

JKAGL:AGM:SE:2017

Date: 31st August 2017

BSE Ltd.
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001

Scrip Code: 536493

Through: BSE Listing Centre

Dear Sir,


Re: Annual Report for the Financial Year 2016-17

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith Annual Report for the Financial Year 2016-17, as approved and adopted by the Shareholders of the Company in the Annual General Meeting held on Friday, 25th August 2017 at Kolkata.

Kindly take the above on record.

Thanking you and assuring you of our best cooperation at all times.

Yours faithfully,
For JK Agri Genetics Ltd.



(Anoop Singh Gusain)
Company Secretary and
Compliance Officer

Encl: as above





Annual Report
2016-17

JK AGRI GENETICS LTD.

CONTENTS

Directors' Report and Management Discussion & Analysis ...	3-20
Corporate Governance Report	21-28
Auditors' Report	29-33
Balance Sheet and Statement of Profit & Loss	34-49
Cash Flow Statement	50

Board of Directors

Bharat Hari Singhania
Chairman

Dr. Raghupati Singhania

Sanjay Kumar Khaitan

Sanjeev Kumar Jhunjunwala

Swati Singhania

Abhimanyu Jhaver

Jatan Roop Chand Bhandari

Swaroop Chand Sethi

Vikrampati Singhania

Sanjay Kumar Gupta
President & Director

Processing Plant

Survey No. 509/2
Village: Gundlapochampally
Distt. Ranga Reddy-501 401
Telangana

Administrative Office

1-10-177, 4th Floor,
Varun Towers, Begumpet,
Hyderabad-500 016
Telangana

Registered Office

7, Council House Street,
Kolkata-700 001
West Bengal

Auditors

Lodha & Co.
Chartered Accountants

Bankers

Axis Bank Limited
State Bank of India
Yes Bank Limited

Chief Financial Officer

Amit Agarwal

Company Secretary

Anoop Singh Gusain

Website: www.jkagri.com

CIN: L01400WB2000PLC091286

E-MAIL ID: jkaglshareholder@jkmail.com

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

TO THE MEMBERS

Your Directors have pleasure in presenting the Annual Report together with the Audited Financial Statements of the Company for the financial year ended 31st March 2017.

FINANCIAL RESULTS	(₹ in Crores)
Sales & Other Income	193.54
Profit before Finance Cost & Depreciation (PBIDT)	27.63
Profit after Tax	12.09
Surplus brought forward	21.00
Surplus carried to Balance Sheet	<u>33.09</u>

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 4/- per Equity Share of ₹ 10/- each (i.e. 40%) on the Equity Share Capital of ₹ 3.60 crores for the financial year ended 31st March 2017. The Dividend outgo will be ₹ 1.74 crores (inclusive of dividend tax of ₹ 0.29 crores).

OPERATIONS

During the year ended 31st March 2017, the Company achieved a turnover of ₹ 193.54 crores. EBIDTA of the Company grew by 14.40% from ₹ 24.15 crores to ₹ 27.63 crores and Profit After Tax increased from ₹ 8.02 crores to ₹ 12.09 crores, an increase of 50% over previous year.

The revenues of the Company could have been higher if the Government had not reduced the Maximum Sale Price for cotton seed. Short term impact of demonetisation also affected the purchasing power of the farmer during the Rabi season. Steep reduction in prices of vegetables also negatively impacted the buying power of the farmers during the last quarter of the Financial Year. During these headwinds, the Company spent time in consolidating its operations and focusing on the bottom-line.

PORTFOLIO:

Your Company works across segments of field crops like Jowar, Bajra, Wheat, Rice, Cotton, etc. and vegetable segments like Okra, Tomato, Chillies, Cabbage, Gourds, etc, with a number of products suitable for both Kharif and Rabi seasons. This robust portfolio has been further segmented into products to meet the diverse agro-climatic conditions in the

country as well as specific farmer and end-consumer preferences.

During the year, the Company launched a number of innovative products across segments. For example, in the area of Cotton, JK Agri's innovative product - JK PAAS PAAS has been finding favour with the farmers due to its unique characteristic of being suited for high density planting, mechanical harvesting and higher yield. Going forward paucity of farm labour would drive demand for mechanical harvesting oriented products like Pass Pass.

In our Bajra portfolio also 3 newly launched products have been well accepted by the farmers. In fact one of the products stood at first place in independent trials at AICRP and ICRISAT for both Kharif and Rabi seasons. Highly compact cob and non-lodging property along with high plant height and higher fodder and grain yields are characteristics of some of our hybrids, making them popular among the farmers.

In Paddy too where yield has been stagnant, products that improve the economic viability of the farmer is the need of the hour. One of your Company's products – JKRH 401 Suraksha offers the farmer better tolerance to diseases reducing the cost of pesticides while offering higher yield per acre.

The newly launched Tomato hybrid JK Ratan offers the farmer a number of features and is suitable across various states of India.

RESEARCH AND DEVELOPMENT

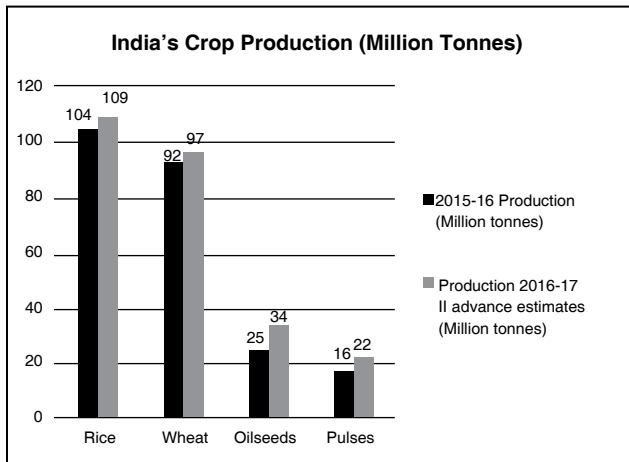
One of the strengths and backbone of your Company is its Research and Development (R&D) programme.

While the Company has been able to launch a number of products during the year, its R&D teams continue to develop new hybrids in the areas of Cotton, Corn, Paddy, Bajra and new varieties in Mustard, Wheat and Paddy. The focus of the vegetable breeding and R&D teams has started yielding results enabling the Company to introduce leading hybrids in Okra, Tomato and Chillies. Some promising hybrids have also been identified in the areas of Gourd and Cucurbits. Some of these products are also making inroads in markets beyond Indian boundaries. The R&D teams continue their efforts to enhance the economic yield of the farming community by a combination of better yields and by reducing biotech and abiotic stresses and

curtailing the need of other costly inputs like pesticides, etc. Biotech integrated crop breeding and product development are helping the Company to enhance speed in precision achieving these objectives.

INDUSTRY OVERVIEW

There are many positive indications in the agricultural sector and agricultural production in the country today. The importance of agriculture in the Indian economy is underscored by the fact that 54.6% of India's population is engaged in agriculture and contributes 17% to GDP.



Source: Press Information Bureau, Government of India, Ministry of Agriculture, – II Advance Estimates

A good monsoon in 2016, brought relief to Indian farmers who were reeling under the pressure of poor monsoon over the last two years, helping them to achieve a near-record production of most kharif crops in FY 2016-17. Overall, the agriculture sector recorded a robust growth of 4.1 per cent in 2016-17 as against the previous year's drought-impacted growth rate of 1.2 per cent.

Although 2016 monsoon seemed to be normal with rains of 97%, however, the geographical distribution and timing were erratic across the country. Many agriculture belts like Karnataka & Tamil Nadu remained rain deficient. In fact several areas witnessed drought like conditions leaving the farmer in dire straits.

The agriculture sector in India is expected to gather momentum over the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage etc. Factors such as reduced transaction costs and time, improved post-harvest management and better fiscal incentives would contribute to the sector's growth. Furthermore, the growing use of genetically modified

crops will improve the yield for Indian farmers. The 12th Five-Year Plan estimates the food grains storage capacity to expand to 35 MMT. The Prime Minister's stated objective of doubling farmers' income by the year 2022 will also give impetus to this sector.

Some schemes announced by the government to enhance farmer income are:

- The total allocation for rural, agricultural and allied sectors for 2017-18 stand at ₹ 1,87,223 crores, which is 24% higher than last year's allocation.
- The Cabinet has approved extension of tenure of loans under Credit Linked Subsidy Scheme of the Pradhan Mantri Awas Yojana from 15 to 20 years
- The government will issue soil health cards and will setup a mini lab in Krishi Vigyan Kendras.
- Fasal Bima Yojana will be increased to 40 percent from the current 30 percent.
- A dedicated micro-irrigation fund will be set up by NABARD to achieve the goal of 'Per Drop More Crop'. Its initial corpus will be ₹ 5,000 crores.
- Dairy processing infrastructure fund will be set up under NABARD, with a fund of ₹ 8,000 crores.

Normal monsoon in 2017 will give agriculture a onetime growth kicker because of the low base effect of the last two years. This should boost up sluggish rural demand adding to agriculture sector growth and to overall GDP growth.

Considering forecast of a normal monsoon, the government has also targeted a record food grain production during the 2017-18 crop year beginning July. The agriculture ministry has set a production target of 273 million tonnes of grains and pulses during the year, marginally higher than the 272 million tonnes estimated for the year 2016-17.

Growth is expected to gather momentum as the government continues to undertake structural reforms. Centre is planning on reforming agricultural markets to realize the goal of "One Nation, One Market", and also aim to cover 40% of land holdings under the revamped crop insurance scheme. In the event of a normal monsoon and higher production, agricultural growth is expected to be around 4% in 2017-18.

OPPORTUNITIES, THREATS, RISK AND CONCERNS

Opportunities

Agriculture will remain an integral part of the Indian economy. With its rich and fertile land mass, India

has the potential not only to be self-sufficient but also an exporter of agricultural products too. It remains the largest employer of India's population. However, our average productivity per acre remains sub-par compared to a number of other agricultural Economies. In order to overcome the declining productivity, a shift from wheat-rice rotation cycle to other cereals, pulses and vegetables is needed.

Last year your Company and Gujarat government jointly promoted the concept of crop diversification in the tribal dominated areas of the state and it was a resounding success. The project envisaged working with nearly 40,000 BPL tribal farmers to promote diversification in their cropping habits and boost their incomes. We are hopeful of continuing the same in future too.

Changing food preferences and increased intake of better quality grains and vegetables offers an opportunity to increase crop diversification. The nascent food processing industry as well as increased demand for "ready-to-eat" and packaged food can further catalyze agricultural sector growth. Your Company too continues to enter new product categories like sweet corn, root crops and even some horticultural segments.

Similar agro-climatic conditions in other parts of the world like Asia and Africa also offer growth opportunities for Company's involvement in agriculture. Your Company too is exploring opportunities in our neighboring countries as well as some African countries.

Withdrawal of new technologies by a leading multi-national has created a huge vacuum and blocked technical innovation in the area of cotton. Since a large part of Indian agriculture requires improved technology, it is both a challenge and opportunity for the Indian private seed companies as well as for Government Agriculture Institutes to develop appropriate technology to meet the needs of the sector.

Threats, Risk and Concerns

Since a large part of Indian Agriculture is rain fed, the vagaries of Monsoon including erratic, scanty, untimely and uneven distribution of rain, continue to be the biggest risk factor, causing a great deal of uncertainty. High degree of unpredictability invariably forces the farmer to shift their crop choices at the last moment, causing further uncertainty in the industry.

The Government of India's increasing focus and

impetus on programmes involving river linking and irrigation projects would mitigate these risks. The Govt. policies regarding minimum support prices and subsidies schemes influence farmer preferences and cropping pattern in the short term.

Scarcity of farm labour coupled with ever increasing cost is negatively impacting the profitability of farmers. Renewed strategy of the Company to widen its portfolio of crops that address the needs of Kharif and Rabi seasons as well as varying farmer preferences across the country coupled with exploration of new markets would further help mitigation of risks.

HUMAN RESOURCE DEVELOPMENT

People are the key assets that are instrumental in driving the company's performance year on year. Their passion, commitment, sense of ownership and team work has enabled the Company to grow even in unpredictable and uncertain environment.

Your Company has been focusing on improving the Quality of Talent in the Management Cadre by hiring people from Management Institutes as well as by conducting focused Management Development Programmes. Efforts are also being made to enhance the functional and technical skillsets through initiatives like customised training programme.

Strengthening employee involvement through communication meetings, encourage employee involvement through CFT's, young leader forums, suggestion schemes, involvement in carrying CSR activities has imparted to the growth.

With a mission of creating sustainability, building strong agile culture and to maintain employment engagement levels, we constantly evaluate our standard through participation in external employee survey's and also benchmark with other talent competitors and best workplaces.

The Company strives to offer a positive, supportive, open and high performance work culture where innovation and risk taking is encouraged. Performance is recognised and employees are motivated to realise their full potential.

INTERNAL CONTROL SYSTEMS

The Company has in place an adequate internal control system under which its Internal Auditor carries out extensive audit covering all significant areas of Company's operations throughout the year. The Internal Auditor regularly reviews the adequacy and

effectiveness of Company's internal control systems. Reports of the Internal Auditor are placed before the Audit Committee on quarterly basis for review. Further, an enterprise wide Legal Compliance Monitoring Software Tool has been implemented to monitor and ensure timely compliances of all applicable statutory requirements.

INTERNAL FINANCIAL CONTROLS

The Company has in place an adequate budgetary control system and internal financial controls with reference to financial statements. No material reportable weakness was observed in the system during the previous financial year. Further, the Company has established adequate internal financial controls commensurate with its size, complexity and nature of its operations. These are designed to ensure adherence to the Company's policies, safeguarding of its assets & interests, prevention & detection of frauds & errors and accuracy & completeness of financial records. The Company also has a robust management Information System for the timely preparation of reliable financial information.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March 2017 in the prescribed Form MGT-9 is attached as **Annexure - 1** to this report and forms part of it.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans, guarantees, securities and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the financial statements.

RELATED PARTY TRANSACTIONS

During the financial year ended 31st March 2017, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Further, the Company has not entered into any contract or arrangement or transaction with the related parties which could be considered material in accordance with the policy of the Company on materiality of Related Party Transactions. In view of the above, disclosure in Form AOC-2 is not applicable.

The Related Party Transaction Policy as approved by the Board is available on the website of the Company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Swati Singhanian and Shri S.K. Gupta retire by rotation and being eligible offers themselves for re-appointment at the forthcoming AGM. The Board recommends their re-appointment.

All Independent Directors of the Company have given declarations that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

CONSERVATION OF ENERGY, ETC.

The details as required under Section 134(3)(m) read with the Companies (Accounts) Rules, 2014 is annexed to this Report as **Annexure – 2** and forms part of it.

DEPOSITS

The Company has neither invited nor accepted any deposits from the public.

AUDITORS

(a) Statutory Auditors and their Report

As per the provisions of Section 139 of the Companies Act 2013, the term of office of M/s Lodha & Co., Chartered Accountants, as Statutory Auditors of the Company, will conclude from the close of the forthcoming Annual General Meeting of the Company.

The Board of Directors places on record its appreciation for the services rendered by M/s Lodha & Co., as the Statutory Auditors of the Company.

Subject to the approval of the Members, the Board of Directors of the Company has recommended the appointment of M/s BGJC & Associates, LLP, Chartered Accountants (ICAI Firm Registration Number- 003304N) as the Statutory Auditors of the Company for a period of 2 years commencing from the conclusion of 17th Annual General Meeting till the conclusion of 19th Annual General Meeting pursuant to Section 139 of the Companies Act, 2013.

Requisite Resolution regarding their appointment is included in the Notice of ensuing Annual General Meeting for approval by the Members.

The observations of the Auditors in their Report on Accounts and the financial statements, read with relevant notes are self-explanatory.

(b) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namu Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the financial year 2016-17. The Report given by him for the said financial year in the prescribed format is annexed to this Report as **Annexure-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as **Annexure - 4**. Further, Particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules, form part of this Report. However, in terms of provisions of Section 136 of the said Act, the Report and Accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. Any member interested in obtaining such particulars may write to the Company Secretary. The said information is available for inspection at the Registered Office of the Company during working hours.

CORPORATE SOCIAL RESPONSIBILITY

Your Company believes in the process of giving back to the society and aims to contribute to sustainable growth of the society at large. Besides undertaking projects for overall development and welfare of the society, your Company has been working closely with the farming community in areas of imparting agricultural knowledge, promoting preventive healthcare, skill development and livelihood enhancement projects.

The Company has requisite Corporate Social Responsibility (CSR) Policy in accordance with the provisions of the Companies Act, 2013 and rules made thereunder. The contents of the CSR Policy are disclosed on the website of the Company.

The Annual Report on the CSR activities undertaken by the Company during the financial year under

review, in the prescribed format is annexed to this Report as **Annexure- 5**.

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

During the financial year under review, there were no significant and material orders passed by the regulators or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

CORPORATE GOVERNANCE

Your Company reaffirms its commitment to good corporate governance practices. Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance are made a part of this Annual Report.

The Corporate Governance Report which forms part of this Report also covers the following:

- a) Particulars of the four Board Meetings held during the financial year under review.
- b) Policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management including, *inter alia*, the criteria for performance evaluation of Directors.
- c) The manner in which formal annual evaluation has been made by the Board of its own performance and that of its Committees and individual Directors.
- d) The details with respect to Composition of Audit Committee and establishment of Vigil Mechanism.
- e) Details regarding Risk Management

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(3)(c) of the Companies Act 2013, your Directors state that:-

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) proper and sufficient care has been taken for the

maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

CAUTIONARY STATEMENT

“Management’s Discussion & Analysis Report” contains forward looking statements, which may be identified by the use of the words in that direction, or connoting the same. All statements that address expectation or projections about the future, including, but not limited to statements about the Company’s strategy for growth, product development, market

position, expenditures and financial results are forward looking statements. The Company’s actual results, performance or achievements could thus differ materially from those projected in such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward - looking statements on the basis of any subsequent development, information or events.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge and place on record the commitment and dedication on the part of the employees of your Company in achieving good results.

Your Directors would also like to acknowledge and record their appreciation of the continued support and assistance received by the Company from its valued Customers, Dealers, Suppliers, Shareholders, Banks and various Central and State Government Agencies.

On behalf of the Board of Directors

Date: 10th May 2017
Place: Hyderabad

Bharat Hari Singhanian
Chairman

ANNEXURE - 1 TO DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2017

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

I. REGISTRATION AND OTHER DETAILS:

- (i) CIN : L01400WB2000PLC091286
- (ii) Registration Date : 6th March 2000
- (iii) Name of the Company : JK Agri Genetics Ltd.
- (iv) Category/Sub-Category of the Company : Public Company Limited by Shares/
Non-Government Company
- (v) Address of the Registered Office and Contact Details : 7, Council House Street, Kolkata-700 001
Ph. No. - 033-22486181
Fax No. - 033-22481641
Email id: jkaglshareholder@jkmail.com
Website: www.jkagri.com
- (vi) Whether Listed Company (Yes / No) : Yes (Listed on BSE Ltd.)
- (vii) Name, Address and Contact Details of Registrar and Transfer Agent, if any- : Alankit Assignments Ltd.
Alankit Heights, 1E/13,
Jhandewalan Extension,
New Delhi- 110 055
Ph. No.- 91-11-42541234
Fax No.- 91-11-41543474
Email id: rta@alankit.com
Website: www.alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ Service*	% to total turnover of the Company
1	Growing of non-perennial crops - Seeds	011	98%

*As per National Industrial Classification (2008) – Ministry of Statistics and Programme Implementation.

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL

IV. SHAREHOLDING PATTERN (Equity Share Capital Break-up as percentage of total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April 2016)				No. of Shares held at the end of the year (as on 31 st March 2017)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters**									
(1) Indian									
a) Individual/ HUF	45161	-	45161	1.25	45161	-	45161	1.25	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2311819	-	2311819	64.15	2311819	-	2311819	64.15	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	2356980	-	2356980	65.40	2356980	-	2356980	65.40	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any others	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2):	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)**=(A)(1)+(A)(2)	2356980	-	2356980	65.40	2356980	-	2356980	65.40	-

**The total shareholding of Promoters at (A) above includes 1557447 Equity Shares (43.21%) as on 1st April 2016 and also as on 31st March 2017, pertaining to constituents of the Promoter Group as per SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. The same does not form part of the Promoters as defined in the Companies Act, 2013.

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April 2016)				No. of Shares held at the end of the year (as on 31 st March 2017)				% Change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
B. Public Share holding										
1. Institutions										
a)	Mutual Funds/UTI	207	36	243	0.01	207	36	243	0.01	-
b)	Banks/FI	88	180	268	0.01	88	180	268	0.01	-
c)	Central Govt.	-	-	-	-	9	-	9	-	-
d)	State Govt.(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	15	15	30	0.00	15	15	30	0.00	-
g)	FII's	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1):	310	231	541	0.02	319	231	550	0.02	-
2. Non-Institutions										
a)	Bodies Corp.									
	i) Indian	450083	332	450415	12.50	362008	326	362334	10.05	-2.45
	ii) Overseas	217749	-	217749	6.04	217749	-	217749	6.04	-
b)	Individuals									
	i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	352656	27122	379778	10.54	394308	26106	420414	11.67	1.13
	ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	176515	-	176515	4.90	227515	-	227515	6.31	1.41
c)	Others (specify)									
	(i) NRI	21663	139	21802	0.60	18099	139	18238	0.51	-0.09
	(ii) Trust	126	-	126	0.00	126	-	126	0.00	-
	Sub-Total (B)(2):	1218792	27593	1246385	34.58	1219805	26571	1246376	34.58	-
	Total Public shareholding (B)= (B)(1)+(B)(2)	1219102	27824	1246926	34.60	1220124	26802	1246926	34.60	-
	C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	3576082	27824	3603906	100.00	3577104	26802	3603906	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1 st April 2016)			Shareholding at the end of the year (as on 31 st March 2017)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Bengal & Assam Company Ltd.	799533	22.19	-	799533	22.19	-	-
Total		799533	22.19	-	799533	22.19	-	-

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

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

Sr. No.	Top 10 Shareholders*	Shareholding at the beginning of the year 1 st April 2016		Cumulative Shareholding at the end of the year 31 st March 2017	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Florence Investech Ltd.^	1500000	41.62	1500000	41.62
2	Edgefield Securities Ltd.^	217749	6.04	217749	6.04
3	Bahubalibhai Shantilal Shah ^	115615	3.21	115615	3.21
4	Alchemist Capital Ltd. ^	105000	2.91	105000	2.91
5	Alchemist Holdings Ltd. ^	104528	2.90	104528	2.90
6	Sharad Kanayalal Shah@	-	-	36000	0.99
7	Edelweiss Broking Ltd. @	-	-	30981	0.86
8	Mohan Gupta^	26000	0.72	26000	0.72
9	Rajasthan Global Securities Pvt. Ltd.@	-	-	18668	0.52
10	Ultima Finvest Ltd.^	18367	0.51	18367	0.51
11	KDS Corporation Pvt. Ltd.**	89126	2.47	-	-
12	Netedge Technosoft Pvt. Ltd.**	19923	0.55	7898	0.22
13	Krishnagopal Motilal Chandak**	13500	0.37	13500	0.37

* More than 99% of the Shares of the Company are held in dematerialised form, and are widely traded on daily basis. Therefore, the date wise increase/decrease in shareholding is not indicated.

^ Common Top Ten Shareholders as on 1st April 2016 and 31st March 2017.

@ Top Ten Shareholders only as on 31st March 2017.

** Top Ten Shareholders only as on 1st April 2016.

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For each of the Directors and KMP [^]	Shareholding at the beginning of the year 1 st April 2016		Cumulative Shareholding at the end of the year 31 st March 2017	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Bharat Hari Singhania, Chairman	11272	0.31	11272	0.31
2	Dr. Raghupati Singhania, Director	3744	0.10	3744	0.10
3	Shri Swaroop Chand Sethi, Director	3	0.00	3	0.00
4	Shri Vikrampati Singhania, Director	4119	0.11	4119	0.11

[^] No Change in Shareholding during the year under review.

Note: Shri Sanjay Kumar Khaitan, Shri Sanjeev Kumar Jhunjhunwala, Smt. Swati Singhania, Shri Abhimanyu Jhaver and Shri J.R.C. Bhandari, Directors of the Company; Shri Sanjay Kumar Gupta, President & Director; Shri Amit Agarwal, Chief Financial Officer and Shri Anoop Singh Gusain, Company Secretary of the Company were not holding any shares in the Company at the beginning of the year i.e. as on 1st April 2016 and at the end of the year i.e. as on 31st March 2017. Also, there was no increase/decrease in their shareholding during the financial year.

V. INDEBTNESS

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	4137.71	1692.08	-	5829.79
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	19.57	24.16	-	43.73
Total (i+ii+iii)	4157.28	1716.24	-	5873.52
Change in indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	853.15	1342.29	-	2195.44
Net Change	(853.15)	(1342.29)	-	(2195.44)
Indebtedness at the end of the financial year				
(i) Principal Amount	3285.54	368.40	-	3653.94
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	18.59	5.55	-	24.14
Total (i+ii+iii)	3304.13	373.95	-	3678.08

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :
A. Remuneration to Managing Director, Whole-time Director and/or Manager :

Sl. No.	Particulars of Remuneration [^]	Name of Whole-time Director Shri S.K. Gupta-President & Director	Total Amount (₹ In Lacs)
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	129.38	129.38
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	15.65	15.65
2	Others (mainly contribution to Provident Fund)	9.00	9.00
Total (A)		154.03	154.03
Ceiling as per the Act		In compliance with Section 196, 197, 198 read with Schedule V (as amended) of the Companies Act, 2013 and General Circular No. 07/2015, dated 10 th April 2015.	

[^] Stock Option, Sweat Equity, Commission – NIL

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration [^]	Name of Directors					Total Amount (₹ In Lacs)
1	Independent Directors	Sh. S.C. Sethi	Sh. Sanjeev Kumar Jhunjunwala	Sh. Sanjay Kumar Khaitan	Sh. J.R.C. Bhandari	Sh. Abhimanyu Jhaver	
	• Fee for attending Board/ Committee Meetings	2.49	2.30	2.10	2.30	0.70	9.89
	Total (1)	2.49	2.30	2.10	2.30	0.70	9.89
2.	Other Non-executive Directors	Sh. Bharat Hari Singhania	Dr. Raghupati Singhania	Sh. Vikrampati Singhania	Smt. Swati Singhania		Total Amount (₹ In Lacs)
	• Fee for attending Board/ Committee Meetings	1.70	1.70	2.47	1.20		7.07
	Total (2)	1.70	1.70	2.47	1.20		7.07
Total (B)=(1+2)							16.96
Total Managerial Remuneration (A+B)							170.99*
Overall Ceiling as per the Act		In compliance with Section 196, 197, 198 read with Schedule V (as amended) of the Companies Act, 2013 and General Circular No. 07/2015, dated 10th April 2015.					

[^] Stock Option, Sweat Equity, Commission – NIL

* Total Remuneration to Whole-time Director and other Directors (being the total of A and B), includes sitting fees of ₹ 16.96 Lacs.

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration [^]	Key Managerial Personnel		Total (₹ In Lacs)
		Shri Anoop Singh Gusain Company Secretary	Shri Amit Agarwal Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9.28	72.31	81.59
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.57	4.24	4.81
2	Others (mainly contribution to Provident Fund)	0.51	2.97	3.48
	Total	10.36	79.52	89.88

[^] Stock Option, Sweat Equity, Commission – NIL

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March 2017.

On behalf of the Board of Directors

Date : 10th May 2017
Place : Hyderabad

Bharat Hari Singhania
Chairman

ANNEXURE - 2 TO DIRECTORS' REPORT

Particulars of Energy Conservation, Technology Absorption and Foreign Exchange Earnings and Outgo required under the Companies (Accounts) Rules, 2014.

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 utilising alternate sources of energy: Nil
- (iii) The capital investment on energy conservation equipments: Nil

TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption:
 - Automation of secondary packing at one of the unit at the processing plant at Hyderabad.
 - Automation from veg manual cleaning to mechanical processing.
 - Automation from manual stitching to mechanical (conveyor) stitching.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
 - Reduction in the labour Cost and other overheads and increase in packing efficiency.
 - Improvement in product quality.
- (iii) Particulars of imported technology : Nil
- (iv) The expenditure incurred on Research and Development
 - The Capital Expenditure incurred on R&D during the period was ₹ 52.99 Lacs and recurring expenditure was ₹ 1256.69 Lacs.

FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ In Lacs

Description	2016-17
Foreign Exchange Earnings	1164.46
Foreign Exchange Outgo	604.40

On behalf of the Board of Directors

Date : 10th May 2017
Place : Hyderabad

Bharat Hari Singhania
Chairman

ANNEXURE - 3 TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JK Agri Genetics Limited,
7, Council House Street,
Kolkata - 700 001

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JK Agri Genetics Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2017 (Audit Period), 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2017 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 to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines

prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014-(Not applicable to the Company during the Audit Period);
 - (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, 1998- (Not applicable to the Company during the Audit Period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- (vi) Management has identified and confirmed the following laws as being specifically applicable to the company and complied with:-
1. Andhra Pradesh (Agricultural Produce and Livestock) Markets Act, 1966
 2. Seed Act, 1966, Seed Rules, 1968 & Seed (Control) Order, 1983
 3. Protection of Plant Varieties & Farmers Rights Act, 2001
 4. Plant Variety Protection Act, 1970
 5. Agricultural Tenancy Act, 1964

I have also examined compliance with the Secretarial Standard 1 and 2 issued by the Institute of Company Secretaries of India

During the period under review, the Company has generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with provisions of the Act.

Adequate Notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda are 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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the Minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, 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.

I further report that during the audit period the Company had no specific event / action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc. referred to above.

Place : New Delhi
Date : 6th May 2017

Namo Narain Agarwal
Secretarial Auditor
FCS No. 234, CP No. 3331

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

'Annexure A'

To,
The Members,
JK Agri Genetics Limited,
7, Council House Street,
Kolkata - 700 001

My report of even date on Secretarial audit for the financial year ended 31st March 2017 is to be read along with this letter stating that -

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place : New Delhi
Date : 6th May 2017

Namo Narain Agarwal
Secretarial Auditor
FCS No. 234, CP No. 3331

ANNEXURE - 4 TO DIRECTORS' REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2016-17 ended 31st March 2017:

The ratio of the remuneration of each director to the median remuneration of the employees of the Company - (a) Non-executive Directors did not draw any remuneration from the Company except sitting fee: Shri Bharat Hari Singhania, Chairman, 0.46; Dr. Raghupati Singhania, 0.46; Shri S.K. Khaitan, 0.56; Shri S.K. Jhunjhunwala, 0.62 and Smt. Swati Singhania, 0.32; Shri Abhimanyu Jhaver, 0.19; Shri J.R.C. Bhandari, 0.62; Shri S.C. Sethi, 0.67; and Shri Vikrampati Singhania, 0.66 (b) Executive Director: Shri Sanjay Kumar Gupta, 41.41.

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any - Non-executive Directors did not draw any remuneration from the Company except sitting fee: Shri Bharat Hari Singhania, Chairman, 6.25%; Dr. Raghupati Singhania, 6.25%; Shri S.K. Khaitan, (22.22%); Shri S.K. Jhunjhunwala, 0%; Smt. Swati Singhania, 33.3%; Shri Abhimanyu Jhaver, (46.15%); Shri J.R.C. Bhandari, 0%; Shri S.C. Sethi, (26.00%); Shri Vikrampati Singhania, (2.18%); Shri Sanjay Kumar Gupta, President & Director, 6.40%; Shri Amit Agarwal, Chief Financial Officer, 11.81%; Shri Anoop Singh Gusain, Company Secretary, 14.48%.

The percentage increase in the median remuneration of employees - 7%. The number of permanent employees on the rolls of Company – 410.

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 – On an average, employee received an annual increment of 8.00%. While, there was an increase of 6.40% in the managerial remuneration during the current financial year.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

On behalf of the Board of Directors

Date : 10th May 2017
Place : Hyderabad

Bharat Hari Singhania
Chairman

ANNEXURE - 5 TO DIRECTORS' REPORT

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2017

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

Since inception, your Company considers itself a responsible corporate citizen and has been involved in undertaking projects and interventions for overall development and welfare of the society. It has been working closely with the farming community in areas of imparting agricultural knowledge and promoting preventive healthcare and rural development.

Now, as required under the provisions of Section 135 of the Companies Act 2013, the Company has framed a CSR Policy. The details of the CSR Policy have been posted on the website of the Company and the web-link for the same is <http://jkagri.com/Financials/CSRPolicycontents.pdf>

Various projects/programs undertaken by the Company as per CSR Policy are in the areas of health care, promoting education, livelihood enhancement projects, etc.

2. The Composition of the CSR Committee:

The CSR Committee comprises of the following Directors:

- Shri Vikrampati Singhania (Chairman of the Committee), Non-Independent Director
- Shri Sanjeev Kumar Jhunjunwala, Independent Director
- Shri Sanjay Kumar Gupta, Non-Independent Director

3. Average Net Profit of the Company for last three financial years : ₹ 1378.71 Lacs
4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above) : ₹ 27.57 Lacs
5. Details of CSR spent during the financial year

a. Total amount to be spent for financial year : ₹ 27.57 Lacs

b. Amount unspent, if any : ₹ Nil

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

S No.	CSR project or activity identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013 as amended)	Projects or Programs:- (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise (in ₹ Lacs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (in ₹ Lacs)	Cumulative expenditure upto the reporting period (in ₹ Lacs)	Amount spent directly or through implementing agency
1	General health check-up, Eye Camp and consultancy	Cl.(i) Promoting health care including preventive health care	Punjab – Bhatinda, Haryana – Sirsa, Dabwali.	1.60	1.60	1.60	Direct
2	Conducting farmer training programmes in villages to bring awareness on the best agrarian and farming practices which lead to improvement in the yields in the crop giving rise to increase in their income levels.	Cl.(ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.	Madhya Pradesh - Bhadara, Chhindwara, Manawar. Maharashtra - Aurangabad, Jalgaon, Nagpur, Narayangaon, Pipla. Jharkhand - Bokaro, Ranchi. Karnataka - Davangere, Tumkur. Gujarat - Anand, Vadodara, Navsari. Chhattisgarh - Ambikapur, Dhamtari, Durg, Raipur. Bihar-Chapra, Khagaria, Patna, Purnia. Andhra Pradesh - Anantapur, Kadapa, Kurmool. Orissa - Bargarh, Balangir. Rajasthan - Mahesana. Telangana - Adilabad, Medak, Karimnagar, Warangal. Uttar Pradesh -Gorakhpur, Lucknow, Moradabad, Barabanki.	23.00	23.50	23.50	Direct
3	Scholarship to needy and deserving students, providing infrastructure to the schools etc.		Jharkhand – Tamar, Nawadih. Telangana – Medchal, Koppal.	3.00	2.60	2.60	Direct
Total				27.60	27.70	27.70	

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report: Not Applicable

7. The CSR Committee confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

Date: 10th May 2017

Sanjay Kumar Gupta
President & Director

Vikrampati Singhania
Chairman, CSR Committee

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is an integral part of values, ethics and the best business practices followed by the Company. The core values of the Company are:

- Commitment to excellence and customer satisfaction
- Maximising long term shareholders' value
- Socially valued enterprise and
- Caring for people and environment

In a nutshell, the philosophy can be described as observing business practices with the ultimate aim of enhancing long-term shareholders' value and commitment to high standard of business ethics. The Company has in place a Code of Corporate Ethics and Conduct reiterating its commitment to maintain the highest standards in its interface with stakeholders and clearly laying down the core values and corporate ethics to be practiced by its entire management cadre.

2. BOARD OF DIRECTORS:

As at 31st March 2017, the Board of Directors of the Company consists of Ten Directors comprising of one Executive Director (ED) and nine Non-executive Directors (NED); out of which five are Independent Directors (IND). Four Board Meetings were held during the financial year ended 31st March 2017 i.e., on 12th May 2016, 2nd August 2016, 7th November 2016 and 6th February 2017. Attendance and other details as on 31st March 2017 of the Directors are given below:

Name of the Director	Category	Number of Board Meetings Attended	Whether last AGM attended	No. of other Directorships and Committee Memberships/ Chairmanships held in other Companies		
				Directorships \$	Committee Memberships^	Committee Chairmanships^
Shri Bharat Hari Singhania, Chairman	NED	4	Yes	4	1	-
Dr. Raghupati Singhania	NED	4	No	7	4	2
Shri S.K. Khaitan*	IND	3	No	1	1	-
Shri S.K. Jhunjunwala*	IND	4	Yes	1	1	-
Smt. Swati Singhania	NED	4	Yes	-	-	-
Shri Abhimanyu Jhaver*	IND	2	Yes	-	-	-
Shri J.R.C. Bhandari*	IND	4	No	2	3	2
Shri S.C. Sethi*	IND	3	No	3	-	-
Shri Vikrampati Singhania	NED	4	Yes	1	-	-
Shri S.K. Gupta President & Director	ED	4	Yes	1	-	-

* The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

\$ Excluding private companies and companies under Section 8 of the Companies Act, 2013. Independent Directorships held by the Directors are in accordance with the Listing Regulations.

^ Only covers Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

The Board periodically reviews Compliance Reports of all laws applicable to the Company and steps taken by the Company to rectify instances of non-compliances, if any. The Board is also satisfied that plans are in place for orderly succession for appointments to the Board and to senior management.

In terms of Regulation 17(5) of the Listing Regulations and contemporary practices of good Corporate Governance, a Code of Conduct was laid down by the Board for all the Board Members and Senior Management of the Company. The said Code is available on the website of the Company. All the Board Members and Senior Management Personnel have affirmed compliance with the said Code. This Report contains a declaration to this effect signed by Shri S.K. Gupta, President & Director.

Relationship between Directors *Inter se*: Shri Bharat Hari Singhania and Dr. Raghupati Singhania are brothers, Shri Vikrampati Singhania is son of Shri Bharat Hari Singhania and Smt. Swati Singhania is wife of Shri Vikrampati Singhania.

The number of Equity Shares of ₹ 10/- each (i.e. Shares) held by the Non-executive Directors as on 31st March 2017 are: Shri Bharat Hari Singhania – 11,272 Shares; Dr. Raghupati Singhania – 3,744 Shares; Shri Vikrampati Singhania – 4,119 Shares; Shri S.C. Sethi – 3 Shares. Smt. Swati Singhania, Shri Abhimanyu Jhaver, Shri J.R.C. Bhandari, Shri S.K. Khaitan and Shri S.K. Jhunjunwala do not hold any Shares. The Company does not have any outstanding convertible instruments.

3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

In accordance with the provision of Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 6th February 2017. Shri J.R.C. Bhandari was unanimously elected as Chairman of the meeting and all the Independent Directors of the Company were present at the said Meeting

4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

In accordance with the provisions of Regulation 25(7) of the Listing Regulations, the Company has been conducting various familiarisation programmes. The details of such familiarisation programmes for Independent Directors have been disclosed on the website of the Company, the web link for which is <http://jkagri.com/financials/FPID.pdf>

5. PERFORMANCE EVALUATION

The Board of Directors has made formal annual evaluation of its own performance and that of its Committees and Individual Directors pursuant to

the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its 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 composition of committees, terms of reference of committees, effectiveness of the committee meetings, participation of the members of the committee in the meetings, etc.

The Board and the Nomination and Remuneration Committee also carried out evaluation of the performance of individual directors on the basis of criteria such as attendance and effective participation and contributions at the meetings of the Board and its committees, exercise of his/her duties with due & reasonable care, skill and diligence, etc.

In a separate meeting of the Independent Directors of the Company, performance of non-independent Directors, performance of Board as a whole and performance of Chairman was evaluated, taking into account the views of Executive Director & Non-executive Directors of the Company. The Chairman of the Meeting of the Independent Directors apprised the Board about the evaluation carried by it and that the Independent Directors were fully satisfied in this regard.

6. AUDIT COMMITTEE:

The Company has an Audit Committee of Directors, the Composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Committee consists of four Directors, all being Non-executive Independent Directors. Four meetings of the Audit Committee were held during the financial year ended 31st March 2017.

Dates of the meetings and the number of the Members attended:

Date of Meetings	Number of Members attended
12th May 2016	4
2nd August 2016	3
7th November 2016	3
6th February 2017	4

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri J.R.C. Bhandari	Chairman	4
Shri S.K Khaitan	Member	3
Shri S.K Jhunjhunwala	Member	4
Shri S.C. Sethi	Member	3

All the Committee Meetings were attended by the Head of Finance Function, Internal Auditor, Company Secretary and the representative of Statutory Auditors. The Company Secretary acts as the Secretary of the Committee.

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

The Company has a Stakeholders' Relationship Committee at the Board Level which consists of three Directors all being Non-executive Directors. The composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Dates of the meetings and the number of the Members attended:

Date of the Meetings	Number of Members attended
12th May 2016	3
2nd August 2016	2
7th November 2016	2
6th February 2017	3

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri S.C. Sethi	Chairman	3
Shri S.K. Khaitan	Member	3
Shri Vikrampati Singhania	Member	4

Shri Anoop Singh Gusain, Company Secretary, is the Compliance Officer. During the financial year ended 31st March 2017, the Company has not received any complaint from the shareholder. Also, there are no complaints pending in respect of previous period.

The Board has delegated the power of share transfer to the Share Transfer Committee and the share transfer formalities are attended, as required. All valid requests for transfer of shares in physical form were

processed in time and there were no pending transfers of shares. During the financial year ended 31st March 2017, 11 meetings of this Committee were held.

8. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Committee comprising of three Directors, all being Non-executive Independent Directors. The Composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Dates of the meetings and the number of the Members attended:

Date of the Meetings	Number of Members attended
12th May 2016	3
6th February 2017	3

The names of the Members of the Committee and their attendance at the Meetings:

Name	Status	No. of Meetings attended
Shri J.R.C Bhandari	Chairman	2
Shri S.K. Khaitan	Member	2
Shri S.C. Sethi	Member	2

9. NOMINATION AND REMUNERATION POLICY

In accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, the Company has put in place the Nomination and Remuneration Policy for the Directors, Key Managerial Personnel and other employees of the Company including criteria for determining qualifications, positive attributes, independence of a Director as well as a policy on Board Diversity. The policy provides as follows:

- (i) The Nomination and Remuneration Committee of Directors (the Committee) shall take into consideration the following criteria for recommending to the Board for appointment as a Director of the Company: (a) Qualifications & experience. (b) Positive attributes like - respect for Company's core values, professional integrity, strategic capability with business vision, etc. (c) In case the proposed appointee is an Independent Director, he should fulfill the criteria for appointment as Independent Director as per the applicable laws & regulations. (d) The incumbent should not be disqualified for appointment as

Director pursuant to the provisions of the Act or other applicable laws & regulations.

- (ii) The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- (iii) The Board will review the performance of a Director as per the structure of performance evaluation adopted by the Board for Directors including Executive Directors.
- (iv) The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind while recommending any new name of Director for appointment to the Board.
- (v) The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10. REMUNERATION PAID TO DIRECTORS:

- (i) Executive Director: The remuneration comprising of salary, perquisites and contribution to Provident Fund and Superannuation Fund for the financial year ended 31st March 2017 to Shri S.K. Gupta,

President & Director is ₹ 154.03 Lacs.

The Company does not have any Stock Option Scheme. In case of President & Director, notice period is three months.

- (ii) Non-executive Directors: During the financial year 2016-17, the Company paid sitting fees aggregating to ₹ 16.96 Lacs to all the Non-executive Directors for attending the meetings of the Board and/or Committees thereof.

No other payments were made to Non-executive Directors and such Directors did not have any other material pecuniary relationship or transaction vis-à-vis the Company during the year except as stated above.

11. GENERAL BODY MEETINGS:

Location and time for the last three Annual General Meetings (AGM) of the Company:

Financial Year	Location	Date	Time
2013-2014	Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata-700 020	06.09.2014	11.30 A.M.
2014-2015	Same as above	11.09.2015	11.30 A.M.
2015-2016	Same as above	09.09.2016	11.30 A.M.

Details of Special Resolution (SR) passed: Seven SRs were passed at AGM held in the year 2014, no SR was passed at the AGM held in the year 2015 and one SR was passed at AGM held in the year 2016. No SR was required to put through Postal Ballot during the financial year ended 31st March 2017.

12. DISCLOSURE:

- (i) **Related Party Transactions:** Disclosures on materially significant related party transactions that may have potential conflict with the interests of Company at large: None

Suitable disclosure as required by Accounting Standard (AS-18) – Related Party Transactions have been made in the Annual Report.

All the Related Party Transactions are dealt with in accordance with the provisions of the Companies Act, 2013 and Regulation 23 of the Listing Regulations.

The Company has also formulated a policy on the materiality of Related Party Transactions and also on dealing with Related Party Transactions. This Policy is available on the website of the Company and the web link for the same is <http://jkagri.com/financials/RelatedPartyTransactionsPolicy.pdf>

(ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years: There were no cases of non-compliance of any matter related to capital markets during the last three years.

(iii) Vigil Mechanism/Whistle Blower Policy: The Board of Directors of the Company at its meeting held on 7th August 2014 had established a Policy on Vigil Mechanism for the Directors and Employees of the Company to report their genuine concerns or grievances relating to actual or suspected fraud, unethical behaviour, violation of the Company's Code of Conduct or Ethics Policy, and any other event which would adversely affect the interests of the business of the Company. Whistle Blowers may send their concerns/complaints to the Chairman of Audit Committee in a sealed envelope marked confidential, for appropriate action.

The details of establishment of such mechanism have been also disclosed on the website of the Company. It is affirmed that no personnel has been denied access to the Audit Committee.

(iv) Prevention of Sexual Harassment of Women at Workplace: Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work places to redress the complaints of women employees.

During the year, no complaint has been filed with ICC with allegation of Sexual Harassment.

(v) Risk Management: The Company has an elaborate risk management system to inform Board Members about risk assessment and minimization procedures. A Risk Management Committee headed by Whole-time Director evaluates the efficacy of the framework

relating to risk identification and its mitigation. Board Members are accordingly informed.

(vi) Disclosure of commodity price risks and commodity hedging activities: Commodity price fluctuations can have an impact on the demand of seeds for particular crop. Therefore, we track the commodity price movements very closely and take advance production decisions accordingly. Also, we have arrangement of controlled atmosphere storage facilities to ensure that the excess seed, if any, can be carried forward to the next season safely. In case of shortages, we have contacts with a number of vendors who can supply material at a short notice.

In addition to the above, Company also maintains a strategic buffer inventory to ensure that such disruptions do not impact the business significantly.

(vii) The Company does not have any subsidiary; therefore the policy for determining 'material' subsidiary is not required.

(viii) Corporate Social Responsibility Committee: The Company has a "Corporate Social Responsibility Committee of Directors" which comprises of three Directors (including one Independent Director, one Executive Director and one Non-Executive Director). The Composition and the role of the Committee are in conformity with the provisions of Section 135 of the Companies Act, 2013. Two Meetings of the Committee were held during the financial year ended 31st March 2017 i.e., on 12th May 2016 and on 6th February 2017. Shri Vikrampati Singhania (Chairman of the Committee), Shri Sanjay Kumar Gupta and Shri Sanjeev Kumar Jhunjunwala, Members attended both the Meetings.

13. MEANS OF COMMUNICATION:

Quarterly, half-yearly and annual results are published in leading English Newspapers and also in a Bengali language Newspaper (published from Kolkata). The said results are promptly furnished to the Stock Exchange for display on its website and are also displayed on the Company's website.

No presentation was made to institutional investors or to the analysts.

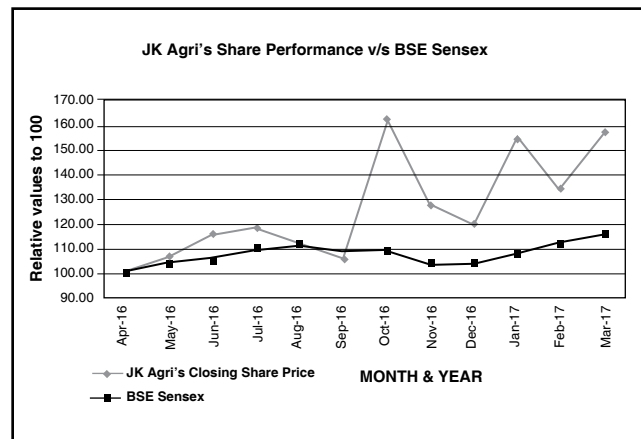
Management Discussion and Analysis forms part of the Annual Report

14. GENERAL SHAREHOLDERS' INFORMATION:

(i)	Registered Office:	7, Council House Street, Kolkata-700 001. Phone No: 033-22486181
(ii)	Annual General Meeting (AGM)	
	(a) Date, Time & Venue:	25 th August 2017 at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020 at 11.00 AM
	(b) A brief resume and other particulars of Directors seeking re-appointment at the aforesaid AGM are given in the Notes to the Notice convening the said Meeting.	
(iii)	Financial Calendar (tentative) Financial Reporting: <ul style="list-style-type: none"> • 1st Quarter ending June 30, 2017 • 2nd Quarter ending September 30, 2017 • 3rd Quarter ending December 31, 2017 • Annual and 4th Quarter ending March 31, 2018 • Annual General Meeting for the financial year 2017-18 	Within 45 days of the end of the quarter Within 60 days of the end of the 4 th quarter Between July and September 2018
(iv)	Dividend Payment Date	Within three weeks of conclusion of AGM
(v)	Date of Book Closure	19 th August 2017 to 25 th August 2017 (both days inclusive)
(vi)	Name and address of Stock Exchange where equity shares of the Company are listed	The Equity Shares of the Company are listed on BSE Ltd. – Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 The annual listing fee for the financial year 2017-18 has been paid to the said Stock Exchange. The securities of the Company are not suspended from trading.
(vii)	Security Code for Company's Equity Shares on Stock Exchange and ISIN	BSE – 536493 ISIN – INE690O01011

(viii) Stock Market Price Data

Month (2016-17)	BSE	
	High (₹)	Low (₹)
April 2016	411.00	370.00
May 2016	481.00	365.00
June 2016	447.00	385.00
July 2016	466.50	420.00
August 2016	504.00	400.00
September 2016	431.90	393.15
October 2016	660.00	396.00
November 2016	769.00	426.30
December 2016	490.00	413.50
January 2017	617.10	450.00
February 2017	610.00	481.30
March 2017	606.00	488.00

JK Agri Genetics Ltd's (JK Agri's) Share Performance v/s BSE Sensex (April 2016 – March 2017)


(ix) Distribution of Shareholding (as on 31st March 2017)

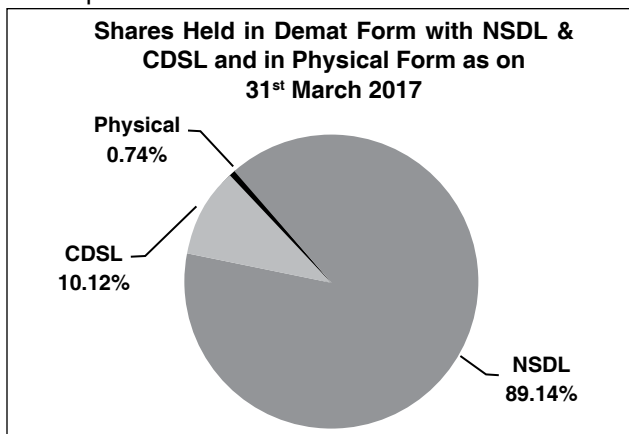
No. of Equity Shares Held	No. of Shares		Shareholders	
	Number	% of Total	Number	% of Total
1-250	151284	4.20	7880	96.26
251-500	47663	1.32	130	1.59
501-1000	52520	1.46	72	0.88
1001-5000	137811	3.82	63	0.77
5001-10000	158948	4.41	23	0.28
10001 & above	3055680	84.79	18	0.22
Total	3603906	100	8186	100

(x) Share Transfer System

All valid requests for transfer/transmission of shares held in physical form are processed within a period of 15 days from the date of receipt thereof. In case of shares in dematerialised form, the transfers are processed by National Securities Depository Limited (NSDL) /Central Depository Services (India) Limited (CDSL) through the Depository Participants with whom the shareholders have opened their demat account.

(xi) Dematerialisation of Shares and liquidity

The Equity Shares of the Company are actively traded on BSE. Trading in the Equity Shares of the Company is permitted only in dematerialised form. Shareholders may therefore, in their own interest, dematerialise their holdings in physical form with any one of the Depositories – namely, NSDL and CDSL. In respect of shares held in demat form; all the requests for nomination, change of address, ECS, Bank mandate and rematerialisation, etc. are to be made only to the Depository Participant with whom the shareholders have opened their Demat Account.



As on 31st March 2017, 99.26% of the Equity Shares are held in dematerialized form.

(xii) Outstanding GDRs/ADRs/ Warrants/ Options or any Convertible instruments, conversion date and likely impact on equity. Nil

(xiii) Commodity price risk or foreign Exchange risk and hedging activities

During the financial year ended 31st March 2017, the Company has appropriately managed the forex risk by means including natural hedging opportunities available in the business.

(xiv) Plant Locations

The Company has Production Centres to produce high-yielding hybrid seeds at various locations in Andhra Pradesh, Telangana and other States. Besides, the Company has state-of-the-art Biotechnology, R&D Centre and Seed Processing Plant at Hyderabad in the State of Telangana and another Seed Processing Plant at Kota in the State of Rajasthan.

(xv) Address for Correspondence for Share Transfer and Related Matters

1. Company Secretary
JK Agri Genetics Ltd.
Secretarial Department
Gulab Bhawan, 6A,
Bahadur Shah Zafar Marg,
New Delhi -110 002.
Phone No.: 91-11-30179891
Fax No. : 91-11-23716607
Email: jkaglshareholder@jkmail.com
Website : www.jkagri.com

2. Registrar & Share Transfer Agent
Alankit Assignments Ltd.
Alankit Heights, 1E/13, Jhandewalan Extension,
New Delhi-110 055 (India)
Phone No. :91-11-42541234, 91-11-23541234
Fax No : 91-11-41543474
Contact Person: Shri J.K. Singla
Email: rta@alankit.com
Website: www.alankit.com

(xvi) This Corporate Governance Report of the Company for the financial year ended 31st March 2017 are in compliance with the requirements of Regulation 34 and Schedule V of the Listing Regulations.

(xvii) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations-
(a) The Board: The Chairman of the Company is Non-Executive (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website

(www.jkagri.com). At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements; (d) Separate posts of Chairperson and CEO: Shri Bharat Hari Singhania, Non-executive Director, is the Chairman of the Company. (e) Reporting of Internal Auditor: The Internal Auditor of the Company reports to the Whole-time Director of the Company. However, his Internal Audit Reports are placed before the Audit Committee.

(xviii) The Company has complied with all the applicable requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

(xix) Information in terms of Schedule V (F) of the Listing Regulations:

As on 1st April 2016, the Company had 8,188 Equity Shares, which were unclaimed by 1,306 Equity Shareholders. These were lying in dematerialised mode in the suspense account. Out of the above the Company received 9 requests for 89 Equity Shares for despatch, during the year. These have since been despatched. As on 31st March 2017, the Company has 8,099 Equity Shares which remain unclaimed by 1,297 Equity Shareholders.

The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares. The “Unclaimed Suspense Account” is held by the Company purely on behalf of the allottees and the Shares held in such Suspense Account shall not be transferred except to the allottees as and when they approach the Company.

15. DECLARATION:

This is to confirm that for the financial year ended 31st March 2017, all the members of the Board and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for Members of the Board and Senior Management adopted by the Board.

S.K. Gupta
President & Director

16. AUDITOR’S COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE:

To

The Members of JK Agri Genetics Ltd.

We have examined the compliance of regulations of Corporate Governance by JK Agri Genetics Limited (“Company”) for the year ended 31st March 2017, as stipulated in regulations 17 to 27 and Clause (b) to (i) of regulation 46(2) and Para C, D and Para E of Schedule V of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (“Listing Regulations”).

The compliance of regulations of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the 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, we certify that the Company has complied with the regulations of Corporate Governance as stipulated in the above mentioned Listing Regulations.

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

For Lodha & Co.
Chartered Accountants
Firm Registration No: 301051E

Place : Hyderabad
Dated: 10th May 2017

N.K. Lodha
Partner
Membership No. 85155

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF JK AGRI GENETICS LIMITED

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **JK Agri Genetics Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and

perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter in the Note 34 (a) to the audited Financial Statements for the year ended 31st March, 2017:

Regarding overdue receivables amount of certain government bodies of Rs 3228.09 lacs [(includes Rs. 176.48 lacs given towards security deposit shown under the heading "Deposit with Government Authority and others") (including Rs. 1943.77 Lacs (includes security deposit of Rs. 121.68 Lacs) of a government body where petition has been filed before the Hon'ble High Court of Rajasthan, Jaipur on seeking sole arbitrator for adjudicating disputes between the Company and government body)], where management is confident about the realisability/recovery.

Our opinion is not modified in respect of above stated matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us during the course of audit, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) As required by section 143(3)(i) of the Companies Act, 2013, and based on the checking of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, our separate report with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls is as per Annexure 'B'.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to

the best of our 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 no. 29(A) & 30 to the standalone financial statements.
- ii. The Company did not have any such long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company. Refer Note No. 50 to the standalone financial statements.

For LODHA & CO.,
Chartered Accountants
Firm's Registration No. 301051E

(N.K. Lodha)

Partner

Membership No. 85155

Place: Hyderabad

Date: 10.05.2017

Annexure - A referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date on the Standalone Financial Statements of JK Agri Genetics Ltd. for the year ended 31st March 2017.

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the Management according to the programme of periodical verification in phased manner which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets. The discrepancies noticed on such physical verification were not material.

- (c) As per the records and information and explanations given to us, title deeds of immovable properties are held in the name of the Company.
2. The inventory of the Company (except stock lying with the third parties and in transit) has been physically verified by the management at reasonable intervals and the procedures of physical verification of inventory followed by the Management are reasonable in relation to the size of the Company and nature of its business. The discrepancies noticed on such physical verification of inventory as compared to book records were not material.
 3. The Company has not granted any loan secured or unsecured to any companies, firms or other parties covered in the register maintained under Section 189 of Act. Accordingly, the provisions of Clause 3 (a), (b) & (c) of the order are not applicable.
 4. According to the information, explanations and representations provided by the management and based upon audit procedures performed, we are of the opinion that in respect of loans, investments, guarantees and security the Company have complied with the provisions of the Section 185 and 186 of the Act.
 5. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions under the Act. We have been informed that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or other Tribunal in this regard.
 6. According to the information & explanations given to us, maintenance of cost records has not been specified by Central Government under sub section (1) of section 148 of the Act for the products of the company.
 7. (a) According to the records of the Company and information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise

duty, cess and other material statutory dues with the appropriate authorities to the extent applicable and there are no undisputed statutory dues payable for a period of more than six months from the date they become payable as at 31st March, 2017.

- (b) According to the records and information & explanations given to us, there are no dues in respect of service tax, duty of custom and duty of excise or value added tax that have not been deposited with the appropriate authority on account of any dispute and the dues in respect of income tax that have not been deposited with the appropriate authority on account of dispute and the forum where the dispute is pending are given below: -

Nature of statute	Nature of dues	Amount (Rs. in Lacs)	Period to which the amount relates (F.Y.)	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	132.40	2007-2008	ITAT, Kolkata
		30.67	2008-2009	ITAT, Kolkata
		90.58	2009-2010	Commissioner (Appeals)
		276.05	2010-2011	Commissioner (Appeals)
		5.36	2011-2012	Commissioner (Appeals)

Refer Note No. 29(A) & 30

8. In our opinion, on the basis of audit procedures and according to the information and explanations given to us, the Company has not defaulted in repayment of loans and borrowings to financial institutions, banks, government or dues to debenture holders.
9. During the year, no monies have been raised by public offer of shares. Money raised on term loans have been applied for the purposes for which loans were raised.
10. Based on the audit procedure performed and on the basis of information and explanations provided by the management, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the course of the audit.
11. On the basis of records and information and

explanations made available, managerial remuneration which has been paid or provided is in accordance with the requisite approvals mandated under Section 197 read with Schedule V of the Act.

12. In our opinion and according to information & explanation given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the order is not applicable.
13. As per the information and explanations and records made available by the management of the Company and audit procedure performed, for the related parties transactions entered during the year, the Company has complied with the provisions of Section 177 and 188 of the Act, where it applicable. As explained and as per records / details of related parties transactions are disclosed as per the applicable Accounting Standards.
14. According to the information and explanations given to us, the Company has not made any preferential allotment of shares or private placement of shares or fully / partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
15. On the basis of records made available to us and according to information and explanations given to us, the Company has not entered into non-cash transactions with the directors or persons connected with him. Accordingly, we are not offering comment with respect to compliance of section 192 of the Act.
16. The Company is not required to be registered under 45-IA of the Reserve Bank of India Act 1934.

For LODHA & CO.,
Chartered Accountants
Firm's Registration No. 301051E

(N.K. Lodha)
Partner

Place: Hyderabad
Date: 10.05.2017

Membership No. 85155

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF JK AGRI GENETICS LIMITED

Report on the Internal Financial Controls over Financial Reporting 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 **JK Agri Genetics Limited** ("the Company") as of March 31, 2017 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and

that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, 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 March 31, 2017, 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 LODHA & CO.,
Chartered Accountants
Firm's Registration No. 301051E

(N.K. Lodha)

Place: Hyderabad
Date: 10.05.2017

Partner
Membership No. 85155

BALANCE SHEET (AS AT 31ST MARCH, 2017)
(₹ In Lacs)

Particulars	Note No.	As at 31.03.2017	As at 31.03.2016
I. Equity And Liabilities			
(1) Shareholders' Funds			
(a) Share Capital	2	360.39	360.39
(b) Reserves And Surplus	3	7,308.89	6,100.09
		<u>7,669.28</u>	<u>6,460.48</u>
(2) Non-Current Liabilities			
(a) Long-Term Borrowings	4	869.90	2,457.49
(b) Deferred Tax Liability (Net)	12	59.56	-
(c) Other Long Term Liabilities	5	23.12	25.67
(d) Long-Term Provisions	6	273.25	311.82
		<u>1,225.83</u>	<u>2,794.98</u>
(3) Current Liabilities			
(a) Short-Term Borrowings	7	2,196.45	2,648.62
(b) Trade Payables	8	8,453.82	6,021.42
(c) Other Current Liabilities	9	7,806.84	6,495.96
(d) Short-Term Provisions	10	101.10	170.38
		<u>18,558.21</u>	<u>15,336.38</u>
TOTAL		<u>27,453.32</u>	<u>24,591.84</u>
II. Assets			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	1,799.89	1,887.05
(ii) Intangible Assets	11	895.92	819.32
(b) Deferred Tax Assets (Net)	12	-	81.68
(c) Long-Term Loans And Advances	13	1,194.69	1,111.24
(d) Other Non Current Assets	14	0.16	0.15
		<u>3,890.66</u>	<u>3,899.44</u>
(2) Current Assets			
(a) Inventories	15	11,249.82	9,767.98
(b) Trade Receivables	16	10,219.72	8,152.59
(c) Cash And Bank Balance	17	530.43	405.63
(d) Short-Term Loans And Advances	18	1,551.99	2,344.73
(e) Other Current Assets	19	10.70	21.47
		<u>23,562.66</u>	<u>20,692.40</u>
TOTAL		<u>27,453.32</u>	<u>24,591.84</u>

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statement (27 to 55)

As per our report of even date.

For LODHA & CO.
Chartered Accountants
Firm Registration No.301051E

N.K. LODHA
Partner

Membership No.85155
Hyderabad, the 10th May 2017

AMIT AGARWAL
Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

BHARAT HARI SINGHANIA Chairman
DR. RAGHUPATI SINGHANIA Directors
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
J.R.C. BHANDARI
SWAROOP CHAND SETHI
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

STATEMENT OF PROFIT AND LOSS (FOR THE YEAR ENDED 31ST MARCH, 2017)
(₹ In Lacs)

Particulars	Note No.	2016-17	2015-16
Revenue from operations	20	19,297.92	18,876.99
Other income	21	56.32	142.57
Total Revenue (I)		19,354.24	19,019.56
Expenses:			
(a) Cost of materials consumed	22	9,743.10	8,449.57
(b) (Increase) / decrease in inventories of finished goods work-in-progress and Stock-in-Trade	23	(1,357.50)	(202.74)
(c) Employee benefits expense	24	2,745.09	2,643.89
(d) Other expenses	26	5,460.88	5,713.70
Total expenses (II)		16,591.57	16,604.42
Profit Before Interest, Depreciation and Tax (PBIDT) (I-II)		2,762.67	2,415.14
Finance costs	25	775.82	1,105.96
Depreciation and amortization expense	11	384.06	400.94
Profit before exceptional and extraordinary Items and Tax		1,602.79	908.24
Exceptional items		-	-
Profit before extraordinary items and tax		1,602.79	908.24
Extraordinary items		-	-
Profit Before tax		1,602.79	908.24
Tax expense:			
(1) Current tax		337.30	191.88
(2) MAT Credit Entitlement		(84.55)	(191.88)
(3) Deferred tax		141.24	106.50
Profit/ (Loss) for the period		1,208.80	801.74
Earnings per equity share:			
Cash		48.12	36.33
Basic & Diluted		33.54	22.25

Significant Accounting Policies

1

The accompanying Notes are an integral part of the Financial Statement (27 to 55)

As per our report of even date.

 For LODHA & CO.
Chartered Accountants
Firm Registration No.301051E

 N.K. LODHA
Partner
Membership No.85155
Hyderabad, the 10th May 2017

 AMIT AGARWAL
Chief Financial Officer

 ANOOP SINGH GUSAIN
Company Secretary

 BHARAT HARI SINGHANIA Chairman
DR. RAGHUPATI SINGHANIA Directors
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
J.R.C. BHANDARI
SWAROOP CHAND SETHI
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Note no.1**SIGNIFICANT ACCOUNTING POLICIES: 31st March 2017**

- 1.1 The Accounts of the company are prepared under Mercantile System of Accounting on Historical Cost and in accordance with the general accepted accounting principles, applicable Accounting Standards specified u/s 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 unless otherwise referred herein. Claims/Refunds not ascertainable with reasonable certainty are accounted for on settlement.
- 1.2 Revenue is recognized based on the nature of activity when consideration can be reasonable measured and there exists reasonable certainty of its recovery. Revenues from sale of goods are recognized on dispatch which coincides with transfer of significant risks & rewards to customer and is net of sales returns and sales tax, wherever applicable.
- 1.3 Fixed Assets are stated at their Original Cost, Net of Cenvat, Less Accumulated Depreciation. Addition includes Purchase Cost, Freight, Duties and other expenses including borrowing cost wherever incurred for acquisition and installation.
- 1.4 A) Depreciation on fixed assets is calculated on straight line method and as per the useful life as prescribed in Schedule II of The Companies Act 2013. B) Buildings on lease hold premises are charged over the lease period or as per the useful life as prescribed in Schedule II of the Companies Act, 2013, whichever period is lower. C) Leasehold Land is being amortized over the lease period. D) The intangible assets are amortized over the expected duration of benefit from those assets.
- 1.5 Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if, such a decline is other than temporary in the opinion of the management. Current investments are carried at lower of cost and quoted / fair value computed category-wise.
- 1.6 Assets & Liabilities related to foreign currency transactions are translated at exchange rate prevailing at the end of the year. Exchange difference on revenue account is charged to Statement of Profit & Loss.
- 1.7 Revenue Expenditure on Research and Development is charged to Statement of Profit & Loss and Capital Expenditure is added to Fixed Assets.
- 1.8 Inventories are valued at the lower of cost and net realisable value. The cost is computed on weighted average basis. Finished Goods and Process Stock include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- 1.9 The carrying amount of Assets are reviewed at each Balance Sheet date to assess impairment, if any based on internal/external factors. An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value being higher of value in use and net selling price. An impairment loss is recognized as an expense in the Statement of Profit & Loss in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.
- 1.10 Intangible assets are recognized if future economic benefits are likely and cost of the asset can be measured reliably.
- 1.11 Employee Benefits:
 - a. Defined Contribution Plan
Employee benefits in the form of Superannuation Fund, Provident Fund (PF) and ESI considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss of the year when the contribution to the respective funds are due.
 - b. Defined Benefit Plan
Retirement benefits in the form of Gratuity, Leave Encashment and PF (funded) are considered as defined benefit obligations and are provided for on the basis of an Actuarial Valuation, using the projected unit credit method, as at the date of the Balance Sheet.
 - c. Short term compensated absences are provided based on past experience of the leave availed. Actuarial gain/ Losses, if any, are immediately recognized in the Statement of Profit and Loss.
- 1.12 Current Tax is the amount of tax payable on the estimated taxable income for the current year as per the provisions of Income Tax Act, 1961. Deferred Tax is recognized, subject to the consideration of prudence,

on timing differences, being difference between taxable income and accounting income.

- 1.13 Provision in respect of present obligation arising out of past events is made in Accounts when reliable estimates can be made of the amount of the obligation. Contingent Liabilities (if material) are disclosed by way of Notes to Accounts. Contingent Assets are not recognized or disclosed in Financial Statements and are included, if any, in the Directors' Report.
- 1.14 The presentation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and the estimates are recognised in the period in which the results are known / materialised.
- 1.15 Capital Subsidy related to specific fixed assets is reduced from the Gross value of the respective fixed assets. Revenue grants from Government related to revenue expenditure are deducted from the related expenses/Credited to Statement of Profit & Loss.
- 1.16 Lease which does not transfer substantially all the risks and rewards of ownership is classified as Operating Lease and is recognized as expenses as and when incurred over the lease-terms.

Note No. 2

	As at 31.03.2017	(₹ In Lacs) As at 31.03.2016
SHARE CAPITAL		
Authorised:		
Equity Shares - 1,40,00,000 of ₹10 each	1,400.00	1,400.00
Previous year 1,40,00,000 of ₹10 each	<u>1,400.00</u>	<u>1,400.00</u>
Issued, Subscribed and Paid up:		
Equity Shares - 36,03,906 shares (Previous Year 36,03,906 shares) of ₹ 10/- each fully paid up	360.39	360.39
	<u>360.39</u>	<u>360.39</u>

2.1. Details of Shareholder who held more than 5% of Equity Share

Name of Shareholder	As at 31.03.2017 No. of Shares held	As at 31.03.2016 No. of Shares held
Bengal & Assam Co. Ltd	7,99,533	7,99,533
Florence Investech Ltd.	15,00,000	15,00,000
Edgefield Securities Ltd.	2,17,749	2,17,749

2.2. Reconciliation of number of share outstanding - Equity Share

	As at 31.03.2017	As at 31.03.2016
Shares outstanding as at the beginning of the year	36,03,906	36,03,906
Add: Shares issued during the year	-	-
Less: Bought back during the year	-	-
Shares outstanding as at the end of the year	36,03,906	36,03,906

2.3. Terms/right attached to equity shares:

- The Company has only one class of equity shares having par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.
- In the event of winding up the equity shareholders will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportionate to the number of equity shares held by the shareholders.
- The Dividend proposed by the Board of Directors is subject to the approval of share holders in the ensuing Annual General Meeting except in the case of interim dividend.

Note No. 3
(₹ In Lacs)

	As at 31.03.2017	As at 31.03.2016
RESERVES AND SURPLUS		
General Reserve		
Opening Balance	4,000.00	4,000.00
Addition during the year	-	-
	<u>4,000.00</u>	<u>4,000.00</u>
Surplus in the Statement of Profit & Loss		
Opening Balance	2,100.09	1,428.48
Addition during the year	1,208.80	801.74
Less: Appropriation		
Proposed Dividend (Previous year ₹ 3.00) per equity share	-	(108.12)
Corporate Dividend Tax	-	(22.01)
Closing Balance	<u>3,308.89</u>	<u>2,100.09</u>
Total	<u>7,308.89</u>	<u>6,100.09</u>

Note No. 4

	Non Current		Current maturities*	
	As at 31.03.2017	As at 31.03.2016	As at 31.03.2017	As at 31.03.2016
LONG TERM BORROWINGS				
SECURED LOANS				
Term Loans:				
Banks	450.00	950.00	500.00	400.00
Others	125.18	139.09	13.91	-
	<u>575.18</u>	<u>1,089.09</u>	<u>513.91</u>	<u>400.00</u>
UNSECURED LOANS				
Council of Scientific & Industrial Research (CSIR)	294.72	368.40	73.68	73.68
Bengal & Assam Company Ltd.	-	1,000.00	-	250.00
	<u>294.72</u>	<u>1,368.40</u>	<u>73.68</u>	<u>323.68</u>
	<u>869.90</u>	<u>2,457.49</u>	<u>587.59</u>	<u>723.68</u>

*Amount disclosed under the head "Other Current Liabilities" (Note No.9)

Notes:

1. Corporate loan of ₹ 950 lacs (Previous year ₹ 1350 lacs) taken from bank is secured by second charge on the entire current assets of the company viz., stocks & book debts, etc., both present and future, first charge on the entire fixed assets of the Company including land at Dundigal village, Telangana and Land at Ranpur, Kota Rajasthan, excluding certain specified assets. It is further secured by Hypothecation of entire intangible assets of the Company including the Brand and Patents. It is repayable in, 4 equal installments of ₹ 125 lacs each in FY 2018 and 3 equal installments of ₹ 150 lacs each in FY 2019.
2. Term loan of ₹ 139.09 lacs (Previous year ₹ 139.09 lacs) taken from Biotechnology Industry Research Assistance Council (BIRAC) is secured by First Charge on movable properties of the Company including its movable Plant and Machinery, spares, tools and accessories and other movables, both present and future (Except Book debts) and is repayable in 10 equal half yearly installments of ₹ 13.90 lacs each commencing from October, 2017.
3. a) Unsecured loan of ₹ 368.40 lacs (Previous year ₹ 442.08 lacs) taken from CSIR is repayable in 5 equal yearly installments of ₹ 73.68 lacs each.
 b) Unsecured loan of ₹ 1250 lacs during previous year, taken from M/S. Bengal & Assam Company Ltd. (A Related Party) has been paid.

Note No. 5

	As at 31.03.2017	(₹ In Lacs) As at 31.03.2016
OTHER LONG TERM LIABILITIES		
Interest accrued but not Due	8.25	7.53
Others	14.87	18.14
	<u>23.12</u>	<u>25.67</u>

Note No. 6

LONG-TERM PROVISIONS

Provision for employee benefits

Gratuity	142.68	149.96
Leave encashment	130.57	161.86
	<u>273.25</u>	<u>311.82</u>

Note No. 7

SHORT TERM BORROWINGS

SECURED LOANS

Repayable on Demand from Banks #	2,196.45	2,648.62
	<u>2,196.45</u>	<u>2,648.62</u>

#Working Capital borrowings are Secured by hypothecation of entire current assets viz stocks and book debts etc., both present and future, of the Company and by a second charge on entire fixed assets of the Company including land at Dundigal village, Telangana and Ranpur, Kota, (Rajasthan) and excluding certain specified Fixed assets.

	(₹ In Lacs)	
Note No. 8	As at	As at
TRADE PAYABLE	31.03.2017	31.03.2016
a) Total Outstanding dues of Micro Enterprises & Small Enterprises	20.12	-
b) Total Outstanding dues of Creditors other than Micro Enterprises	8,433.70	6,021.42
	<u>8,453.82</u>	<u>6,021.42</u>

Note No.9		
OTHER CURRENT LIABILITIES		
Current Maturities of Long Term Borrowings	587.59	723.68
Interest Accrued but not due on loan	217.68	207.56
Advance from Customers	5,091.14	4,356.64
Security Deposits	19.24	19.25
Capital Creditors	64.03	7.49
Unclaimed Dividend	2.00	1.34
Unpaid Fractional Shares Balance (₹ 1.87) (Previous year ₹ 1.87)		
Other Liabilities		
Government and Other dues	103.23	76.45
Others	1,721.93	1,103.55
	<u>7,806.84</u>	<u>6,495.96</u>

Note No. 10		
SHORT TERM PROVISIONS		
Provision for Retirement Benefits		
Gratuity	52.54	18.13
Leave Encashment	48.56	22.12
Proposed Dividend	-	108.12
Provision for Corporate Dividend Tax	-	22.01
	<u>101.10</u>	<u>170.38</u>

Note No.11 ₹ in Lacs

FIXED ASSETS

Assets	Gross Value				Depreciation / Amortisation				Net Value	
	As At 01.04.2016	Additions	Sales/ Adjustments	As At 31.03.2017	As at 01.04.2016	For the Year	On Sales / Adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Tangible Assets:										
Land - Freehold	401.61	-	-	401.61	-	-	-	-	401.61	401.61
Land - Leasehold	134.09	-	-	134.09	14.65	2.45	-	17.10	116.99	119.44
Building #	311.15	45.66	-	356.81	140.04	24.68	-	164.72	192.09	171.11
Plant and Equipments@	1,849.83	42.32	0.73	1,891.42	873.04	170.11	0.69	1,042.46	848.96	976.79
Furniture & Fixtures	35.31	4.24	-	39.55	20.35	2.74	-	23.09	16.46	14.96
Office Equipments	242.86	77.97	31.73	289.10	205.85	17.86	30.30	193.41	95.69	37.01
Vehicles	265.29	-	23.31	241.98	99.16	27.03	12.30	113.89	128.09	166.13
	3,240.14	170.19	55.77	3,354.56	1,353.09	244.87	43.29	1,554.67	1,799.89	1,887.05
Previous Year	3,245.33	86.59	91.78	3,240.14	1,153.02	263.15	63.08	1,353.09	1,887.05	2,092.31
Intangibles:										
Brand	2,700.00	-	-	2,700.00	1,890.00	135.00	-	2,025.00	675.00	810.00
Software	66.57	215.79	-	282.36	57.25	4.19	-	61.44	220.92	9.32
	2,766.57	215.79	-	2,982.36	1,947.25	139.19	-	2,086.44	895.92	819.32
Previous Year	2,764.73	1.84	-	2,766.57	1,809.46	137.79	-	1,947.25	819.32	955.27

Includes gross value as at 31.03.2017 of ₹ 279.55 lacs (Previous year ₹ 276.04 lacs) {WDV ₹ 138.62 lacs (Previous year ₹ 149.29 lacs)} on leasehold premises.
 @ Includes gross value as at 31.03.2017 of ₹ 1280.15 lacs (Previous Year ₹ 1271.89 lacs) {WDV ₹ 725.79 lacs (Previous year ₹ 815.67 lacs)} on leasehold premises.
 \$ Including ₹ 26.31 lacs towards dismantling Expenses.

	(₹ In Lacs)	
	As at 31.03.2017	As at 31.03.2016
Note No.12		
DEFERRED TAX ASSET / (LIABILITY) (NET)		
1. Deferred Tax Assets		
i) Expenses / Provisions allowable	199.06	202.56
ii) Unabsorbed depreciation and carried forward losses	-	158.99
Sub-Total	199.06	361.55
2. Deferred Tax Liabilities		
i) Related to Fixed Assets	258.62	279.87
Deferred Tax (Liability) / Asset (Net)	<u>(59.56)</u>	<u>81.68</u>

	As at 31.03.2017	As at 31.03.2016
Note No.13		
LONG TERM LOANS & ADVANCES		
(Unsecured, considered good)		
Deposit with Government & Others	47.43	46.40
Capital Advances	0.89	0.88
MAT Credit Entitlement	1,143.32	1,058.77
Other Loans and Advances*	3.05	5.19
	<u>1,194.69</u>	<u>1,111.24</u>

* Includes Prepaid Expenses and Loans to Employees

	As at 31.03.2017	As at 31.03.2016
Note No. 14		
OTHER NON-CURRENT ASSETS		
(Unsecured, considered good)		
Bank Balance in Deposit Account (Ref Note no.17)	0.16	0.15
	<u>0.16</u>	<u>0.15</u>

	As at 31.03.2017	As at 31.03.2016
Note No. 15		
INVENTORIES		
(As certified by Management)		
Stores, Processing & Packing Material	656.13	531.79
Semi Finished Goods	5,613.01	4,158.22
Finished Goods*	4,980.68	5,077.97
	<u>11,249.82</u>	<u>9,767.98</u>

* Includes Stock in Transit ₹ 10.61 lacs (Previous year ₹18.10 lacs)

	As at 31.03.2017	As at 31.03.2016
Note No. 16		
TRADE RECEIVABLES		
(Unsecured, considered good unless otherwise stated)		
Outstanding for period exceeding six months from the date they are due for payment	4,225.71	3,949.11
Considered Doubtful	124.97	131.19
Less: Provision for doubtful Receivable	(124.97)	(131.19)
Others	5,994.01	4,203.48
	<u>10,219.72</u>	<u>8,152.59</u>

	As at	(₹ In Lacs)
	31.03.2017	As at
		31.03.2016
Note No.17		
CASH & BANK BALANCE		
Cash & Cash Equivalents		
Cash on hand	0.46	2.09
Cheques on hand	-	5.00
Balances with Scheduled Banks :		
On Current Accounts	67.20	88.73
Other Bank Balances		
On Deposit Accounts maturing after 3 months but before 12 months*	460.77	308.47
On Deposit Accounts maturing after 12 months*	0.16	0.15
Unclaimed dividend accounts	2.00	1.34
Fractional shares Balance Account (₹ 1.87) (Previous year ₹ 1.87)		
	<u>530.59</u>	<u>405.78</u>
Less: Amout disclosed under Other Non Current Assets (Note No.14)	0.16	0.15
	<u>530.43</u>	<u>405.63</u>
* Includes ₹ 182.55 lacs (Previous year ₹ 60.98 lacs) Pledged		
Note No.18		
SHORT TERM LOANS & ADVANCES		
(Unsecured, considered good unless otherwise stated)		
Others		
Inter Corporate Deposit*	-	1,000.00
Advance to Suppliers	906.24	688.31
Advance to Employees	43.35	39.31
Prepaid Expenses	37.21	54.73
Deposit with Government Authorities	257.45	251.76
Advance payment of Income Tax	273.16	291.72
Net of Provisions (Incl. Interest) ₹1749.33 Lacs (Previous Year ₹1412.03 Lac)		
Others	34.58	18.90
	<u>1,551.99</u>	<u>2,344.73</u>
* Given to M/S. BMF Investment Limited to meet their Short/Medium term requirements		
Note No. 19		
OTHER CURRENT ASSETS		
Interest Accrued	10.70	21.47
	<u>10.70</u>	<u>21.47</u>
Note No. 20		
REVENUE FROM OPERATIONS		
	2016-17	2015-16
1. Sales: Seeds	18,716.33	18,177.56
Others	346.33	452.17
2. Other Operating Revenues		
Liabilities no longer required written back	76.74	90.66
Insurance Claims	8.39	9.05
Miscellaneous Income	150.13	147.55
	<u>19,297.92</u>	<u>18,876.99</u>

(₹ In Lacs)

	<u>2016-17</u>	<u>2015-16</u>
Note No. 21		
OTHER INCOME		
Interest on Deposit with Banks & others	48.54	142.57
Profit on Sales/Discard of Assets (Net of Loss of ₹ 0.78 lacs (PY ₹ Nil))	1.74	-
Foreign Exchange Fluctuation	6.04	-
	<u>56.32</u>	<u>142.57</u>
Note No. 22		
COST OF MATERIALS CONSUMED		
Purchase of Seeds	8,813.07	7,452.23
Purchase of Other Agri Products	193.83	270.81
Consumption of Packing Materials & Others	736.20	726.53
	<u>9,743.10</u>	<u>8,449.57</u>
Note No. 23		
Changes in Inventories of Finished Goods work-in-progress and Stock-in-Trade		
Opening Stock		
- Semi Finished Goods		
Seeds	4,158.22	3,948.27
- Finished Goods	5,077.97	5,085.18
	<u>9,236.19</u>	<u>9,033.45</u>
Closing Stock		
- Semi Finished Goods		
Seeds	5,613.01	4,158.22
- Finished Goods	4,980.68	5,077.97
	<u>10,593.69</u>	<u>9,236.19</u>
(Increase)/Decrease in Stocks	<u>(1,357.50)</u>	<u>(202.74)</u>
Note No. 24		
EMPLOYEE BENEFIT EXPENSES		
Salaries, Wages, Allowance, etc.	2,415.02	2,265.79
Contribution to Provident and other Funds	116.61	116.64
Employees' Welfare and other Benefits	213.46	261.46
	<u>2,745.09</u>	<u>2,643.89</u>
Note No. 25		
FINANCE COST		
Interest Expenses	741.25	1,078.79
Other Borrowing costs	34.57	27.17
	<u>775.82</u>	<u>1,105.96</u>

(₹ In Lacs)

	<u>2016-17</u>	<u>2015-16</u>
Note No. 26		
OTHER EXPENSES		
Processing Charges	239.96	132.32
Power & Fuel	42.62	43.64
Repair & Maintenance- Machinery	10.19	11.91
Labour expenses	198.43	215.07
Rent	285.78	273.82
Rates & Taxes	3.43	0.62
Insurance	54.17	40.74
Discount	243.82	277.78
Freight & Transportation	694.08	755.54
Advertisement	1,037.43	1,271.31
Royalty	174.00	697.98
Directors' Fees	16.96	18.59
Farming Expenses	411.81	470.29
Travelling	629.82	548.39
Commission	272.58	173.74
Loss on Sales/Discard of Assets (Net of Profit of ₹ Nil (PY ₹ 4.89 lacs)	-	1.10
Foreign Exchange Fluctuation (Net)	-	5.98
Provision for Bad Debts	19.02	30.00
Bad Debts and Advances Written off	529.40	
Less : Withdrawal from provision for doubtful debts and advances	41.32	
Debtors and Advances Writtenoff (Net)	488.08	-
Printing & Stationery, Postage, Telephone and other and other Miscellaneous Expenses etc.	638.70	744.88
	<u>5,460.88</u>	<u>5,713.70</u>

27. Pursuant to the Scheme of Arrangement and Demerger transfer of authorized Capital of ₹ 4250 lacs divided into 50,00,000 preference share capital of ₹ 85/- each is pending for transfer from Florence Investech Limited to the Company as authorized capital divided into 4,25,00,000 unclassified shares of ₹ 10 each as per the Scheme.

28. Estimated amount of contracts net of advances amounting to ₹ Nil lacs (Previous year ₹ 19.93 lacs) remaining to be executed on capital account.

29. (A) Contingent liabilities, not provided for in respect of :

(i) Claims by certain parties against the company not accepted and not provided for ₹ 134.42 lacs (Net of ₹ 99.00 lacs indemnified by another party) (Previous Year ₹ 120.72 lacs (Net of ₹ 99.00 lacs indemnified by another party)).

(ii) Income Tax (matters in appeals) of ₹ 560.71 lacs (Previous year ₹ 606.95 lacs) & Sales tax (Matters in appeals) of ₹ Nil lacs (Previous year ₹ 7.25 lacs).

In respect of certain disallowances and additions made by the Income Tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

(B) Company acted as a facilitator and has extended guarantees to Yes Bank Limited ₹ 3097.36 lacs (Previous year ₹ 2859.33 lacs) for loans provided to the farmers.

30. The Company has challenged the notice of the Income Tax assessing officer for reopening of the income tax assessment order for the year ended 31.03.2009 (Assessment year 2009-10), in High Court of Calcutta. Hon'ble High court of Calcutta vide its order dated 26.03.2015 has granted interim stay.

31. (a) In terms of disclosure requirements stated in Accounting Standard on Intangible Assets (AS-26) notified by the Companies (Accounting Standards) Rules, 2006 the management considered it appropriate to amortize "J.K.SEEDS" brand over a period of 20 years (balance 5 years as on Balance Sheet date) from the date of its acquisition, considering nature of business, life cycle of brand, its inherent value and expected future benefits. The carrying amount of "J.K.SEEDS" brand as on 31st March, 2017 is ₹ 675 lacs which is to be amortized in over the balance period of 5 years.

(b) Software is amortized over a period of 5 years from the year of installation.

32. Expenditure on Research and Development (R&D) activities during the year: ₹ in lacs

Particulars	2016-17	2015-16
Recurring Expenses*		
Employees Cost	521.88	507.08
Farming Expenses	411.81	470.29
Other Expenses	323.00	366.01
Total Recurring Expenses	1256.69	1343.38
Total Capital Expenditure	52.99	0.19
Total R & D Expenses (incl. Capital Expenditure)	1309.68	1343.57

* Included in respective account

33. Amount paid to Auditors: ₹ in lacs

Statutory Auditors	2016-17	2015-16
Audit Fee	2.75	2.75
Taxation	0.75	0.75
Certification & Other Charges	1.56	0.70
Reimbursement of expenses	0.15	0.13
	5.21	4.33

34. a) Debtors over six months are net of provision made for doubtful Debts of ₹ 124.97 lacs (Previous year ₹ 131.19 Lacs).

Overdue Receivables exceeding six months includes ₹ 3228.09 lacs (Includes ₹ 176.48 lacs given towards Security Deposit shown under the heading "Deposit with Government Authorities and others" in Note no.18) from various State Governments Bodies out of which ₹ 1943.77 lacs from Rajasthan Government body along with Security Deposit given amounting to ₹ 121.68 lacs. In view of the fact that the materials supplied met all the quality specifications and was accepted by the governments, the receivable is considered good and recoverable. Further during the year, the Company has filed a petition under Sec 11 of The Arbitration and Conciliation Act, 1996 before the Hon'ble High Court of Rajasthan, Jaipur.

b) Advance to suppliers are net of provision made for Doubtful advances of ₹ 24.45 lacs (Previous year ₹ 40.53 lacs).

c) Some of the balances of debtors, loans & advances and current liabilities are in the process of confirmation/ reconciliation.

35. a) Income tax calculation has been made considering certain expenses/adjustments available as assessed by the management.

b) The Company has filed a Writ Petition before the Hon'ble High Court of Calcutta seeking directions for acceptance of revised Income Tax returns by the Income Tax Department, ("the Department") for the Financial years 2005-06 to 2010-11, which had been treated as Nonest by the department vide its Notice dated 17th February, 2014. The above revised returns were filed by the Company with the Department pursuant to the Scheme of Arrangement and Demerger (the Scheme) approved by Hon'ble High court of Calcutta on 17th October, 2012, giving impact of the Scheme from 1st April , 2005, during the financial year 2012-13.

36. Foreign Currency exposure not hedged as at Balance sheet date:
Foreign Currency exposure unhedged net receivable ₹113.73 lacs – US \$ 175400 (Previous year ₹ 183.15 lacs – US \$ 276100) and net payable ₹0.01 lacs – Euro 20(Previous year ₹ 0.50 lacs – US \$ 753).

37. The details of amounts outstanding under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) to the extent information available with the Company are as under: (i) Principal & Interest amount due and remaining unpaid as at 31.03.2017: Nil (Previous year: Nil) (ii) Payment made beyond the appointed day during the year: Nil (Previous Year: Nil) and (iii) Interest accrued and unpaid as at 31.03.2017: Nil (Previous year: Nil).

38. Production and Purchase of Seeds & Others Consumed:

	2016-17		2015-16	
	Amount (₹ in lacs)	% of total Consumption	Amount (₹ in lacs)	% of total Consumption
Indigenous	8428.19	93.52	7243.80	93.78
Imported	583.75	6.48	480.80	6.22
Total	9011.94	100.00	7724.60	100.00

An amount of ₹ 5.04 lacs (Previous year ₹ 1.56 lacs) included above is grouped under Farming Expenses.

39. Stores, Consumables, Packing Materials & Others consumed:

	2016-17		2015-16	
	Amount (₹ in lacs)	% of total Consumption	Amount (₹ in lacs)	% of total Consumption
Indigenous	803.51	100.00	803.44	97.49
Imported	0.52	0.00	20.66	2.51
Total	804.03	100.00	824.10	100.00

An amount of ₹ 67.83 lacs (Previous year ₹ 97.57 lacs) included above is grouped under Farming Expenses.

40. CIF Value of Imports

	₹ in lacs	
	2016-17	2015-16
Seeds	538.48	450.22
Consumables & Spare Parts (R & D)	0.52	19.06
Total	539.00	469.28

41. A. Expenditure in Foreign Currency (as remitted) :

	2016-17	2015-16
Others	26.25	8.63
Capital Expenditure	32.62	--
Total	58.87	8.63

B. Remittance in foreign Currency on account of Dividend for the year 2015-16 (Previous year 2014-15)

i. Number of Non-resident shareholders	1	1
ii. Number of Equity Shares held by them	217749	217749
iii. Amount of Dividend Remitted.	6.53	6.53

42. Earnings in Foreign Exchange

	2016-17	2015-16
F.O.B value of exports	1,164.46	831.14
Other	--	26.71
Total	1164.46	857.85

43. The disclosures required under Accounting Standard (AS-15) "Employees Benefits" notified in the Companies (Accounting Standards) Rules, 2006 are as given below:

Defined Benefits Plans / Long Term Compensated Absences-As per Actuarial Valuation on 31st March, 2017.

(i)

	2016-17		2015-16	
	Gratuity Non Funded	Leave Encashment Non Funded	Gratuity Non Funded	Leave Encashment Non Funded
I Expenses recognised in the Statement of Profit & Loss Account for the Period ended 31 st March, 2017				
1 Current Service Cost	26.65	20.01	27.45	44.77
2 Past Service Cost	--	--	--	--
3 Interest Cost	13.10	10.86	10.96	9.22
4 Expected returns on plan assets	--	--	--	--
5 Actuarial (Gain)/Losses	19.27	5.54	4.75	(20.55)
6 Total expenses	59.02	36.41	43.16	33.44
II Net Asset / (Liability) recognised in the Balance sheet as at 31 st March, 2017				
1 Present Value of Defined Benefit Obligation as at 31 st March, 2017	195.23	151.59	168.10	139.45
2 Fair Value of plan assets as at 31 st March, 2017	--	--	--	--
3 Funded status Surplus/(Deficit)	--	--	--	--
4 Net Asset / (liability) as at 31 st March, 2017	(195.23)	(151.59)	(168.10)	(139.45)
III Change in obligation during the period ended 31 st March, 2017				
1 Present Value of Defined Benefit Obligation at the beginning of the year	168.10	139.45	140.53	124.38
2 Current Service Cost	26.65	20.01	27.45	44.77
3 Past Service Cost	--	--	--	--
4 Interest Cost	13.10	10.86	10.96	9.22
5 Actuarial (Gain)/Losses	19.27	5.54	4.75	(20.55)
6 Benefits Payments	(31.89)	(24.27)	(15.59)	(18.37)
7 Present Value of Defined Benefits Obligation at the end of the year	195.23	151.59	168.10	139.45
IV Change in Assets during the period ended 31 st March, 2017	Nil	Nil	Nil	Nil
V The major categories of plan assets as % of total plan	Nil	Nil	Nil	Nil
VI Actuarial Assumptions				
1. Discount Rate	6.87%		7.80%	
2. Expected rate of return on plan assets	-		-	
3. Mortality	100% of IALM (2006-2008)		100% of IALM (2006-2008)	
4. Turnover rate	Age upto 30-22%, upto 45 – 22%, above 45 –22%		Age upto 30-8%, upto 45 – 7%, above 45 –5.5%	
5. Salary Escalation	5.00%		5.00%	

Note:

- a) **Defined Benefit Plans**
Amounts recognized as expense and included in the Note 24:
Item "Salaries, Wages, Allowance, etc" includes ₹ 59.02 lacs (Previous year ₹ 43.16 lacs) for gratuity, ₹ 36.41 lacs (Previous year, ₹ 33.44 lacs) for leave encashment.
- b) **Defined Contribution Plans**
Amount recognized as an expense and included in the Note 24 "Contribution to Provident and other Funds" of Statement of Profit & Loss ₹ 115.96 lacs (Previous year ₹ 116.64 lacs).
- c) The estimates of future salary increase considered in actuarial valuation takes account of inflation, seniority, promotion and other relevant factors, such as demand and supply in the employment market.
- d) **Experience Adjustment:**

(₹ in Lacs)

Particulars	Gratuity					Leave Encashment				
	2016-17	2015-16	2014-15	2013-14	2012-13	2016-17	2015-16	2014-15	2013-14	2012-13
Present Value of Defined Value of Obligation	195.23	168.10	140.53	112.92	98.82	151.59	139.45	124.37	100.15	86.59
Fair Value of Planned Assets	-	-	-	-	-	-	-	-	-	-
Surplus / (Deficit)	(195.23)	(168.10)	(140.53)	(112.92)	(98.82)	(151.59)	(139.45)	(124.37)	(100.15)	(86.59)
Expected Adjustment of Plan Liabilities (Gain) / Loss	(5.11)	5.03	(0.10)	(1.52)	1.26	(19.20)	(20.55)	(10.88)	(9.89)	3.01
Expected Adjustment of Plan Assets (Gain)/ Loss	-	-	-	-	-	-	-	-	-	-

44. There is only one business segment – Agri & Allied products.

45. **Related Party:**

Relationships

Key Management Personnel : Shri Sanjay Kumar Gupta, President & Whole Time Director
: Shri Amit Agarwal, Chief Financial Officer
: Shri Anoop Singh Gusain, Company Secretary

Associates : Florence Investech Ltd (FIL)
: Bengal & Assam Company Ltd (BACL)

Other Related parties where

Directors are interested : Pushpawati Singhania Research Institute (PSRI)

The following transactions were carried out with related parties in the ordinary course of business:

Nature of Transaction	(₹ in lacs)	
	2016-17	2015-16
Loans Received from BACL	--	1000.00
Loans Repaid to BACL	1250.00	250.00
Interest Paid to BACL	22.31	151.21
Contribution to PSRI	50.00	50.00

Remuneration paid to Whole-time Director ₹ 154.03 lacs (Previous year ₹ 144.76 lacs). Remuneration paid to Chief Financial Officer ₹ 79.52 lacs (Previous year ₹ 71.12 lacs) & Company Secretary ₹ 10.36 lacs (Previous year ₹ 9.05 lacs)

46. **Earnings per Share**

	2016-17	2015-16
a) Profit/(Loss) after Tax (₹ in lacs)	1208.80	801.74
b) Weighted average no. of Equity Shares (Nos.)	3603906	3603906
c) Nominal Value of Equity Share (₹)	10	10
d) Earnings per Equity Share (₹)		
- Cash	48.12	36.33
- Basic & Diluted	33.54	22.25

47. Events occurring after the Balance sheet Date

Dividend proposed to distributed for Equity Shareholders @ ₹ 4/- per share amounting to ₹ 173.51 lacs (including Dividend Corporate Tax of ₹ 29.35 lacs).

As per the Companies (Accounting Standards) Amendment Rules, 2016, the proposed dividend to the shareholder is recognized as a liability in the period in which the Dividend are approved by the shareholder in the Annual General Meeting.

48. Impairment of Assets:

The Company carries out a periodic review of all its assets with a view to identify any impairment. Impairment of assets, if any, identified on the basis of such review is accounted for in the books as required by the Accounting Standard on Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India. There is no Impairment of assets which has not been accounted.

49. Royalty payable on BG II Cotton Sales has been provided as per the Central Government Notification No.S.O.686(E) Dated 8th March, 2016.

50. Details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016

	₹ in lacs		
	SBNs	Other denomina- tion notes	Total
Closing cash in hand as on 08.11.2016	0.53	3.40	3.93
(+) Permitted receipts		5.57	5.57
(-) Permitted payments	0.53	4.30	4.83
(-) Amount deposited in Banks	--	--	--
Closing cash in hand as on 30.12.2016	--	4.67	4.67

51. Leases

Operating Lease

Factory Premises and Vehicles have been obtained on lease. Lease rentals in case of factory premises on cancellable lease have escalation clause while there is no escalation in case of Vehicles except for change in taxes, if any. There are no significant restrictions imposed by Lease agreements. There are no sub leases.

	₹ in Lacs	
	<u>As at 31.3.2017</u>	<u>As at 31.3.2016</u>
Lease Payments		
Lease Payments during the year	155.90	146.99
Not later than one year	161.69	155.95
Later than one year and not later than five years	273.28	441.65

52. CSR expenses amounting to ₹ 27.70 lacs (Previous Year ₹ 22.44 lacs) have been included in Miscellaneous Expenses under the head "Other Expenses" in note no.26.

53. During the year the Company has received a grant of ₹ 11.10 lacs (Previous year ₹ 22.94 lacs) from BIRAC, the same is netted from expenses.

54. Previous year's figures have been re-grouped/re-classified/recast wherever necessary.

55. Figures less than ₹ 500/- has been shown at actuals in Bracket.

As per our report of even date.

For LODHA & CO.
Chartered Accountants
Firm Registration No.301051E

N.K. LODHA
Partner

Membership No.85155
Hyderabad, the 10th May 2017

AMIT AGARWAL
Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

BHARAT HARI SINGHANIA Chairman
DR. RAGHUPATI SINGHANIA Directors
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
J.R.C. BHANDARI
SWAROOP CHAND SETHI
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Cash Flow Statement for the period ended 31st March, 2017

(₹ In Lacs)

	2016-17	2015-16
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	1,602.79	908.24
Adjustment for :		
Depreciation / Amortisation	384.06	400.94
Interest Expenses	775.82	1,105.96
(Profit)/Loss on sale of Assets	(1.74)	1.10
Foreign Exchange Fluctuation	2.36	1.64
Interest Received	(48.54)	(142.57)
Provision for Doubtful Debts/Advances	19.02	30.00
Bad Debts and Advances Written off	488.08	-
Liabilities no longer required written back	(76.74)	(90.66)
Operating Profit before working capital changes	3,145.11	2,214.65
(Increase)/ Decrease in Trade and Other Receivables	(1,798.95)	(1,040.73)
(Increase)/ Decrease in Inventories	(1,481.83)	(103.53)
Increase/ (Decrease) in Trade and Other Payables	3,905.43	458.18
Cash generated from Operations	3,769.76	1,528.57
Direct taxes Net	(318.74)	(257.10)
Net Cash from Operating Activities	3,451.02	1,271.47
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(329.45)	(96.79)
Sale of Fixed Assets	14.22	27.60
Interest Received	59.31	130.62
Net Cash from / (used in) Investing activities	(255.92)	61.43
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Long Term borrowings	0.00	1,192.49
Repayment of Long Term borrowings	(1,723.68)	(1,135.72)
Proceeds/(Repayments) from Short Term borrowings (Net)	(452.17)	(18.88)
Interest Paid	(764.98)	(1,138.58)
Dividend Paid (Including Dividend Distribution Tax)	(130.13)	(130.13)
Net cash from / (Used in) financing activities	(3,070.96)	(1,230.82)
Net Increase / (Decrease) in Cash and Cash equivalents	124.14	102.08
Cash and Cash equivalents as at the beginning of the year	404.29	302.21
Cash and Cash equivalents as at the end of the year	528.43	404.29
Notes:		
1 Cash and Bank Balances Include:		
- Cash, Cheques in hand and Remittances in transit	0.46	7.09
- Balances with Scheduled Banks including deposits#	527.97	397.20
Cash and Bank Balances	528.43	404.29
#Excludes earmarked balance in unclaimed Dividend Account		

As per our report of even date.

For LODHA & CO.
Chartered Accountants
Firm Registration No.301051E

N.K. LODHA
Partner
Membership No.85155
Hyderabad, the 10th May 2017

AMIT AGARWAL
Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

BHARAT HARI SINGHANIA Chairman
DR. RAGHUPATI SINGHANIA Directors
SANJEEV KUMAR JHUNJHUNWALA
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