95	835.62

Amount recognized in Balance Sheet

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Present value of funded defined benefit obligation	950.19	882.88
Fair value of plan assets	1,019.95	835.62
Net funded obligation	(69.76)	47.27
Net defined benefit liability / (asset) recognized in balance sheet	(69.76)	47.27
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	-
Non-current	(69.76)	47.27

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

48 Employee Benefit plans (Contd.)

Current Year Expense Charged to Profit & Loss Account

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Current service cost	151.27	133.04
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	(0.19)	9.89
Total expense charged to profit and loss account	151.08	142.93

Amount Recorded as Other Comprehensive Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening amount recognized in OCI outside profit and loss account	391.70	409.47
Remeasurements during the period due to		
Changes in financial assumptions	(40.92)	-
Changes in demographic assumptions	-	-
Experience adjustments	(25.80)	(16.79)
Actual return on plan assets less interest on plan assets	11.13	(0.97)
Closing amount recognized in OCI outside profit and loss account	336.12	391.70

Disaggregation of Assets

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Category of Assets		
Non Quoted Value		
Insurer managed funds.	1,019.95	835.62
Others.	-	-
Grand Total	1,019.95	835.62

Results of Sensitivity Analysis

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Discount rate		
Impact of increase in 50 bps on DBO.	-5.73%	-5.96%
Impact of decrease in 50 bps on DBO.	6.23%	6.50%
Salary escalation rate		
Impact of increase in 50 bps on DBO	5.57%	5.75%
Impact of decrease in 50 bps on DBO	-5.22%	-5.32%

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

48 Employee Benefit plans (Contd.)

Summary of Actuarial Assumptions Adopted

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Discount rate (p.a.)	7.25%	6.90%
Salary escalation rate (p.a.)	10.00% until year 1 inclusive, then 7.00%	10.00% until year 2 inclusive, then 7.00%

Maturity Profile

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Expected benefits for year 1	25.95	28.43
Expected benefits for year 2	50.60	26.68
Expected benefits for year 3	48.36	52.74
Expected benefits for year 4	35.48	42.55
Expected benefits for year 5	60.54	33.05
Expected benefits for year 6	51.60	55.79

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

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions while the Plan's sensitivity to such changes can vary over time.

49. Share Based Payments

- a) The Company implemented the Kaveri ESOP 2018 Scheme for all eligible employees pursuant to the special resolution approved by the shareholders through postal ballot on 19th July 2018. The Kaveri ESOP 2018 Scheme covers all employees and directors (excluding independent and promoter directors, promoter group) of the parent company and its subsidiaries (collectively, "eligible employees"). Upon the exercise of options granted under the Kaveri ESOP 2018 Scheme, the applicable equity shares will be transferred from the Kaveri Employees Trust ("ESOP Trust") to the eligible employee. The ESOP Trust will acquire such equity shares by way of secondary market acquisitions funded through loans from the Company. The Nomination and Remuneration Committee of the Board of the parent company (the "Compensation Committee") administers the Kaveri ESOP 2018 Scheme and grants stock options to eligible employees, it has delegated functions and powers relating to the administration of the Kaveri ESOP 2018 Scheme to the ESOP Trust. The Compensation Committee determines which eligible employees will receive the options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

49. Share Based Payments (Contd.)

b) The nature and extent of share-based payment arrangements that existed during the period.

Summary of options granted under plan:

Particulars	As at	As at
	31 March 2022	31 March 2021
	Nos	Nos
Opening balance	879,491	629,516
Granted during the year	-	249,975
Exercised during the year	4,000	-
Forfeited during the year	-	-
Closing balance	875,491	879,491
Vested and exercisable	297,801	125,903

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2022 was ₹545.95

c) Share options outstanding at the end of the year have the following expiry date:

Grant Date	Expiry Date	Share Options	Share Options
		31 March 2022	31 March 2021
31-03-2020	30-03-2025	62,5516	629516
25-03-2021	24-03-2026	24,9975	24,9975

d) The effect of expenses arising from share-based payment transactions on the entity's profit or loss for the period is ₹557.09 Lakhs (2020-2021: ₹527.92 Lakhs).

e) Fair value of Options granted

The fair value of options granted during the year 2020-21 as at 31 March 2022 is. ₹115.93 (31 March 2021: ₹83.49) and the fairvalue of options granted during the financial year 2019-20 as at 31 March 2022 is ₹203.71(31 March 2021: ₹178.50). The fair value options as at reporting date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options fairvalue as at 31 March 2022 included:

Particulars	Grant II	Grant I
	Nos	Nos
Option Grant Price	450	315
Vesting Period	4 years	4 years
Exercise Period	5 years	5 years
Grant Date	25-03-2021	31-03-2020
Expiry Date	24-03-2026	30-03-2025
Share Price at Grant Date	488.85	341.90
Expected Price Volatility	11.44%	11.44%
Expected Dividend Yield	0.55%	0.55%
Risk Free Interest Rate	6.90%	6.90%

The expected price volatility is based on the historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

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

Particulars	As at 31 March 2022	As at 31 March 2021
Principal amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	626.26	432.15
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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.	-	-
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.

51 Operating Leases

The Company's significant leasing arrangements are in respect of operating leases for lands and premises (Agricultural lands, office, stores, godown etc.). These leasing arrangements which are cancellable range between 11 months and 10 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss in respect of short term and low value leases where company has availed exemption under IndAS 116.

52 Contract Liabilities

Contract liabilities resulting from advance payments by customers for delivery of goods and schemes/discounts are predominantly recognized as sales within one year. The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied as on 31 March 2022 is ₹25,114.87/- lakhs (31 March 2021 is ₹24,551.27/- lakhs) resulting from advance payments and shown under other current liabilities.

53 Segment Information

a) The Company has only one business segment i.e., Sale of Seeds and there are no other reportable segments under Ind AS 108 "Operating Segments".

b) 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.

c) 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 required to be furnished.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

54 Expenditure incurred for corporate social responsibility

The Company spent ₹515.99 Lakhs and ₹462.14 Lakhs towards CSR Expenditure for the year ended 31st March 2022 and 31st March 2021. The details are as follows.

Particulars of CSR Activity	Year Ended 31 March 2022	Year Ended 31 March 2021
(i) Amount required to be spent by the company during the year		
Average net profit of the Company for last three financial years	25,799.58	23,107.19
Total Amount to be spent by the Company during the year (2% of the average profit)	515.99	462.14
(ii) Amount of expenditure incurred		
Education development activities	-	-
Rural Development Activities	23.42	50.00
Total amount of expenditure incurred	23.42	50.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Contribution made to Kaveri Bhaskar Rao Charitable Foundation (Trust controlled by the company)	492.57	412.14

55 Covid Impact:

The Company has considered internal and external sources of information up to the date of approval of these financial statements in evaluating the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of inventories, trade receivables, investments and other assets. The Company has applied prudence in arriving at the estimates and assumptions. The Company is confident about the recoverability of these assets.

56 Key Ratios

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Current ratio	Current assets	Current liabilities	2.73	2.36	15.27	
Debt equity ratio	Total Debt	Shareholders equity	0.09	0.13	(28.16)	Reduction in debt
Debt service coverage ratio	Earnings available for debt service	Debt service	182.11	162.37	12.16	
Return on equity	Net profits after tax Less preference dividend	Average shareholder's equity	17.61	25.30	(30.42)	Decrease in Net profit due to decrease in sales
Inventory turnover ratio	Cost of goods sold (or) sales	Average Inventory	0.61	0.66	(7.76)	

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

56 Key Ratios (Contd.)

Ratio	Numerator	Denominator	Current Period	Previous Period	% Variance	Reason for variance
Trade receivables turnover ratio	Net credit sales	Average accounts receivable	12.58	12.08	4.16	
Trade payables turnover ratio	Net credit purchases	Average trade payables	1.62	2.19	(25.85)	Decrease in COGS
Net capital Turnover ratio	Net sales	Working capital	1.01	1.09	(7.52)	
Net profit ratio	Net profit	Net sales	0.23	0.31	(26.19)	Decrease in Turnover and Net profit
Return on capital employed	Earnings before interest and taxes	Capital employed	0.17	0.25	(32.13)	Decrease in Turnover and profit
Return on investment	Gain on Investments	Avg Investments	0.06	0.08	(25.95)	Last year investments are grown from lower base to higher and current year vise-versa.

57 Previous year figures are regrouped wherever considered necessary to confirm to current year classification.

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Independent Auditor's Report

To
The Members of
Kaveri Seed Company Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Kaveri Seed Company Limited ("the Holding Company") its subsidiaries and other consolidating entity (the Holding Company and its subsidiaries, Trust together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31 March 2022, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement, for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries and other consolidated entity, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March 2022, and their consolidated profit (including other comprehensive income), their consolidated changes in equity and their consolidated cash flows and for the year then ended.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. no.	Key Audit Matter	Auditor's Response
1	<p>Revenue: Management estimate of provision for sales return and Discount & schemes:</p> <p>Estimate for sales returns and discounts and schemes was a critical audit matter in the audit of the Group's financial statements for the year ended 31 March 2022.</p> <p>Management estimates the amount of returns expected based on the goods returned in the past and current market demands.</p> <p>The management considers revenue as key measure for evaluation of performance.</p> <p>Refer Note 2.1, 2.11, 13, 32 and 33 to the Consolidated Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We have performed the following principal audit procedures in relation to revenue recognised:</p> <ul style="list-style-type: none"> • Assessing the appropriateness of the Group's revenue recognition accounting policies in line with Ind AS 115 ("Revenue from Contracts with Customers"). • Understanding and Testing of design and operating effectiveness of Internal controls in place relating to recognition and measurement of sales returns and discount amounts. • Testing of relevant information technology general controls, automated controls, and the related information used in recording and disclosing revenue. • Performing analytical procedures on current year revenue based on seasonal trends and where appropriate, conducting further enquiries and testing. • Reviewed reasonableness of estimates made by management in respect of sales return of previous year by comparing them with actual returns.

Sr. no.	Key Audit Matter	Auditor's Response
		<ul style="list-style-type: none"> Substantive testing of Sales, sales returns and discounts with the underlying documents on a sample basis. Testing of supporting documentation for sales return transactions recorded during the period closer to the year end and subsequent to year end, including examination of credit notes issued after the year end to determine whether the returns were recognised in respective accounting period.
2	<p>Valuation and classification of Investments:</p> <p>Group has Investments in Mutual funds, Real estate fund and other equity instruments.</p> <p>The Group holds significant amount of funds in the form of investments. Also, considering the complexities involved in classification of investments, the Group considers investments as material account balance.</p> <p>Refer Note 2.14 and 7 to the Consolidated Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We focused on the valuation and existence of the investments as also the classification and disclosures in the Group's financial statements for the year ended 31 March, 2022.</p> <p>We have performed the following principal audit procedures in relation to investments:</p> <ul style="list-style-type: none"> We obtained independent confirmation of the number of units held and net asset value per unit for each of the underlying investments as at the year end date. We agreed the details confirmed to the valuation of these investments as per the accounting records. Re-computation of Profit/(loss) on sale of investments, valuation of investments including fair value movements. Review of valuation and classification of investment in accordance with Nature of investment made, company's policies, business model and applicable accounting standards.
3	<p>Valuation of Biological assets:</p> <p>The value of Biological assets is measured at fair value less costs to sell. The fair value is determined based on the growth potential of individual standing crops. The growth potential varies depending on the geographic location and varieties of crops. The valuation require estimates of growth, harvest, sales price and costs.</p> <p>Due to the level of judgment involved in the valuation of biological assets, involvement of discretionary assumptions by management regarding biological transformation and quality of crop and significance of biological assets to the Group's financial position, this is considered to be a key audit matter.</p> <p>Refer Note 2.6 and 12 to the Consolidated Financial Statements</p>	<p>Principal Audit Procedures:</p> <p>We have performed the following principal audit procedures in relation to biological assets:</p> <ul style="list-style-type: none"> We have tested management's controls and effectiveness of systems in place for the valuation of biological assets based on the stage of crop as measured by the company. We have assessed the key assumptions contained within the fair value calculations including sales price assumptions and growth assumptions. We have performed the analytical review of the results of valuation to highlight outliers which warrant further audit procedures. Comparison of actual production costs with provisions made towards standing crops.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors are responsible for the preparation of other information. The other information comprises the information included in the Management Discussion and Analysis, Financial and Operational Review, Director's Report, Business Responsibility Report, Corporate Governance Report, Annual Report on CSR activities, but does not include the consolidated financial statements and our auditor's report thereon. The above listed reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the above listed reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Material Uncertainty Related to Going Concern in case of a Subsidiary Company

We draw attention to Note 57 to the consolidated financial statements, which indicates that one subsidiary Company as on 31 March 2022 has negative net worth of ₹492.88 Lakhs and, as of that date, the Company's current liabilities exceeded its total assets by ₹527.01 Lakhs. As stated in the said note, these events or conditions, along with other matters as set forth in Note, indicate that a material uncertainty exists that may cast significant doubt on the Subsidiary Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in the terms of the requirements of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated statement of changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management

either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibility for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of four subsidiaries and one unincorporated entity whose financial statements reflect total assets of ₹15,328.51 Lakhs and net assets of ₹4150.29 Lakhs as at 31 March 2022,

total revenues of ₹14,813.63 Lakhs and net cash outflows amounting to ₹86 Lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates the aforesaid subsidiaries is based solely on the reports of the other auditors.

Our opinion above on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies incorporated in India, as noted in the 'Other Matter' paragraph we give in the "Annexure A" a statement on the matters specified in paragraph 3(xxii) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, referred in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - (a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
 - (b) in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
 - (c) the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;
 - (d) in our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;

(e) on the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, none of the directors of the Group companies incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) with respect to the adequacy of the internal financial controls over financial reporting 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 the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other matter' paragraph:

i. the consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group - Refer Note 41 to the consolidated financial statements;

ii. the group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

iii. there has been no delay in transferring amounts, which are required to be transferred, to the Investor Education and Protection Fund by the Holding Company for the year ended 31 March 2022.

iv. (a) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or

in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The respective Managements of the Company and its subsidiaries which are companies incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The interim dividend declared and paid by the Company during the year and until the date of this report is in compliance with Section 123 of the Act.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner

Membership No.206439

UDIN: 22206439AJKRNI7639

Hyderabad, 23 May 2022

Annexure A to the Independent Auditor's Report

(Referred to in paragraph '1' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited)

- 3 (xii) According to the information and explanations given to us, and based on the CARO reports issued by us and the auditors of respective companies included in the consolidated financial statements to which reporting under CARO is applicable, as provided to us by the Management of the Parent, we report that in respect of those companies where audits have been completed under section 143 of the Act, there are no qualifications or adverse remarks by the respective auditors in the CARO reports of the said companies included in the consolidated financial statements except for the following:

Name of the company	CIN	Nature of relationship	Clause no. of the CARO report which is qualified or adverse
Genome Agritech Private Limited	U74999TG2004PTC044959	Subsidiary	Clause - xix

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

Sd/-
M.V. Ramana Murthy
Partner

Membership No.206439
UDIN: 22206439AJKRNI7639

Hyderabad, 23 May 2022

Annexure B

to the Independent Auditor's Report

(Referred to in paragraph '2.f' under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Kaveri Seed Company Limited of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31 March 2022, we have audited the internal financial controls over financial reporting of Kaveri Seed Company Limited ("the Holding Company") and its subsidiary companies which are companies incorporated in India (the Holding Company and its subsidiaries, together referred to as "the Group"), as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over

financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by other auditors in terms of their reports referred to in other matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these consolidated Ind AS financial statements

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

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

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with

reference to financial statements insofar as it relates to four subsidiary companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

Sd/-

M.V. Ramana Murthy

Partner

Membership No.206439

UDIN: 22206439AJKRNI7639

Hyderabad, 23 May 2022

Consolidated Balance Sheet

as at 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note No.	As at 31 March 2022	As at 31 March 2021
ASSETS			
(1) Non-current assets			
Property, Plant and Equipment	3	24,162.74	24,449.85
Capital work-in-progress	4	4,322.94	3,081.66
Goodwill	5	26.70	26.70
Other Intangible assets	6	49.88	88.29
Financial Assets			
Investments	7	4,608.32	3,858.55
Deferred tax assets (net)	8	268.19	144.92
Non-current Tax Assets (net)	9	919.67	790.35
Other non-current assets	10	3,226.16	1,996.78
Total Non-current assets		37,584.60	34,437.10
(2) Current assets			
Inventories	11	76,062.10	71,951.22
Biological Assets	12	8,181.55	16,422.24
Financial Assets			
Investments	7	47,052.01	56,039.58
Trade receivables	13	11,070.93	10,567.89
Cash and cash equivalents	14	1,982.19	1,325.15
Other bank balances	15	31.78	83.50
Other Financial Assets	16	9.37	22.11
Other current assets	17	2,644.74	2,474.44
Assets Classified as held for sale	18	3,385.87	2,862.93
Total current assets		150,420.54	161,749.07
Total Assets		188,005.14	196,186.17
EQUITY AND LIABILITIES			
Equity			
Equity Share capital	19	1,166.43	1,206.58
Other Equity	20	126,910.00	123,235.76
Non-Controlling Interest	21	130.20	95.23
Total Equity		128,206.63	124,537.57
LIABILITIES			
(1) Non-current liabilities			
Financial Liabilities			
Borrowings	22	60.59	108.18
Other financial liabilities	23	138.30	-
Provisions	24	1,503.89	1,057.60
Deferred tax liabilities (net)	25	1,680.62	1,565.68
Other non-current liabilities	26	1,393.37	1,353.51
Total Non-current liabilities		4,776.77	4,084.97
(2) Current liabilities			
Financial Liabilities			
Current Maturities of Long term debt	27	47.58	47.58
Trade payables	28		
Total Outstanding dues of Micro and Small Enterprises		672.96	441.86
Total Outstanding dues other than Micro and Small Enterprises		22,297.80	35,402.24
Other financial liabilities	29	191.57	139.10
Current Tax Liabilities (net)	30	28.05	20.10
Provisions	31	93.70	111.81
Other current liabilities	32	31,690.08	31,400.94
Total Current liabilities		55,021.74	67,563.63
Total Equity and Liabilities		188,005.14	196,186.17
See accompanying notes to the financial statements	1-59		

As per our report of even date attached for **M. Bhaskara Rao & Co.**

Chartered Accountants
Firm Registration No.000459S

Sd/-

M.V. Ramana Murthy

Partner

Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

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

For and on behalf of the Board

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Place: Secunderabad
Date: 23 May 2022

Consolidated Statement of Profit & Loss

for the Year Ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Note No.	Year ended 31 March 2022	Year ended 31 March 2021
I Income			
Revenue from Operations	33	96,998.16	103,630.55
Other Income	34	4,127.60	4,574.68
Total Income		101,125.76	108,205.23
II Expenses			
Cost of Material Consumed	35	47,563.15	69,016.92
Changes in Inventories of Finished Goods and Work in Progress	36	5,818.11	(14,957.67)
Employee Benefit Expense	37	9,119.31	8,452.81
Finance Costs	38	12.74	50.50
Depreciation & Amortisation	39	2,093.12	2,224.66
Other Expenses	40	14,244.14	11,316.75
Total Expenses		78,850.57	76,103.97
III Profit before Tax (I-II)		22,275.19	32,101.26
IV Less: Tax expense			
Current Tax		749.20	809.11
Earlier Years Tax		0.29	(136.14)
Deferred Tax		246.02	307.73
		995.51	980.70
V Profit for the Year (III-IV)		21,279.68	31,120.56
Attributable to:			
Equity Share Holders of the Company		21,245.19	31,049.52
Non Controlling Interest		34.49	71.04
VI Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or loss			
Fair value of Equity Investments through OCI		11.04	24.55
Actuarial (gain)/loss on employee benefits through OCI		64.44	17.78
		75.48	42.33
(ii) Income tax relating to items that will not be reclassified to profit or loss			
Fair value of Equity Investments through OCI		(3.72)	(58.12)
Actuarial (gain)/loss on employee benefits through OCI		(1.81)	(0.55)
		(5.53)	(58.67)
		69.95	(16.34)
B (i) Items that will be reclassified to Profit or loss			
Fair value of Investments through OCI		(1,033.77)	(776.10)
(ii) Income tax relating to items that will be reclassified to profit or loss			
Fair value of Investments through OCI		259.89	626.91
Total Other Comprehensive Income		(773.88)	(149.19)
(165.53)		(703.93)	(165.53)
VII Total Comprehensive Income for the year (V+VI)		20,575.75	30,955.03
Attributable to:			
Equity Share Holders of the Company		20,540.79	30,883.82
Non Controlling Interest		34.96	71.21
VIII Earnings Per Equity Share			
Basic (equity shares, par value ₹2 each)		36.37	52.23
Diluted (equity shares, par value ₹2 each)		36.37	52.23
See accompanying notes to the financial statements	1-59		

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Statement of Changes in Equity

All amounts are Rupees in lakhs unless otherwise stated

A. Equity Share Capital

Particulars	Amount
Issued and paid up equity share capital	
Balance as at 31 March, 2020	1,206.58
Changes in equity share capital during the year	-
Balance as at 31 March, 2021	1,206.58
Changes in equity share capital during the year	(40.15)
Balance as at 31 March, 2022	1,166.43

B. Other Equity

Particulars	General Reserve	Retained Earnings	Capital Redemption Reserve	Treasury Shares	Other Comprehensive Income		Total
					Fair Value gain / (loss) on Investments	Actuarial gain / (loss) on employee benefits	
Balance as at 01 April 2020	1,002.00	94,638.89	174.52	(3,683.20)	2,946.65	(418.55)	94,660.31
Other Comprehensive Income for the year					(182.76)	17.06	(165.70)
Profit for the Year		31,049.52					31,049.52
Dividend and Dividend Tax		(2,378.00)					(2,378.00)
Transferred to General Reserve	1,000.00	(1,000.00)					-
Transfer from OCI towards sale of equity investments		69.63					69.63
Balance as at 31 March 2021	2,002.00	122,380.04	174.52	(3,683.20)	2,763.89	(401.49)	123,235.76
Other Comprehensive Income for the year					(766.56)	62.15	(704.41)
Profit for the Year		21,245.19					21,245.19
Buyback of Equity Shares	(2,000.00)	(12,589.82)					(14,589.82)
Dividend and Dividend Tax		(2,297.69)					(2,297.69)
Transferred to General Reserve	1,000.00	(1,000.00)					-
Transferred to Capital Redemption Reserve		(40.15)	40.15				-
Adjustment on exercise of ESOP		4.07					4.07
Issue of shares on exercise of options				16.89			16.89
Balance as at 31 March 2022	1,002.00	127,701.64	214.67	(3,666.31)	1,997.35	(339.34)	126,910.00
See accompanying notes to the financial statements		1-59					

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholtime Director
DIN: 00328947

Consolidated Cash Flow Statement

for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Cash flows from operating activities		
Profit before taxation	22,275.19	32,101.26
Adjustments for:		
Fairvalue gain on Investments	(1,474.27)	(1,717.06)
Depreciation & Amortisation	2,093.12	2,224.66
(Profit)/Loss on sale of Fixed Assets	(11.92)	8.19
Dividend Received	(6.45)	(5.58)
Gain from Investments	(2,499.47)	(2,676.18)
Provision for impairment loss	-	73.46
Provision for Bad Debts	846.69	323.89
Interest received	(29.51)	(75.23)
Finance charges	12.74	50.50
Operating profit before working capital changes	21,206.12	30,307.91
(Increase) / Decrease in Inventories and Biological Assets	4,129.81	(15,552.21)
(Increase)/Decrease in Trade Receivables and other receivables	(1,349.73)	910.14
(Increase)/Decrease in Loans & Other Financial Assets	(181.56)	118.50
Increase/(Decrease) in Trade Payables	(12,873.32)	9,157.41
Increase/(Decrease) in Provisions	496.69	505.62
Increase/(Decrease) in Other liabilities	466.22	800.04
Taxes paid during the year	(870.85)	(1,061.03)
Net cash generated from operating activities	11,023.38	25,186.39
Cash flows from investing activities		
Payments for property, plant and equipment	(4,700.07)	(3,901.89)
Proceeds from disposal of property, plant and equipment	22.49	15.23
Purchase of investment	(35,952.71)	(52,057.30)
Proceeds from disposal of investment	47,141.52	34,256.53
Payments for intangible assets	(1.41)	(10.01)
Proceeds from earmarked balances with Bank	51.72	(56.64)
Dividend Received	6.45	5.58
Interest received	42.25	14.99
Net Cash generated from investing activities	6,610.25	(21,733.51)

Consolidated Cash Flow Statement

for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Particulars	Year ended 31 March, 2022	Year ended 31 March, 2021
Cash flows from financing activities		
Buyback of Equity Shares	(14,629.97)	-
Repayments of Borrowings	(47.58)	(470.60)
Dividend including Tax on Dividend	(2,297.69)	(2,378.00)
Finance charges	(18.24)	(57.68)
Sales of Treasury Shares on exercise of options	16.89	-
Net cash used in financing activities	(16,976.59)	(2,906.29)
Net increase in cash & cash equivalents	657.04	546.59
Cash & Cash equivalents at the beginning of the period	1,325.15	778.56
Cash & Cash equivalents at the end of the period (Refer Note 14)	1,982.19	1,325.15
See accompanying notes to the financial statements	1-59	

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

1 Group Information

Kaveri Seed Company Limited ("the Company") was 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 Consolidating entities (jointly referred as the "Group") considered in the consolidated financial statements.

The Consolidated financial statements have been authorised for issue by the board of directors of the company on 23rd May 2022.

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 March 2022	As at 31 March 2021
Kaveri Microteck Private Ltd	Micronutrients	India	100%	100%
Aditya Agri Tech Private Ltd	Seeds	India	70%	70%
Genome Agritech Private Ltd	Seeds	India	51%	51%
Genomix Agri Genetics Private Ltd	Seeds	India	100%	100%
b) Other consolidating entity				
Kaveri Employees Trust (From 1 April 2019)	ESOP Trust	India	*-	-

* The company does not have any equity interest in this entity, but has control over it.

** Refer Note 55 of financial statements

2 Summary of significant accounting policies

2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, the relevant amendment rules issued thereafter, guidelines issued by Securities and Exchange Board of India (SEBI), relevant provisions of the Act and other Accounting principles generally accepted in India.

2.2 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fair value. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these financial statements is determined on such a basis, except for leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

All assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria 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

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

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 Basis of Consolidation:

The Company consolidates all entities which are controlled by it.

The Company establishes control when; it has power over the entity, is exposed or has rights to variable returns from its involvement with the entity and has ability to affect the entity's returns by using its power over the entity.

Subsidiaries and other entities having control are consolidated from the date control commences until the date control ceases.

The results of subsidiaries acquired, or sold, during the year are consolidated from the effective date of acquisition and up to the effective date of disposal, as appropriate.

All inter-company transactions, balances and income and expenses are eliminated in full on consolidation.

Changes in the Company's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Company's interests and the non-controlling interests are adjusted to reflect changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Company.

2.5 Property, Plant & Equipment and Other Intangible assets:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses, if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Depreciation is provided using WDV method over the estimated useful life prescribed under Schedule II to the Companies Act, 2013.

Freehold land is not depreciated.

Separately purchased intangible assets are initially measured at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis, from the date that they are available for use.

2.6 Biological Asset

Recognition and measurement

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

- (a) the Group controls the asset as a result of past events;
- (b) it is probable that future economic benefits associated with the asset will flow to the Group; and
- (c) the fair value or cost of the asset can be measured reliably.

The biological asset are measured on initial recognition and at the end of each reporting period at its fair value less costs to sell.

2.7 Leases:

The Group's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

2.8 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

2.9 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.

2.10 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.

2.11 Revenue recognition:

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration we expect to receive in exchange for those products or services. Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and indirect taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The company classifies the right to consideration in exchange for goods as a receivable and is presented net of impairment in the Balance Sheet

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

2.12 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.

2.13 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. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Gains and losses arising on settlement and translating monetary items at reporting date are included in the profit or loss.

2.14 Financial Instruments

Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit

or loss) are added to or deducted from the fair value measured of financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

i) Non-derivative financial instruments

Cash and cash equivalents

The Group considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

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

Financial assets at fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. The Company derecognises financial liabilities when, and only when, the Company's obligation is discharged, cancelled or have expired.

2.15 Non current assets held for sale:

Non-Current Assets are classified as Held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A Sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as Held for Sale are measured at the lower of their carrying amount and fair value less cost of sell and are presented separately in the consolidated Balance Sheet

2.16 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 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 to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

2.17 Share Based Payment Arrangements

Employees of the Group receive remuneration in the form of sharebased payments in consideration of the services rendered.

a) Equity settled share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense in the statement of profit and loss, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and performance conditions at the vesting date. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under “share-based payment reserve”. The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

b) Cash settled share-based payment transactions

The fair value of the amount payable to employees in respect of share-based payment transactions which are settled in cash is recognised as an expense, with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment.

The liability is re-measured at each reporting date and at the settlement date based on the fair value of the share-based payment transaction. Any changes in the liability are recognised in the statement of profit and loss.

2.18 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.

2.19 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.

2.20 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the tax laws applicable in India.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the Group will pay normal tax in future periods. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Group and the asset can be measured reliably.

Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

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.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

The Company recognises interest levied and penalties related to income tax assessments in other expenses.

2.21 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

For the purpose of calculating diluted earnings / (loss) per share the net profit / (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

2.22 Treasury Shares

Own equity instruments that are reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Any difference between the carrying amount and the consideration, if reissued, is recognised in the securities premium.

2.23 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 are disclosed when there is a possible obligation arising from past events, the existence of which will

be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

2.24 Critical accounting estimates and judgements:

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation, uncertainty and judgements in applying accounting policies that have the most significant effect on Consolidated financial statements are as follows.

- Provision for doubtful debts - Refer note no.13
- Provision for schemes - Refer note no.32
- Provision for returns - Refer note no.32
- Biological assets - Refer note no.12
- Measurement of useful life and residual values of property, plant and equipments and useful life of intangible assets
Refer note no.3

2.25 Recent accounting pronouncements :

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

Ind As16 - Property, Plant and Equipment - The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any shall not be recognised in the profit or loss but deducted from the directly attributable costs considered as part of cost of an item of Property, Plant and Equipment.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

The effective date for adoption of this amendment is annual periods beginning on or after 1st April 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

IndAS37-Provisions, Contingent Liabilities and Contingent Assets - The amendment specifies that the 'cost of fulfilling' a contract comprises the costs that relate directly to the contract. Costs that relate directly to a contract can either be incremental

costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract). The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022, although early adoption is permitted. The Company has evaluated the amendment and the impact is not expected to be material.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

3 Property, Plant and Equipment

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Gross Carrying Amount								
Balance as at 01.04.2021	12,881.51	9,940.72	19,866.80	807.62	1,269.43	189.65	299.32	45,255.05
Additions	126.36	397.14	748.21	25.77	411.60	14.64	53.93	1,777.65
Deletions	-	-	14.40	-	99.19	2.62	6.93	123.14
Balance as at 31.03.2022	13,007.87	10,337.86	20,600.61	833.39	1,581.84	201.67	346.32	46,909.56
Accumulated Depreciation/ Amortisation								
Balance as at 01.04.2021	-	4,724.07	14,195.70	528.30	985.95	135.75	235.43	20,805.20
Additions	-	545.80	1,223.68	75.72	132.26	27.62	48.21	2,053.29
Deletions	-	-	11.76	-	90.84	2.50	6.57	111.67
Balance as at 31.03.2022	-	5,269.87	15,407.62	604.02	1,027.37	160.87	277.07	22,746.82
Net Carrying Amount								
Balance as at 31.03.2022	13,007.87	5,067.99	5,192.99	229.37	554.47	40.80	69.25	24,162.74
Gross Carrying Amount								
Balance as at 01.04.2020	11,696.54	9,865.26	19,480.26	879.25	1,374.58	220.39	297.00	43,813.28
Additions	1,416.75	75.46	478.22	17.55	40.15	11.25	49.40	2,088.77
Deletions	231.78	-	91.68	89.18	145.29	41.99	47.08	647.00
Balance as at 31.03.2021	12,881.51	9,940.72	19,866.80	807.62	1,269.43	189.65	299.32	45,255.05
Accumulated Depreciation/ Amortisation								
Balance as at 01.04.2020	-	4,208.29	12,910.00	520.09	1,008.94	139.43	239.35	19,026.10
Additions	-	515.78	1,357.19	92.94	113.82	36.18	40.81	2,156.73
Deletions	-	-	71.49	84.72	136.81	39.86	44.74	377.62
Balance as at 31.03.2021	-	4,724.07	14,195.70	528.30	985.95	135.75	235.43	20,805.20
Net Carrying Amount								
Balance as at 31.03.2021	12,881.51	5,216.65	5,671.09	279.31	283.48	53.89	63.89	24,449.85

4 Capital work-in-progress

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
Carrying Amount								
Balance as at 01.04.2021	-	2,884.63	160.04	-	-	-	37.00	3,081.66
Additions	-	2,042.76	374.96	17.70	21.30	22.95	150.13	2,629.80
Deletions/Transfers	-	468.68	345.75	-	21.30	-	29.85	865.58
Assets Held for Sale	-	522.94	-	-	-	-	-	522.94
Balance as at 31.03.2022	-	3,935.77	189.25	17.70	-	22.95	157.28	4,322.94
Balance as at 01.04.2020	-	1,818.78	0.36	2.20	-	-	-	1,821.34
Additions	-	1,143.76	277.51	6.70	-	-	37.00	1,464.98
Deletions/Transfers	-	77.91	117.82	8.91	-	-	-	204.64
Balance as at 31.03.2021	-	2,884.63	160.04	-	-	-	37.00	3,081.66

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

4 Capital work-in-progress (Contd..)

4.1 Ageing of Capital Work in Progress as at 31-03-2022

Type of Projects	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,200.68	1,092.01	993.55	36.71	4,322.94
Projects temporarily suspended	-	-	-	-	-

4.2 Ageing of Capital Work in Progress as at 31-03-2021

Type of Projects	Amount in CWIP for a period of				Total
	Less than 1 years	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,280.08	1,233.70	38.48	529.40	3,081.66
Projects temporarily suspended	-	-	-	-	-

5 Goodwill

Particulars	Goodwill	Total
Gross Carrying Amount		
Balance as at 01-04-2021	26.70	26.70
Additions	-	-
Deletions	-	-
Balance as at 31-03-2022	26.70	26.70
Accumulated Depreciation/Amortisation		
Balance upto 01-04-2021	-	-
Additions	-	-
Deletions	-	-
Balance upto 31-03-2022	-	-
Net Carrying Amount		
Balance as at 31-03-2022	26.70	26.70
Gross Carrying Amount		
Balance as at 01.04.2020	26.70	26.70
Additions	-	-
Deletions	-	-
Balance as at 31.03.2021	26.70	26.70
Accumulated Depreciation/Amortisation		
Balance upto 01.04.2020	-	-
Additions	-	-
Deletions	-	-
Balance upto 31.03.2021	-	-
Net Carrying Amount		
Balance as at 31.03.2021	26.70	26.70

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

6 Other InTangible assets

Particulars	Software	Total
Gross Carrying Amount		
Balance as at 01-04-2021	373.60	373.60
Additions	1.41	1.41
Deletions	-	-
Balance as at 31.03.2022	375.01	375.01
Accumulated Depreciation/Amortisation		
Balance as at 01-04-2021	285.31	285.31
Additions	39.82	39.82
Deletions	-	-
Balance as at 31.03.2022	325.13	325.13
Net Carrying Amount		
Balance as at 31.03.2022	49.88	49.88
Gross Carrying Amount		
Balance as at 01.04.2020	555.71	555.71
Additions	10.01	10.01
Deletions	192.12	192.12
Balance as at 31.03.2021	373.60	373.60
Accumulated Depreciation/Amortisation		
Balance as at 01.04.2020	399.88	399.88
Additions	67.94	67.94
Deletions	182.51	182.51
Balance as at 31.03.2021	285.31	285.31
Net Carrying Amount		
Balance as at 31.03.2021	88.29	88.29

7 Investments

Particulars	As at 31 March 2022	As at 31 March 2021
Non Current Investments		
Equity Investments in Other Entities	-	1.00
Investment in Government Securities	0.07	0.07
Investment in Real Estate Portfolio Management Fund	4,509.15	3,769.85
Equity Investments - Others	99.12	87.63
	4,608.32	3,858.55
Current Investments		
Liquid Mutual Fund Units	2,845.31	3,793.53
Fixed Maturity Plan Mutual Fund Units	-	8,133.16
Longterm Debt Mutual Fund Units	44,206.69	44,112.90
	47,052.01	56,039.58
	51,660.33	59,898.14

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

7 Investments (Contd.)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Qty Nos	Amount	Qty Nos	Amount
Non Current Investments				
Un-Quoted				
Equity Investments in Other Entities				
(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	-
Equity Shares of ₹10 each in Swadeshi Biotechnics Ltd -fully paid up	-	-	7,000	1.00
		-		1.00
Investment in Government Securities				
(Investments Carried at Cost)				
National Savings Certificates	-	0.07	-	0.07
		0.07		0.07
Investment in Real Estate Portfolio Management Fund				
(Investments Carried at Fair Value through Profit & Loss Statement)				
ASK Real Estate Special Situations Mutual Fund	336.16	395.39	375	371.11
ASK PMS Real Estate Special Opportunities Portfolio - III	-	3,981.96		3,275.04
		4,377.36		3,646.15
(Investments Carried at Fair Value through Other Comprehensive Income)				
ASK Real Estate Special Situations Mutual Fund	112.05	131.80	125	123.70
		131.80		123.70
		4,509.15		3,769.85
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	32,642	10.27	32,642	11.95
Equity shares of ₹ 10 each in Bank of Maharashtra - fully paid up	1,900	0.32	1,900	0.40
Equity shares of ₹ 10 each in Indian Overseas Bank - fully paid up	9,700	1.76	9,700	1.55
Equity Shares of ₹ 1 each in Tata Consultancy Services Ltd - fully paid up	2,320	86.77	2,320	73.73
		99.12		87.63
Current Investments				
Unquoted				
(Other than trade)				
Liquid Mutual Fund Units				
(Investments Carried at Fair Value through Profit & Loss Statement)				
HDFC Liquid Fund -Direct Plan - Growth Option	2,424,421	458.54	37,084	1,500.23
Tata Treasury Advantage Fund direct Plan - Growth	68,128	2,213.19	68,128	2,124.78
HDFC Liquid Fund -Regular Plan - IDCW- Daily Reinvest	17,021	173.58	16,525	168.52
		2,845.31		3,793.53

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

7 Investments (Contd.)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Qty Nos	Amount	Qty Nos	Amount
Fixed Matured Plan Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Aditya Birla Sun Life Fixed Term Plan - Series PB (1190 Days) - Direct Growth	-	-	3,000,000	378.80
Aditya Birla Sun Life Fixed Term Plan - Series PE (1159 Days) - Direct Growth	-	-	3,000,000	377.73
Aditya Birla Sun Life Fixed Term Plan - Series QJ (1098 Days) - Direct Growth	-	-	15,000,000	1,863.09
Franklin India Fixed Maturity Plans - Series 3 - Plan F 1098 days - Direct - Growth	-	-	5,000,000	630.50
ICICI Prudential Fixed Maturity Plan Series 83-1113 Days Plan E Direct Plan Cumulative	-	-	17,000,000	2,141.27
ICICI Prudential Fixed Maturity Plan Series 83-1105 Days Plan M Direct Plan Cumulative	-	-	5,104,334	638.36
Kotak FMP Series 235 Direct - Growth	-	-	5,000,000	627.94
Nippon Fixed Horizon Fund -XXXVIII -Series 03 - Direct Growth Plan	-	-	6,000,000	751.72
UTI Fixed Term Income Fund Series XXIX - XI (1112 Days)-Direct Growth Plan	-	-	6,478,435	723.75
		-		8,133.16
Other Debt Mutual Fund Units				
(Investments Carried at Fair Value through Other Comprehensive Income)				
Aditya Birla Sun Life Medium Term Plan-Growth-Direct Plan	6,030,081	1,726.86	6,030,081	1,620.25
HDFC Credit Rist Debt Fund - Direct Growth	28,510,870	5,880.02	28,510,870	5,466.56
		7,606.88		7,086.81
(Investments Carried at Fair Value through Profit & Loss Statement)				
Tata Money Market Fund Direct Plan - Growth	65,952	2,522.88	68,520	2,514.60
Axis Money Market Fund - Direct Growth (MMDGG)	196,016	2,257.68	196,016	2,169.67
HDFC Ultra Short Term Fund - Direct Growth	46,202,429	5,735.02	-	-
HDFC Money Market Fund - Direct Plan - Growth Option	-	-	6,705	299.98
ICICI Prudential Ultra Short Term Fund - Direct Plan Growth-8123	-	-	17,600,293	4,026.47
ICICI Prudential Short Term Fund - Direct Plan - Growth Option	6,916,614	3,530.60	6,916,614	3,362.80
IDFC Ultra Short Term Fund Direct Plant - Growth	17,254,440	2,141.45	17,254,440	2,065.55
Invesco India Money Market Fund - Direct Plan Growth	-	-	82,232	2,010.50
Invesco India Ultra Short Term Fund - Direct Plan Growth	43,677	1,008.24	45,287	1,006.46
Kotak Savings Fund - Direct Plan - Growth	11,801,085	4,251.95	9,013,558	3,126
Nippon India Money Market Fund - Direct Growth Plan Growth Option	30,112	1,008.91	71,784	2,312
SBI Savings Fund - Direct Plan - Growth	6,066,252	2,157.24	6,066,252	2,073.92
UTI Money Market Fund - Direct Growth Plan	86,498	2,154.46	86,498	2,071.76
Aditya Birla Sun Life Low Duration Fund- Growth - Direct Plan	130,099	752.44	130,099	718.24
Aditya Birla Sun Life Savings Fund-Growth-Direct Plan	225,959	1,006.22	-	-
Kotak Banking and PSU Debt Fund Direct Growth	3,153,640	1,711.83	3,153,640	1,624.87
Kotak Low Duration Fund Direct Growth	23,356	677.70	23,356	647.80
Nippon India Low Duration Fund - Direct Growth Plan Growth Option	111,442	3,531.37	88,960	2,686.78
Nippon India Floating Rate Fund - Direct Growth Plan (FRAGG)	-	-	6,188,835	2,227.24
Sundaram Banking and PSU Debt Fund - Direct Growth (BDDG)	6,089,291	2,151.82	6,089,291	2,081.33
		36,599.81		37,026.09
		44,206.69		44,112.90

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

7 Investments (Contd.)

Particulars	As at 31 March 2022		As at 31 March 2021	
	Qty Nos	Amount	Qty Nos	Amount
Market Value of Quoted Investments		99.12		87.63
Aggregate amount of Quoted Investments		37.81		37.81
Aggregate amount of Unquoted Investments		47,775.74		56,468.83
Aggregate amount of impairment in value of investments		-		-
Investments Carried at Cost		0.07		0.07
Investments Carried at Fair Value through Other Comprehensive Income		7,837.80		15,432.30
Investments Carried at Fair Value through Profit & Loss		43,822.48		44,465.77
(Investments Carried at amortised Cost)		-		-

Investments in Mutual Funds

Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI) or Profit & loss. Accordingly Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) or Statement of Profit & loss for the year ended as the case may be.

Investments in Equity Instruments of Other Entities (Quoted and Unquoted)

Under Ind AS, the Group has designated these investments at fair value through Other Comprehensive Income (OCI). Accordingly, these investments are required to be measured at fair value. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI).

Transaction with Stuck off Company:

S. No	Name of the Stuck off Company	Nature of transactions	Transactions during the year	Balance O/S at the end of the year	Relationship with the Stuck off Company if any, to be disclosed
1	Swarna Bharat Biotechnics Pvt Ltd	Investment writtenoff	-	-	Investee
2	Swadeshi Biotechnics Ltd	Investment writtenoff	0.55	-	Investee

8 Deferred tax assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred tax Asset/(Liability) arising on account of timing differences relating to:		
Property, Plant and Equipment as per tax books and financial books.	78.45	30.91
Provision for Bad and doubtful trade receivables	176.13	90.75
Employee Benefits	17.40	24.81
Employee Benefits recognised through other comprehensive income	(3.79)	(1.56)
	268.19	144.92

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

9 Non-Current Tax Assets (net)

Particulars	As at 31 March 2022	As at 31 March 2021
Advance Income Tax and Tax Deducted at Source	919.67	790.35
(Net of Provision ₹3919.70 Lakhs (31 March 2021: ₹3,320.97 Lakhs))	919.67	790.35

10 Other non-current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
Security deposits	357.85	346.59
Advances for Capital Expenses	2,868.31	1,650.19
	3,226.16	1,996.78

11 Inventories

Particulars	As at 31 March 2022	As at 31 March 2021
Measured at lower of cost or net realisable value		
Raw Materials	9,436.95	7,748.64
Work in Process	7,420.00	11,054.21
Finished Goods	59,205.16	53,148.36
	76,062.10	71,951.22

12 Biological Asset

Particulars	As at 31 March 2022	As at 31 March 2021
Standing Crop	8,181.55	16,422.24
	8,181.55	16,422.24

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

12 Biological Asset (Contd.)

Reconciliation of Biological Asset

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Balance at the beginning of the year	16,422.24	8,916.23
Add : Cost incurred during the year	36,190.28	42,377.19
Less: Changes in fair value	1,507.59	2,986.54
Less: Transfer of Biological assets to Inventories	42,923.38	31,884.64
Balance at the end of the year	8,181.55	16,422.24

13 Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Considered good - Unsecured	10,957.52	10,476.09
Receivables which have significant increase in credit risk	3,496.64	2,323.43
Receivables- Credit impaired	1,164.24	1,546.86
Less: Loss Allowance	(4,547.47)	(3,778.49)
	11,070.93	10,567.89

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 along with those referred for recovery through legal proceeding are considered for provision.

Trade receivables Ageing 31-03-2022

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6Months	6Months- 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	2,742.56	4,780.04	2,726.77	708.14	-	-	10,957.52
(ii) Undisputed trade receivables- which have significant increase in credit risk	3.21	3.18	4.88	102.52	1,993.16	1,389.69	3,496.64
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables -considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables -credit impaired	-	3.54	19.43	361.38	136.24	643.65	1,164.24
Total	2,745.77	4,786.75	2,751.09	1,172.05	2,129.39	2,033.34	15,618.40
Less:							
Provision for Baddebts							4,547.47
Net Debtors							11,070.93

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

13 Trade receivables (Contd.)

Trade receivables Ageing 31-03-2021

Particulars	Outstanding for following periods from due date of payment						Total
	Not Due	Less than 6Months	6Months- 1Year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	1,945.47	3,483.48	3,005.34	2,041.80	-	-	10,476.09
(ii) Undisputed trade receivables- which have significant increase in credit risk	0.39	24.62	14.65	54.55	288.27	1940.96	2,323.43
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables -considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables -which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables -credit impaired	-	0.59	23.91	215.15	414.84	892.38	1,546.86
Total	1,945.86	3,508.69	3,043.89	2,311.50	703.11	2,833.34	14,346.38
Less:							
Provision for Baddebts							3,778.49
Net Debtors							10,567.89

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Movement in the loss allowance		
Balance at the beginning of the year	3,778.49	3,546.06
Movement during the year based on ageing	768.97	232.43
Balance at the end of the year	4,547.47	3,778.49

14 Cash and cash equivalents

Particulars	As at 31 March 2022	As at 31 March 2021
Cash on hand	7.17	5.72
Balances with Banks - Current Accounts	1,975.02	1,319.43
	1,982.19	1,325.15

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

15 Other Bank Balances

Particulars	As at 31 March 2022	As at 31 March 2021
Fixed Deposit with Banks	18.88	69.52
Earmarked balances with banks		
Unclaimed Dividend	12.90	13.98
	31.78	83.50

16 Other Financial Assets

Particulars	As at 31 March 2022	As at 31 March 2021
Interest Receivable	9.37	22.11
	9.37	22.11

17 Other current assets

Particulars	As at 31 March 2022	As at 31 March 2021
Unsecured and considered good		
Advance to suppliers	2,074.69	2,104.32
Advance to Staff	127.52	126.20
Prepaid expenses	298.85	230.48
Others	21.84	13.44
Gratuity Advance	69.76	-
GST Input Credit	52.08	-
	2,644.74	2,474.44

18 Assets classified as held for sale

Particulars	As at 31 March 2022	As at 31 March 2021
Assets held for sale	3,385.87	2,862.93
	3,385.87	2,862.93

The Group had decided to dispose off two immovable properties . Due to the ongoing Covid-19 Pandemic, the Group was not able to dispose off the same till 31st March 2022 and expects to dispose of the assets in the year 2022-23.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

19 Equity Share Capital

Particulars	As at	
	31 March 2022	31 March 2021
SHARE CAPITAL		
Authorised		
10,00,00,000 (10,00,00,000) Equity shares of ₹2/- each	2,000.00	2,000.00
Issued,Subscribed & Paid up		
5,83,21,660 (6,03,29,133) Equity shares of ₹2/-each	1,166.43	1,206.58
	1,166.43	1,206.58

a) Reconciliation of number of Shares at the beginning and at the end of the reporting period.

Equity Shares of ₹ 2/- each

Particulars	As at 31 March 2022		As at 31 March 2021	
	No of shares	₹ in Lakhs	No of shares	₹ in Lakhs
At the beginning of the year	60,329,133	1,206.58	60,329,133	1,206.58
Add: Issued during the year	-	-	-	-
Less: Shares Cancelled during the year	2,007,473	40.15	-	-
At the end of the year	58,321,660	1,166.43	60,329,133	1,206.58

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

Particulars	As at 31 March 2022		As at 31 March 2021	
	No of shares	% of Shares	No of shares	% of Shares
G Vanaja Devi	14,090,157	24.16%	14,090,157	23.36%
G V Bhaskar Rao - HUF	9,985,649	17.12%	9,985,649	16.55%
G V Bhaskar Rao	5,358,530	9.19%	5,358,530	8.88%

c) Details of Promoters share holding

Name of the Promoter	As at 31 March 2022			As at 31 March 2021		
	No of shares	% of holding	% change during the year	No of shares	% of holding	% change during the year
G Vanaja Devi	14,090,157	24.16%	0.80%	14,090,157	23.36%	0.00%
G V Bhaskar Rao - HUF	9,985,649	17.12%	0.57%	9,985,649	16.55%	0.00%
G V Bhaskar Rao	5,358,530	9.19%	0.31%	5,358,530	8.88%	0.00%
G Pawan	2,228,876	3.82%	0.13%	2,228,876	3.69%	0.00%
C Vamsheedhar	976,587	1.67%	0.05%	976,587	1.62%	0.00%
C Mithunchand	857,344	1.47%	0.05%	857,344	1.42%	0.00%

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

19 Equity Share Capital (Contd.)

d) 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.

e) Buy back of Equity Shares

Aggregate number of shares bought back during the period of five years immediately preceding the reporting date.

Particulars	Year ended 31 March				
	2022	2021	2020	2019	2018
Equity Shares of ₹ 2 each	2,007,473	-	2,800,000	2,963,000	2,962,962

f) Employee Stock Option Scheme

As per Kaveri ESOP 2018 Scheme during the current period the company has granted NIL (YE March 2021: 249,975) options through Kaveri Employee Trust (ESOP Trust). The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years. Liability recognised at 31 March 2022 and cost recognised is disclosed in notes (Refer Note 50)

20 Other Equity

Particulars	As at 31 March 2022		As at 31 March 2021	
a) General Reserve				
Opening Balance	2,002.00		1,002.00	
Less: Utilized for Buyback	(2,000.00)		-	
Add: Transfer from Retained Earnings	1,000.00	1,002.00	1,000.00	2,002.00
b) Retained Earnings				
Opening Balance	122,380.04		94,638.89	
Add:				
Profit for the year	21,245.19		31,049.52	
Less:				
Transferred to General Reserve	(1,000.00)		(1,000.00)	
Payment of Dividend & Dividend Tax	(2,297.69)		(2,378.00)	
Utilized for Buyback	(12,589.82)		-	
Transfer from OCI towards sale of equity investments	-		69.63	
Adjustment on exercise of ESOP	4.07		-	
Transferred to Capital Redemption Reserve	(40.15)	127,701.64	-	122,380.04

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

20 Other Equity (Contd.)

Particulars	As at 31 March 2022		As at 31 March 2021	
c) Capital Redemption Reserve				
Opening Balance	174.52		174.52	
Add:	-		-	
Transfer from Retained Earnings	40.15	214.67	-	174.52
d) Other Comprehensive Income - Fair Value Gain on Investments				
Opening Balance	2,763.89		2,946.65	
Add:				
Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	11.04		24.55	
Fair value of Investments through OCI will be reclassified to Profit & Loss	(1,033.77)		(776.10)	
Less:				
Tax on Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	3.72		58.12	
Tax on Fair value of Investments through OCI will be reclassified to Profit & Loss	(259.89)	1,997.35	(626.91)	2,763.89
e) Other Comprehensive Income - Actuarial Gain/(Loss) on Employee Benefits				
Opening Balance	(401.49)		(418.55)	
Add:				
Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit or loss	63.96		17.61	
Less:				
Tax on Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit & Loss	(1.81)	(339.34)	(0.55)	(401.49)
f) Treasury Shares				
Opening Balance	(3,683.20)		(3,683.20)	
Less:				
Issue of shares on exercise of options	16.89	(3,666.31)		(3,683.20)
		126,910.00		123,235.76

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.

Retained Earnings: Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

Other Comprehensive Income: The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

21 Non-Controlling Interest

Particulars	As at 31 March 2022	As at 31 March 2021
At the beginning of the year	95.23	24.02
Additions during the year	34.97	71.21
At the end of the year	130.20	95.23

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 :

Particulars	Principal place of business	Proportion of ownership interests and voting rights held by non-controlling interests as at 31 March 2022	Accumulated non-controlling interests as at 31 March 2022
Aditya Agritech Private Limited	Secunderabad	30	340.06
Genome Agritech Private Limited	Secunderabad	49	(209.86)

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.

Particulars	Aditya Agri tech Pvt Ltd		Genome Agritech Pvt Ltd	
	As at 31 March 2022	As at 31 March 2021	As at 31 March 2022	As at 31 March 2021
Non-current assets	254.43	103.88	34.13	34.86
Current assets	5,139.21	5,575.84	24.42	26.59
Non-current liabilities	(278.76)	(255.82)	-	-
Current liabilities	(3,873.47)	(4,300.35)	(551.43)	(553.53)
Net Assets	1,241.41	1,123.55	(492.88)	(492.08)
Carrying amount of Non-controlling interest	340.06	304.70	(209.86)	(209.47)

Particulars	Aditya Agri tech Pvt Ltd		Genome Agritech Pvt Ltd	
	Year ended 31 March 2022	Year ended 31 March 2021	Year ended 31 March 2022	Year ended 31 March 2021
Revenue	8,949.30	9,857.76	5.45	20.71
Expenses	8,833.02	9,652.29	6.25	1.53
Profit(Loss) for the year	116.28	205.47	(0.80)	19.18
Other Comprehensive Income	1.58	0.58	-	-
Total Profit/(Loss) & Other Comprehensive Income	117.86	206.05	(0.80)	19.18
Profit(loss) attributable to owners of the Company	82.50	144.24	(0.41)	9.78
Profit(loss) attributable to non-controlling interests	35.36	61.82	(0.39)	9.40
Profit(Loss) for the year	117.86	206.05	(0.80)	19.18

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

22 Borrowings

Particulars	As at 31 March 2022	As at 31 March 2021
Secured		
From Others		
Term Loan from Department of Biotechnology, Ministry of Science & Technology	60.59	108.18
	60.59	108.18

Two Term Loans from Department of Biotechnology, Ministry of Science & Technology with 2% p.a interest is secured by all equipment, Plant & Machinery and other movable assets of the company acquired for the project and is repayable in ten equal half yearly instalments starting from June,2019 .

23 Other Financial Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security Deposits from customers	138.30	-
	138.30	-

24 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Gratuity (Refer note 49.3)	-	47.27
Provision for Compensated absences (Refer note 49.2)	424.48	479.65
Provision for ESOP Liability (Refer note 50)	1,079.40	530.69
	1,503.89	1,057.60

25 Deferred tax liabilities (Net)

Particulars	As at 31 March 2022	As at 31 March 2021
Deferred Tax Liability/(Asset) arising on account of timing differences relating to:		
Property, Plant and Equipment as per tax books and financial books.	13.03	7.44
Provision for Bad and doubtful trade receivables	(38.46)	(33.26)
Employee Benefits	(4.32)	(5.49)
Employee Benefits recognised through Other Comprehensive Income	(0.86)	(0.44)
Fair value gain on investments through Profit & Loss Statement	1,039.47	669.50
Fair value gain on investments through Other Comprehensive Income	671.76	927.93
	1,680.62	1,565.68

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

26 Other non-current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Security deposits from dealers	1,373.31	1,330.31
Grant/Subsidy	20.07	23.20
	1,393.37	1,353.51

26.1 Grant/subsidy Reconciliation:

Particulars	As at 31 March 2022	As at 31 March 2021
Opening balance	23.20	26.33
Add: Received during year	-	-
Less: Amortised during year	3.13	3.13
Closing balance	20.07	23.20

27 Current Maturities of Long term debt

Particulars	As at 31 March 2022	As at 31 March 2021
Current Maturities of Long term debt	47.58	47.58
	47.58	47.58

28 Trade payables

Particulars	As at 31 March 2022	As at 31 March 2021
Creditors for Expenses	11,794.73	20,914.39
Sundry Creditors	11,176.03	14,929.71
	22,970.76	35,844.10
Total Outstanding dues of Micro and Small Enterprises	672.96	441.86
Total Outstanding dues other than Micro and Small Enterprises	22,297.80	35,402.24
	22,970.76	35,844.10

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

28 Trade payables (Contd.)

Trade payables as on 31.03.2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	672.96	-	-	-	-	672.96
(ii) Others	10,747.09	10,691.61	845.83	0.36	3.24	22,288.12
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	9.68	9.68
Total	11,420.05	10,691.61	845.83	0.36	12.92	22,970.76

Trade payables as on 31.03.2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
(i) MSME	441.86	-	-	-	-	441.86
(ii) Others	19,683.23	15,505.72	182.00	12.87	8.73	35,392.56
(iii) Disputed dues -MSME	-	-	-	-	-	-
(iv) Disputed dues Others	-	-	-	-	9.68	9.68
Total	20,125.09	15,505.72	182.00	12.87	18.41	35,844.10

Trade payables to related parties are disclosed in note no.48

29 Other financial liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Un Claimed Dividend	12.90	13.98
Interest Accrued but not due	0.46	5.94
Capital Payables	178.22	119.18
	191.57	139.10

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 2022 and 31st March 2021.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

30 Current Tax Liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Taxes (Net of Advance tax)	28.05	20.10
Net of advance tax ₹122.98 Lakhs (31 March 2021 : ₹167.57 Lakhs)	28.05	20.10

31 Provisions

Particulars	As at 31 March 2022	As at 31 March 2021
Provision for Compensated absences	93.70	111.81
	93.70	111.81

32 Other current liabilities

Particulars	As at 31 March 2022	As at 31 March 2021
Advance from customers against Sales	25,725.97	24,497.59
Payable to Staff	1,235.60	1,097.58
Statutory Payables	341.70	237.32
Advance for Sale of Assets	252.30	252.30
Provision for Returns	1,149.38	1,512.40
Provision for Schemes	2,985.13	3,801.44
Others	-	2.30
	31,690.08	31,400.94

33 Revenue from Operations

Particulars	Year Ended 31 March 2022		Year Ended 31 March 2021	
Sale of Seeds (net)				
- Domestic	92,200.01		99,085.25	
- Export	1,318.29	93,518.30	1,579.58	100,664.83
Sale of Micronutrients (net)		3,479.86		2,965.73
TOTAL		96,998.16		103,630.55

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

34 Other Income

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Profit on sale of assets (Net)	11.92	(8.19)
Dividend Income	6.45	5.58
Profit on sale of Investments	2,499.47	2,676.18
Interest Income	29.51	75.23
Others	99.67	105.69
Grant/Subsidy amortisation	3.13	3.13
Baddebts Recovered	1.97	-
Fair value gain on Investments (Net)	1,474.27	1,717.06
Foreign exchange gain (Net)	1.21	-
TOTAL	4,127.60	4,574.68

35 Cost of Material Consumed

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Raw Material Consumed/Production Expenses		
Opening Stock	7,748.64	7,154.09
Add : Purchases/Production Expenses including processing Charges**	49,251.45	69,611.47
	57,000.09	76,765.57
Less : Closing Stock	9,436.95	7,748.64
	47,563.15	69,016.92
**Processing Charges		
Freight Inward	1,893.66	1,708.67
Repairs & Maintenance		
Plant & Machinery	576.73	354.63
Buildings & Godowns	52.16	59.29
Cold Storage	284.73	126.77
Factory Maintenance	1,911.22	1,911.61
Seed Certification charges	24.29	15.01
Power & Fuel	910.02	787.68
Godown Rent	182.57	166.04
Expense on processing	745.80	1,210.29
Other Farm & Cultivation expenses	77.04	181.10
R&D Expenses ***	3,785.44	2,948.63
Total	10,443.66	9,469.73

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

35 Cost of Material Consumed (Contd.)

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
***R&D Farm Expenses		
Salaries and allowances	1,611.63	1,387.97
Cultivation Expenses	129.88	85.72
Fertilizers & Pesticides	176.49	68.77
Electricity charges	29.14	17.63
Electrical Maintenance	18.56	4.90
Farm Maintenance	230.54	130.67
Labour charges	942.10	666.45
Postage & telephones	11.74	8.90
Printing & Stationery	9.95	6.22
Security charges	50.12	46.11
Staff Welfare	12.42	9.81
Travelling expenses	36.73	31.79
Vehicle Maintenance	21.94	21.75
Land Lease	191.97	139.84
Research Expenses	75.65	88.77
Testing Expenses	223.93	212.32
Professional Expenses	12.65	21.01
	3,785.44	2,948.63

36 Changes in Inventories of Finished Goods and Work in Progress

Particulars	Year Ended 31 March 2022		Year Ended 31 March 2021	
(Increase)/Decrease in Finished goods				
Opening Stock	53,148.36		48,105.00	
Closing Stock	59,205.16	(6,056.80)	53,148.36	(5,043.36)
(Increase)/Decrease in Work in Process				
Opening Stock	11,054.21		8,645.93	
Closing Stock	7,420.00	3,634.21	11,054.21	(2,408.29)
(Increase)/Decrease in Biological Assets				
Opening Stock	16,422.24		8,916.23	
Closing Stock	8,181.55	8,240.69	16,422.24	(7,506.02)
	5,818.11		(14,957.67)	

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

37 Employee Benefit Expense

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Salaries and allowances	7,781.44	7,238.19
Employee Stock option Expenses	557.09	527.92
Contribution to Provident and other funds	636.35	570.50
Staff Welfare Expenses	144.44	116.20
	9,119.31	8,452.81

38 Finance Costs

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Interest on Termloans	2.66	3.60
Interest on Others	0.15	35.76
Bank Charges	9.93	11.14
	12.74	50.50

39 Depreciation and Amortisation

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Depreciation on Property, Plant & Equipment	2,053.30	2,156.72
Depreciation on Intangible Assets	39.82	67.94
	2,093.12	2,224.66

40 Other Expenses

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Establishment Expenses		
Travelling Expenses	2,491.65	1,798.15
Postage & Telephone	113.74	98.34
Payment to Auditors (Refer note 40.1)	32.22	28.31
Vehicle Maintenance	261.66	162.65
Rent	130.89	97.75
Printing & Stationery	60.97	61.99
Insurance	296.51	190.49
Books & Periodicals	0.72	0.64
Rates & Taxes	137.72	171.56

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

40 Other Expenses (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Office Maintenance	109.79	95.53
General Expenses	6.26	79.45
Conveyance	2.20	4.90
Donations & Subscriptions (Refer note 40.2)	9.91	22.05
Legal Expenses	129.04	117.62
Professional Charges	250.98	230.31
Professional Tax	1.13	0.51
GST Expense	237.08	310.30
CSR Expenditure (Refer note no. 56)	515.99	462.14
Market Cess	44.09	27.68
Security Charges	156.56	157.09
Computer Maintenance	81.83	166.14
Directors Sitting Fees	11.90	10.10
Foreign Exchange Loss	-	6.03
Buyback Expenses	123.54	0.24
Provision for other receivables	-	73.65
(a) Total	5,206.38	4,373.63
Selling & Distribution Expenses		
Sales promotion expenses	3,967.12	3,385.64
Advertisement	12.49	8.82
Freight & Forwarding	3,417.23	2,828.57
Farmers Meeting Expenses	523.81	307.30
Staff & Dealers Meeting Expenses	91.80	52.13
Bad debts Write Off	178.62	36.77
Provision for Bad Debts	846.69	323.89
(b) Total	9,037.76	6,943.12
Total of (a) & (b)	14,244.14	11,316.75

40.1 Audit Fees

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
a) For statutory audit	29.17	26.57
b) For taxation matters	1.69	1.40
c) For other services	1.36	0.18
d) For reimbursement of expenses	-	0.16
	32.22	28.31

40.2 Donations & Subscriptions

Donations & Subscriptions includes ₹3.50 lakhs (31 March 21 : Nil) Donation paid to Political party.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

41 Commitment and Contingencies

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
A. Claims against the Company not acknowledged as debts. This comprises of		
i. Tax demands disputed by the Company relating to disallowances / additions of fiscal benefits pending before various judicial forums and tax authorities aggregating to	628.52	628.52
ii. Other matters not related to tax	10.75	10.75
iii. Compensation, claims from farmers, customers and Government departments.	1,929.70	193.20
	2,568.97	832.47

Consequent to the search proceedings on the Holding Company, during the year 2017-18, the Company had submitted returns for the block assessment years from FY 2011-12 to FY 2017-18 in response to notice u/s 153A disclosing the same income as was disclosed in the returns filed earlier. Assessments upto the date of search have been completed by the Income Tax Department.

Aggrieved by the departments' basis for initiating search proceedings, the Company filed a writ petition before the Hon'ble High Court of Telangana, Hyderabad, challenging the validity of the search proceedings. The Hon'ble High Court granted interim stay against assessment proceedings pending disposal of the writ. The assessment of income as per returns submitted in response to notice u/s 153A, for said block period is kept in abeyance by the Income Tax Department in view of the interim stay granted by the Hon'ble High Court. Additional tax liability, if any, is dependent on the outcome of the writ petition and consequent completion of the assessment.

B. Commitments

Particulars	As at 31 March 2022	As at 31 March 2021
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for:	3,718.66	1882.20

42 Income Taxes:

- a) The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows:

Income tax recognised in profit or loss	Year Ended 31 March 2022	Year Ended 31 March 2021
Statutory Income tax rate	25.17%	25.17%
Differences due to:		
Income Exempt from Tax	-21.67%	-22.49%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.02%	0.07%
Tax Income at Different Rates	-0.08%	-0.28%
Others	-0.14%	0.04%
Effective tax rate	3.29%	2.52%

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

42 Income Taxes: (Contd.)

b) Movement in Deferred Tax Assets:

Movement during the Year ended March 31st, 2022

Deferred Tax Asset/(Liabilities)	As at 01 April, 2021	(Charge) / Credit in the statement of Profit and Loss	Recognised in OCI	As at 31 March 2022
Provision for employee benefits	23.25	(7.41)	(2.23)	13.61
Provision for bad and doubtful trade receivables	90.75	85.38	-	176.13
Depreciation	30.91	47.54	-	78.45
	144.92	125.51	(2.23)	268.19

Movement during the Year ended March 31st, 2021

Deferred Tax Asset/(Liabilities)	As at 01 April, 2020	(Charge) / Credit in the statement of Profit and Loss	Recognised in OCI	Year Ended 31 March 2021
Provision for employee benefits	25.93	(1.12)	(1.56)	23.25
Provision for bad and doubtful trade receivables	71.29	19.46	-	90.75
Depreciation	29.11	1.80	-	30.91
	126.33	20.15	(1.56)	144.92

c) Movement in Deferred Tax Liabilities

Movement during the Year ended March 31st, 2022

Deferred Tax (Asset)/Liabilities	As at 01 April, 2021	(Credit) / charge in the statement of Profit and Loss	Recognised in OCI	As at 31 March 2022
Provision for employee benefits	(5.92)	1.17	(0.42)	(5.18)
Provision for bad and doubtful trade receivables	(33.26)	(5.20)	-	(38.46)
Depreciation	7.44	5.59	-	13.03
Fair value gain on investments through Profit & Loss Statement	669.50	369.97	-	1,039.47
Fair value gain on investments through Other Comprehensive Income	927.93	-	(256.17)	671.76
	1,565.68	371.53	(256.59)	1,680.62

Movement during the Year ended March 31st, 2021

Deferred Tax (Asset)/Liabilities	As at 01 April, 2020	(Credit) / Charge in the statement of Profit and Loss	Recognised in OCI	Year Ended 31 March 2021
Provision for employee benefits	(8.53)	2.26	0.36	(5.92)
Provision for bad and doubtful trade receivables	(38.59)	5.33	-	(33.26)
Depreciation	16.57	(9.13)	-	7.44
Fair value gain on investments through Profit & Loss Statement	340.09	329.41	-	669.50
Fair value gain on investments through Other Comprehensive Income	1,496.72	-	(568.79)	927.93
	1,806.26	327.86	(568.43)	1,565.68

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

43 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.

44 Earning Per Equity Share :

Earnings per Share has been computed as under

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Earnings per Share has been computed as under:		
Profit for the Year	21,245.19	31,049.52
Weighted average Equity Shares outstanding (in no.s)		
Number of shares beginning at the year	60,329,133	60,329,133
Less: Buyback of equity shares	(2,007,473)	
Less: Treasury shares	(875,491)	(879,491)
Total number of equity shares outstanding at the end of the year	57,446,169	59,449,642
Weighted average Equity Shares outstanding during the year - Basic (in no.s)	58,418,112	59,449,642
Earnings Per Share (Face Value of ₹2/- each)		
Basic	36.37	52.23
Diluted	36.37	52.23

45 Dividend on Equity Share

Dividend on Equity Shares paid during the year

Particulars	Year ended 31 March 2022	Year ended 31 March 2021
Interim Dividend ₹4 Per share for FY 2021-22 (₹4 per share for FY 2020-21)	2,297.69	2,378.00
	2,297.69	2,378.00

The interim dividend declared and paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

46 Financial Instruments

Refer Note 2.14 for accounting policy on Financial Instruments.

A. Accounting Classification and Fair Values

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

Particulars	As at 31 March 2022	As at 31 March 2021
Financial assets		
Financial assets measured at fair value		
Investments measured at		
i) Fair value through other comprehensive income	7,837.80	15,432.30
ii) Fair value through Profit & Loss Statement	43,822.48	44,465.77
	51,660.28	59,898.07
Financial Liabilities		
i. ESOP Liability	1,079.40	530.69

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	Year ended 31 March 2022	Year ended 31 March 2021
Financial assets measured at fair value through other comprehensive income		
Investment in equity & debt instruments	(1,022.73)	(751.55)
Financial assets measured at fair value through Profit & Loss Statement		
Investment in equity & debt instruments	1,474.27	1,717.06

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 to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

46 Financial Instruments (Contd.)

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:

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March, 2022				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	99.12	7,738.68	-	7,837.80
ii. Fair Value through Profit or Loss	-	43,822.48	-	43,822.48
As at 31 March, 2022				
Liabilities at fair value				
i. Esop liability	-	1,079.40	-	1,079.40

Particulars	Level 1	Level 2	Level 3	Total
As at 31 March, 2021				
Assets at fair value				
Investments measured at:				
i. Fair Value through OCI	87.63	15,343.66	1.00	15,432.30
ii. Fair Value through Profit or Loss	-	44,465.77	-	44,465.77
As at 31 March, 2021				
Liabilities at fair value				
i. Esop liability	-	530.69	-	530.69

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 trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 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, 2022 and 31st March, 2021. 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.

As at 31 March, 2022	Carrying amount	Payable within 1 year	More than 1 year	Total
Financial liabilities				
Trade payables (including acceptances)	22,970.76	22,970.76	-	22,970.76
Borrowings	108.17	47.58	60.59	108.17
Unpaid dividend	12.90	12.90	-	12.90
Other Payables	138.76	0.46	138.30	138.76
Capital Payables	178.22	178.22	-	178.22

As at 31 March, 2021	Carrying amount	Payable within 1 year	More than 1 year	Total
Financial liabilities				
Trade payables (including acceptances)	35,844.10	35,844.10	-	35,844.10
Borrowings	155.76	47.58	108.18	155.76
Unpaid dividend	13.98	13.98	-	13.98
Other Payables	5.94	5.94	-	5.94
Capital Payables	119.18	119.18	-	119.18

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 Financial Risk Management (Contd.)

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, 2022 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 ₹401.62 Lakhs (31st March, 2021 ₹438.89 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 minimize the currency risk in foreign exchange transactions. The Group deals with US Dollar and Euro for its foreign currency transactions.

The Group makes its exports mainly against advance irrevocable LC to mitigate the risk of currency exchange due to delay in remittances. The Group does not opt for forward exchange contracts. Foreign exchange transactions are closely monitored to reduce the risk.

The aim of the Group's approach to management of currency risk is to leave the Group with no material residual risk.

Sensitivity to Risk

A 5% strengthening of the INR against key currencies to which the Group is exposed (net of hedge) would have led to approximately an additional ₹20.08 Lakhs gain in the Statement of Profit and Loss (2020-21: ₹21.94 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 2022, the investments in debt mutual funds amounts to ₹42548.69 Lakhs (31st March, 2021 ₹51185.69 Lakhs). These are exposed to price risk.

Management Policy

The Group takes all the precautions to minimize price risk arising from investments in debt mutual funds. The Group is investing mainly in debt mutual funds through leading mutual fund companies and in best mutual funds where price risk is very low. The Group examines fund performance, rating, liquidity and risk aspects before investing.

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

47 Financial Risk Management (Contd.)

Sensitivity to Risk

A 0.5% increase in prices would have led to approximately an additional ₹212.74 Lakhs gain in the Statement of Profit and Loss (2020-21 ₹255.93 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 31 March 2022, and 2021.

Management Policy

The Group makes maximum of the investments in non interest sensitive sectors to mitigate interest rate risk.

Sensitivity to Risk

A 0.25% or 0.50% increase/decrease in interest rates will not make any difference to the Group profit or loss as there are no interest rate sensitive investments.

C Management of Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counter-party fails to meet its contractual obligations.

Trade receivables

Concentration of credit risk with respect to trade receivables is moderate due to the Group's customer base being large and diverse and also Group receives good amount of receipts towards advances. All trade receivables are reviewed and assessed for default on a quarterly basis based on collections and ageing.

Our historical experience of collecting receivables is that credit risk is moderate. Hence trade receivables are considered to be a single class of financial assets.

Other financial assets

The Group maintains exposure in cash and cash equivalents, term deposits with banks and investments in money market liquid mutual funds with financial institutions. The Group has set counter-parties limits based on multiple factors including financial position, credit rating, etc.

The Group's maximum exposure to credit risk as at 31 March, 2022 and 2021 is the carrying value of each class of financial assets.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

48 Related Party Transactions

48.1 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. C. Vamsheedhar
- 4 Mr. C. Mithun Chand
- 5 Mr. G.Pawan
- 6 G.V.Bhaskar Rao - HUF
- 7 Mrs.C.Madhavi
- 8 Mr. K.V.Chalapathi Reddy
- 9 Mr. V.R.S. Murti
- 10 Mr. T. Venkateswarlu
- 11 Mr. N.Papa Rao (till 25-05-2019)
- 12 Mr. N.Venkateswara Rao (till 25-05-2019)

B Other related firms & Associates

- 13 M/s. Kaveri Infra
- 14 M/s. Bhaskara Investments
- 15 M/s. Kaveri Bhaskarrao Charitable Foundation
- 16 M/s. Kaveri Employees Trust

48.2 Related party transactions for the year ended are as follows:

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Remuneration paid		
Mr. G.V.Bhaskar Rao	416.18	373.63
Mrs. G. Vanaja Devi	257.36	231.05
Mr. C. Vamsheedhar	124.97	112.31
Mr. C. Mithun Chand	103.58	93.11
Mr. T. Venkateswarlu	31.81	28.84
Mr. K.V.Chalapathi Reddy	99.78	89.62
Mr. V.R.S. Murti	4.00	4.00
	1,037.68	932.56

Note: The managerial remuneration paid to Managing Director and other Executive Directors is approved by NRC vide their meeting dated 13 August 2021 and by members vide their meeting dated 30 September 2021. As on the date of approval of the Financial Statements the rectification of the resolution passed in the AGM held on dated 30 September 2021 is subject to the approval by the members of the Company through postal ballot.

Notes

to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

48 Related Party Transactions (Contd.)

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Land and godown lease paid		
Mr. G.V.Bhaskar Rao	0.66	0.63
Mrs. G. Vanaja Devi	9.36	8.92
Mr. G.Pawan	10.43	9.93
G.V.Bhaskar Rao - HUF	60.80	47.67
M/s. Kaveri Infra	11.98	11.41
M/s. Bhaskara Investments	3.20	3.05
	96.43	81.61
Dividend paid		
Mr. G.V.Bhaskar Rao	214.34	214.34
Mrs. G. Vanaja Devi	563.61	563.61
Mr. C. Vamsheedhar	39.06	39.06
Mr. C. Mithun Chand	34.29	34.29
Mr. G.Pawan	89.16	89.16
G.V.Bhaskar Rao - HUF	399.43	399.43
Mr. K.V.Chalapathi Reddy	0.48	0.48
	1,340.37	1,340.37
Land Purchased		
Mrs. G. Vanaja Devi	67.50	-
	67.50	-
CSR Expenditure		
M/s. Kaveri Bhaskarrao Charitable Foundation	492.57	412.14
	492.57	412.14

Particulars	As at 31 March 2022	As at 31 March 2021
Payable balances outstanding		
Outstanding Land lease to KMP and relatives	9.68	3.30
Outstanding remunerations to KMP	50.20	50.27
Advances received from KMP for Sale of Land	252.30	252.30

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

49 Employee benefit plans

49.1 Defined Contribution Plan:

The group has certain defined contribution plans. Contributions are made to provident fund in India for qualifying employees at the specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹636.35 Lakhs (31 March 2021 - 570.50 Lakhs)

49.2 Compensated Absences:

Group provides for accumulation of compensated absences. These employees can carry forward portion of unutilised compensated absences and utilise it in future period or receive cash in lieu thereof as per the group's policy. The group records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the group towards its obligation was ₹518.18 Lakhs (31 March 2021: ₹591.46 Lakhs)

49.3 Gratuity:

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design mitigate the risks commonly affecting the liabilities and the financial results.

- 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.

Reconciliation of Defined Benefit Obligation

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening of defined benefit obligation	1,010.10	841.68
Current service cost	178.45	157.58
Past service cost	-	-
Interest on defined benefit obligation	68.56	57.01
Remeasurements due to:	-	-
Actuarial loss / (gain) arising from change in financial assumptions	(46.80)	-
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(29.52)	(16.83)
Liabilities assumed / (settled)*	-	(3.51)
Benefits paid	(91.75)	(25.83)
Closing of defined benefit obligation	1,089.05	1,010.10

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

49 Employee benefit plans (Contd.)

Reconciliation of Plan Assets

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening fair value of plan assets	957.72	614.41
Employer contributions	248.18	322.64
Interest on plan assets	68.92	45.54
Administration expenses	-	-
Remeasurements due to:	-	-
Actual return on plan assets less interest on plan assets	(11.89)	0.96
Benefits paid	(91.75)	(25.83)
Closing fair value of plan assets	1,171.18	957.72

Amount recognized in Balance Sheet

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Present value of funded defined benefit obligation	1,089.05	1,010.10
Fair value of plan assets	1,171.18	957.72
Net funded obligation	(82.13)	52.38
Present value of unfunded defined benefit obligation	-	-
Net defined benefit liability / (asset) recognized in balance sheet	(82.13)	52.38
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	-
Non-current	(82.13)	52.38

Current Year Expense Charged to Profit & Loss Account

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Current service cost	178.45	157.58
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	(0.35)	11.47
Total expense charged to profit and loss account	178.09	169.05

Notes

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All amounts are Rupees in lakhs unless otherwise stated

49 Employee benefit plans (Contd.)

Amount Recorded as Other Comprehensive Income

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Opening amount recognized in OCI outside profit and loss account	401.86	419.65
Remeasurements during the period due to	-	-
Changes in financial assumptions	(46.80)	-
Changes in demographic assumptions	-	-
Experience adjustments	(29.52)	(16.83)
Actual return on plan assets less interest on plan assets	11.89	(0.96)
Closing amount recognized in OCI outside profit and loss account	337.43	401.86

Disaggregation of Assets

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Category of Assets		
Non Quoted Value		
Insurer managed funds.	1,171.18	957.72
Others.	-	-
Grand Total	1,171.18	957.72

Summary of Actuarial Assumptions Adopted

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Discount rate (p.a.)	7.25%	6.90%
Salary escalation rate (p.a.)	10.00% until year 1 inclusive, then 7.00%	10.00% until year 2 inclusive, then 7.00%

Maturity Profile

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
Expected benefits for year 1	30.53	32.90
Expected benefits for year 2	54.58	30.88
Expected benefits for year 3	58.49	56.46
Expected benefits for year 4	41.85	54.36
Expected benefits for year 5	68.75	40.00
Expected benefits for year 6	59.03	62.72

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All amounts are Rupees in lakhs unless otherwise stated

49 Employee benefit plans (Contd.)

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

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions while the Plan's sensitivity to such changes can vary over time.

50 Share Based Payments

- a) The Company implemented the Kaveri ESOP 2018 Scheme for all eligible employees pursuant to the special resolution approved by the shareholders through postal ballot on 19th July 2018. The Kaveri ESOP 2018 Scheme covers all employees and directors (excluding independent and promoter directors, promoter group) of the parent Group and its subsidiaries (collectively, "eligible employees"). Upon the exercise of options granted under the Kaveri ESOP 2018 Scheme, the applicable equity shares will be transferred from the Kaveri Employees Trust ("ESOP Trust") to the eligible employee. The ESOP Trust will acquire such equity shares by way of secondary market acquisitions funded through loans from the company. The Nomination and Remuneration Committee of the Board of the parent Group (the "Compensation Committee") administers the Kaveri ESOP 2018 Scheme and grants stock options to eligible employees, it has delegated functions and powers relating to the administration of the Kaveri ESOP 2018 Scheme to the ESOP Trust. The Compensation Committee determines which eligible employees will receive the options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years.
- b) The nature and extent of share-based payment arrangements that existed during the period.

Summary of options granted under plan:

Particulars	As at	As at
	31 March 2022	31 March 2021
	Nos	Nos
Opening balance	879,491	629,516
Granted during the year	-	249,975
Exercised during the year	4,000	-
Forfeited during the year	-	-
Closing balance	875,491	879,491
Vested and exercisable	297,801	125,903

- c) Share options outstanding at the end of the year have the following expiry date:

Grant Date	Expiry Date	Share Options	Share Options
		31 March 2022	31 March 2021
31-03-2020	30-03-2025	625,516	629,516
25-03-2021	24-03-2026	249,975	249,975

The weighted average share price at the date of exercise of options exercised during the year ended 31 March 2022 was ₹545.95

- d) The effect of expenses arising from share-based payment transactions on the entity's profit or loss for the period is ₹557.09 Lakhs (2020-2021: ₹527.92 Lakhs).

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All amounts are Rupees in lakhs unless otherwise stated

50 Share Based Payments (Contd.)

e) Fair value of Options granted

The fair value of options granted during the year as at 31 March 2022 is ₹115.93 (31 March 2021: ₹83.49) and the fairvalue of options granted during the financial year 2019-20 as at 31 March 2022 is ₹203.71(31 March 2021: ₹178.50). The fair value options as at reporting date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

The model inputs for the options fairvalue as at 31 March 2022 included:

Particulars	Grant II	Grant I
	Nos	Nos
Option Grant Price	450	315
Vesting Period	4 years	4 years
Exercise Period	5 years	5 years
Grant Date	25-03-2021	31-03-2020
Expiry Date	24-03-2026	30-03-2025
Share Price at Grant Date	488.85	341.90
Expected Price Volatility	11.44%	11.44%
Expected Dividend Yield	0.55%	0.55%
Risk Free Interest Rate	6.90%	6.90%

The expected price volatility is based on the historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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

Particulars	As at 31 March 2022	As at 31 March 2021
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	672.96	441.86
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
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.	-	-
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 to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

52 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 in respect of short term and low value leases where company has availed exemption under IndAS 116.

53 Contract Liabilities

Contract liabilities resulting from advance payments by customers for delivery of goods and schemes/discounts are predominantly recognized as sales within one year. The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied as on 31 March 2022 is ₹25,725.97/- (31 March 2021 is ₹24,497.59/-) resulting from advance payments and shown under other current liabilities.

54 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:

S. No	Particulars	Segment						Total	
		Seeds		Micronutrients		Vegetables		2021-22	2020-21
		2021-22	2020-21	2021-22	2020-21	2021-22	2020-21		
1	Segment Revenue	93,518.30	100,664.82	3,479.86	2,965.73	-	-	96,998.16	103,630.55
2	Segment results before interest and taxes and Other Income	17,686.21	27,119.42	474.12	457.66	-	-	18,160.33	27,577.08
	Interest Expenses	12.73	39.37	0.01	11.13	-	-	12.74	50.50
	Other Income	4,117.17	4,566.49	10.43	8.19	-	-	4,127.60	4,574.68
3	Profit before Exceptional Item and tax	21,790.65	31,646.55	484.54	454.71	-	-	22,275.19	32,101.26
	Exceptional Item	-	-	-	-	-	-	-	-
	Current Tax	612.21	556.01	137.28	116.96	-	-	749.49	672.97
	Deferred Tax	377.54	308.32	(131.52)	(0.59)	-	-	246.02	307.73
4	Net Profit after Tax	20,800.90	30,782.22	478.78	338.34	-	-	21,279.68	31,120.56
5	Other Information	-	-	-	-	-	-	-	-
	Segment Assets	182,968.43	192,135.76	5,036.71	4,050.41	-	-	188,005.14	196,186.17
	Segment Liabilities	58,060.33	70,442.20	1,738.18	1,206.40	-	-	59,798.51	71,648.60
	Capital Expenditure	3,517.72	3,354.95	25.56	4.16	-	-	3,543.28	3,359.11
	Depreciation	2,028.74	2,137.80	64.38	86.86	-	-	2,093.12	2,224.66

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

55 Disclosure of additional information as required by the Schedule III as at and for the year ended 31 March 2022

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 ₹ In Lakhs	As % of Sales	Amount ₹ In Lakhs	As % of profit or loss	Amount ₹ In Lakhs	As % of other comprehensive income	Amount ₹ In Lakhs	As % of total comprehensive income	Amount ₹ In Lakhs
Parent										
Kaveri Seed Company Ltd	99.38%	127,416.05	84.79%	82,242.86	64.24%	13,648.40	100.87%	(710.55)	62.99%	12,937.86
Subsidiaries										
Kaveri Microteck Pvt Ltd	2.57%	3,298.53	3.59%	3,479.86	2.63%	558.51	-0.72%	5.04	2.74%	563.55
Aditya Agri Tech Pvt Ltd	-1.90%	(2,431.39)	9.22%	8,944.14	25.58%	5,434.23	-0.16%	1.11	26.46%	5,435.34
Genome Agritech Pvt Ltd	0.03%	34.62	0.00%	-	0.00%	(0.41)	0.00%	-	0.00%	(0.41)
Genomix Agri Genetics Private Ltd	-0.24%	(314.01)	2.40%	2,331.30	7.62%	1,619.71	0.00%	-	7.89%	1,619.71
Kaveri Employees Trust	0.16%	202.83	0.00%	-	-0.07%	(15.26)	0.00%	-	-0.07%	(15.26)
Total	100%	128,206.63	100%	96,998.16	100%	21,245.19	100%	(704.40)	100%	20,540.79

56 Expenditure incurred for corporate social responsibility

The Company spent ₹515.99 Lakhs and ₹462.14 Lakhs towards CSR Expenditure for the year ended 31st March 2022 and 31st March 2021. The details are as follows.

Particulars	Year Ended 31 March 2022	Year Ended 31 March 2021
(i) Amount required to be spent by the company during the year		
Average net profit of the Company for last three financial years	25,799.58	23,107.19
Total Amount to be spent by the Company during the year (2% of the average profit)	515.99	462.14
(ii) Amount of expenditure incurred		
Education development activities	-	-
Rural Development Activities	23.42	50.00
Total amount of expenditure incurred	23.42	50.00
(iii) Shortfall at the end of the year	-	-
(iv) Total of previous years shortfall	-	-
(v) Reason for shortfall	-	-
(vi) Contribution made to Kaveri Bhaskar Rao Charitable Foundation (Trust controlled by the company)	492.57	412.14

Notes to the financial statements for the year ended 31 March, 2022

All amounts are Rupees in lakhs unless otherwise stated

57 In respect one of the Subsidiary company M/s. Genome Agritech Private Limited which has accumulated losses of ₹534.81 Lakhs (Previous Year ₹534.01 Lakhs) on March 31, 2022, resulting in the negative net worth of ₹492.88 lakhs (Previous Year ₹492.08 Lakhs). The company's current liabilities exceed its current assets by ₹527.01 Lakhs (Previous Year ₹526.94 Lakhs) as of that date. Turnover during the period ended 31st March 2022 is ₹ Nil (Previous Year ₹ Nil). Due to the lack of working capital requirement the operations of the company have been substantially curtailed. The company's ability to continue as a going concern in spite of the present accumulated losses is dependent upon the infusion of funds for its operations.

58 COVID-19 Impact on the Business:

The Company has considered internal and external sources of information up to the date of approval of these financial results in evaluating the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of inventories, trade receivables, investments and other assets. The Company has applied prudence in arriving at the estimates and assumptions. The Company is confident about the recoverability of these assets.

59 Previous year figures are regrouped wherever considered necessary to conform to current year classification.

As per our report of even date attached

for **M. Bhaskara Rao & Co.**
Chartered Accountants
Firm Registration No.000459S

For and on behalf of the Board

Sd/-
M.V. Ramana Murthy
Partner
Membership No. 206439

Sd/-
K.V.Chalapathi Reddy
Chief Financial Officer

Sd/-
G.V.Bhaskar Rao
Managing Director
DIN: 00892232

Place: Secunderabad
Date: 23 May 2022

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

Sd/-
G.Vanaja Devi
Wholetime Director
DIN: 00328947

Corporate Information

Board of Directors

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

Dr. G. Pawan
Executive Director

Mrs. G. Vanaja Devi
Executive Director

Mr. C. Vamsheedhar
Executive Director

Mr. C. Mithun Chand
Executive Director

Dr. S. Raghuvardhan Reddy
Independent Director

Dr. S M Ilyas
Independent Director

Mr. K. Purushotham
Independent Director

Mrs. M. Chaya Ratan
Independent Director

Prof. R.R. Hanchinal
Independent Director

Company Secretary

Mr. V R S Murti

Chief Financial Officer

Mr. K. Venkata Chalapathi Reddy

Audit Committee

Mr. K. Purushotham
Dr. S. Raghuvardhan Reddy
Mrs. M. Chaya Ratan
Mr. C. Mithun Chand

Nomination & Remuneration Committee

Mr. K. Purushotham
Dr. S. Raghuvardhan Reddy
Mrs. M. Chaya Ratan

Shareholders' Relationship Committee

Dr. S. Raghuvardhan Reddy
Mr. C. Vamsheedhar
Mr. C. Mithun Chand

Risk Management Committee

Dr. S. Raghuvardhan Reddy
Mr. C. Vamsheedhar
Mr. C. Mithun Chand

CSR Committee

Mr. G.V. Bhaskar Rao
Mrs. G. Vanaja Devi
Dr. S. Raghuvardhan Reddy

Bankers

Indian Overseas Bank
Kotak Mahindra Bank Ltd.
HDFC Bank
Axis Bank

Listing

NSE & BSE

Registered Office & CIN of the Company

Kaveri Seed Company Limited
CIN: L01120TG1986PLC006728
513-B, 5th Floor, Minerva Complex,
S.D. Road, Secunderabad – 500 003.
Telangana, India
Tel. Nos. +91 40-27721457/27842398
Fax No. +91 40-27811237
Email: cs@kaveriseeds.in
Website: www.kaveriseeds.in

Statutory Auditors

M/s. M. Bhaskara Rao & Co.,
Chartered Accountants
5-D, Fifth Floor, "Kautilya"
6-3-652, Somajiguda,
Hyderabad – 500082, Telangana.
Tel. Nos. +91 -40-23311245/ 233939000
Fax No. +91-40 -23399248
E-mail: mbr_co@mbrc.co.in

Registrars and Share Transfer Agents

Bigshare Services Pvt. Ltd.,
306, 3rd Floor, Right Wing,
Amrutha Ville, Opp.Yashodha Hospital,
Somajiguda, Rajbhavan Road,
Hyderabad - 500 082, Telangana.
Tel. Nos. +91 -40-40144967/ 23374967
Fax No. +91-40 -23370295
E-mail: bsshyd@bigshareonline.com

Internal Auditors

M/s. M. Anandam & Co.
Chartered Accountants, 7 'A' Surya Towers,
S.P. Road, Secunderabad – 500003, Telangana
Tel. Nos. +91 -40-27812377/27812034
Fax No. +91-40 - 27812091
Website: www.anandam.in

Plants

Gatlanarsingapur Plant

Door No.6-96/2, Gatlanarsingapur Post,
Bheemadevarapally Mandal,
Warangal Urban District,
Telangana State.

Eluru Plant

Sy.No.853, Koppaka village,
Pedavegi Mandal, West Godavari Distirct,
Andhra Pradesh State.

Eluru Plant

Sy.No.154/5, Akannagudem village,
Pedavegi Mandal, West Godavari Distirct,
Andhra Pradesh State.

Pamulparthy Cold Storage Unit

Sy.No.712, 743, Pamulaparthi Village, Markook
Mandal, Siddipet District,
Telangana State.

Bellary Plant

D.No.340, NH – 63, Main Road,
K.B.Halli – 583 103, Bellary District,
Karnataka State.

Pamulparthy Plant

Sy.No.703, Part, 707 Part,
712 Part 713 to 719, Pamulaparthi Village,
Markook Mandal, Siddipet District,
Telangana State.

Molangur Plant

Sy.No.708, 709/A and 713/A
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®

Registered Office

kaveri seed company limited

CIN: L01120TG1986PLC006728

513-B, 5th Floor, Minerva Complex,

S.D. Road, Secunderabad – 500 003, Telangana

Tel. Nos. +91 40-27721457/27842398

Fax No. +91 40-27811237

Email: cs@kaveriseeds.in

Website: www.kaveriseeds.in

