

JKAGL: SECTL: SE: 2021

Date: 13<sup>th</sup> August 2021

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

Scrip Code: 536493

Through: BSE Listing Centre

Dear Sir/Madam,

**Re: Intimation of 21<sup>st</sup> AGM/ Cut-off Date for E-voting, Notice of AGM &  
Annual Report**

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1. We have to inform you that the 21<sup>st</sup> Annual General Meeting (AGM) of the Company will be held on Tuesday, the 7<sup>th</sup> September 2021 at 3:00 P.M. IST through Video Conferencing (VC)/ Other Audio Visual Means (OAVM), in accordance with the applicable provisions of the Companies Act, 2013 (Act) and the Rules made thereunder and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with relevant circulars issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

2. Further, pursuant to Regulations 30, 34 read with Schedule III of the SEBI Listing Regulations and relevant Circulars issued by MCA and SEBI, we submit herewith the Annual Report for the Financial Year 2020-21 ended 31<sup>st</sup> March 2021 and the Notice convening the 21<sup>st</sup> AGM, being sent to the Members by email whose email addresses are registered with the Company/Depository Participant(s). The said documents are also uploaded on the website of the Company at [www.jkagri.com](http://www.jkagri.com).

3. In compliance with the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules 2014, Regulation 44 of the SEBI Listing Regulations and SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P2020/242 dated 9<sup>th</sup> December 2020, the Company is pleased to provide the Members, facility to exercise their right to vote at the 21<sup>st</sup> AGM by electronic means and the business mentioned in the AGM Notice may be transacted through e-voting services provided by Central Depository Services (India) Limited. The details such as manner of casting vote through e-voting, attending the AGM through VC/ OAVM and registering/ updating email addresses etc. has been set out in the Notice of the AGM.



4. The Company has fixed 31<sup>st</sup> August 2021 as the 'cut-off date' for ascertaining the names of the Members, holding shares either in physical form or in dematerialised form, who will be entitled to cast their votes electronically during 4<sup>th</sup> September 2021 (10.00 A.M.) to 6<sup>th</sup> September 2021 (5:00 P.M.) and also during the AGM in respect of the business to be transacted at the aforesaid AGM.

You are requested to disseminate the above on your website.

Thanking you,

Yours faithfully,  
For JK Agri Genetics Ltd.



Anoop Singh Gusain  
Company Secretary & Compliance Officer

Encl: as above

CC: - National Securities Depository Ltd. Mumbai  
- Central Depository Services (India) Ltd., Mumbai  
- Alankit Assignments Ltd., Registrar and Share Transfer Agent

 **JK AGRI GENETICS LTD****NOTICE**

NOTICE is hereby given that the **21<sup>st</sup> Annual General Meeting** of the Members of **JK Agri Genetics Limited** will be held on **Tuesday, 7<sup>th</sup> September 2021** at **03.00 P.M.** Indian Standard Time through Video Conferencing (VC) or Other Audio Visual Means (OAVM), to transact the following business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To declare Dividend.
3. To appoint a Director in place of Shri Vikrampati Singhania (DIN: 00040659), who retires by rotation and being eligible, has offered himself for re-appointment.
4. To consider and if thought fit to pass, the following as a **Special Resolution**:

“RESOLVED that pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, approval of the Members, be and is hereby accorded to the continuation of directorship of Dr. Raghupati Singhania (DIN: 00036129), as a ‘Non-Executive, Non-Independent Director’ of the Company, liable to retire by rotation.

RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things as it may deem necessary and/or expedient to give effect to this resolution.”

5. To consider and if thought fit to pass, the following as a **Special Resolution**:

“RESOLVED that pursuant to the provision of Section 197 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Schedule V thereto and the Rules made thereunder and Regulation 17 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and the Special Resolution passed by the Members at the Annual General Meeting held on 5<sup>th</sup> September 2018 and

based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, Shri Vikrampati Singhania (DIN: 00040659), Managing Director of the Company be paid remuneration as approved by the Members in the aforesaid Special Resolution of 2018 (referred in the annexed Explanatory Statement) with an increase in monthly Salary Range from ₹ 23 lacs per month - ₹ 55 lacs per month to ₹ 23 lacs per month - ₹ 65 lacs per month as ‘Minimum Remuneration’ in the event of inadequacy or absence of profits in any financial year or years during his remaining term from 1<sup>st</sup> April 2021 to 6<sup>th</sup> May 2023.

RESOLVED FURTHER that the Board of Directors of the Company or a Committee thereof be and is hereby authorised to vary and/or revise the remuneration of Shri Vikrampati Singhania, as Managing Director within the overall limits approved herein and to settle any question or difficulty in connection therewith and incidental thereto.”

6. To consider and if thought fit to pass, the following as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof for the time being in force and subject to necessary approval(s), if any, from the competent authorities, approval of the Members of the Company be and is hereby accorded to adopt the altered Memorandum of Association, as uploaded on the website of the Company in substitution of the existing Memorandum of Association of the Company.

RESOLVED FURTHER that the existing Clause III and IV of the Memorandum of Association of the Company be and are hereby altered in the following manner:

- (a) The heading of the existing Clause III “The Objects for which the Company is established are:” stands deleted.
- (b) The heading of the existing Clause III(A)

“The Main Objects to be pursued by the Company on its incorporation are” be substituted with “The Objects to be pursued by the Company on its incorporation are”.

- (c) Sub-clauses 1 & 2 of existing Clause III(A) be retained under Clause III(A) and new sub-clause 3 be inserted after sub-clause 2 under Clause III(A).
- (d) The heading of existing Clause III(B) “The objects incidental or ancillary to the attainment of the main objects of the Company are” be substituted with “Matters which are necessary for furtherance of the objects specified in Clause III(A) are” and all sub-clauses 1 to 31 appearing in the existing Clause III(B) be substituted with new sub-clauses 1 to 31 under Clause III(B).
- (e) The heading of existing Clause III(C) “The other objects for which the Company is established are:” is deleted and all sub-clauses 1 to 25 appearing in the existing Clause III(C) be substituted with new sub-clauses 1 to 25 and be inserted as sub-clauses 32 to 56 under Clause III(B).
- (f) The existing Clause IV be substituted with the following new Clause IV:
  - IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them.

RESOLVED FURTHER that the Board of Directors of the Company including Committee thereof as authorised by the Board and Dr. Gyanendra Shukla, President & Director and Shri Anoop Singh Gusain, Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary and/ or expedient and to settle any question, difficulty or doubt that may arise in regard thereto, without requiring to seek any further approval of the Members of the Company, including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, for the purpose of giving effect to this Resolution.”

- 7. To consider and if thought fit to pass, the following as a **Special Resolution**:

“RESOLVED that pursuant to the provisions of Sections 5, 14 and other applicable provisions,

if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014, including any statutory modification(s) or re-enactment(s) thereof for the time being in force and subject to necessary approval(s), if any, from the competent authorities, approval of the Members of the Company be and is hereby accorded to adopt new Articles of Association, as uploaded on the website of the Company, in substitution of the existing Articles of Association of the Company.

RESOLVED FURTHER that the Board of Directors of the Company including Committee thereof as authorised by the Board and Dr. Gyanendra Shukla, President & Director and Shri Anoop Singh Gusain, Company Secretary of the Company, be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed necessary and/ or expedient and to settle any question, difficulty or doubt that may arise in regard thereto, without requiring to seek any further approval of the Members of the Company, including acceptance of any changes as may be suggested by the Registrar of Companies and/or any other competent authority, for the purpose of giving effect to this Resolution.”

Regd. Office:

7, Council House Street,  
Kolkata-700 001

CIN: L01400WB2000PLC091286

Website: [www.jkagri.com](http://www.jkagri.com)

Email: [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com)

Phone: +9133-22486181,

Fax: +9133-22481641

Date: 2<sup>nd</sup> August 2021

By Order of the Board

Anoop Singh Gusain

Company Secretary

#### NOTES:

- 1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs vide its Circular dated 13<sup>th</sup> January 2021 have permitted holding of Annual General Meeting (AGM) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) without physical presence of members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013, MCA Circulars and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular dated 15<sup>th</sup> January 2021, the 21<sup>st</sup> AGM of the Members of the Company will be held



through VC/OAVM. The venue of the AGM shall be deemed to be the Registered Office of the Company.

2. The Statement pursuant to Section 102 of the Companies Act, 2013 (the Act) in respect of Item No(s). 4 to 7 of the Notice set out above, is annexed hereto. The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) read with the provisions of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') of persons seeking re-appointment/continuation of Directorship, is also annexed.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. Hence, Proxy Form and Attendance Slip including Route Map are not annexed to this Notice.
4. Institutional/ Corporate Members (i.e. other than individuals, HUF, NRI, etc.) required to send their authorised representatives to attend the AGM are requested to send by email at [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com), a scanned copy (PDF / JPG Format) of their respective Board or governing body Resolution/ Authorisation etc., authorising such representatives to attend the AGM through VC / OAVM on their behalf and to vote through remote e-Voting.
5. The Members can join the AGM held through VC/OAVM fifteen (15) minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in this Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 Members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship

Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

6. The Register of Director(s) and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act and the relevant documents referred to in this Notice will be available electronically for inspection by the Members during the AGM. All the documents referred to in this Notice will also be available electronically for inspection without any fee by the Members from the date of circulation of this Notice up to the date of the AGM.

Members seeking to inspect such documents can send an e-mail to [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com).

Further, Members seeking any information with regard to the accounts or any matter to be placed at the AGM, may write to the Company on or before 31<sup>st</sup> August 2021 through email at [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com). The same will be replied by the Company suitably.

7. **Dispatch of Annual Report through electronic mode:** In compliance with the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant(s) (DPs). Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website at [www.jkagri.com](http://www.jkagri.com), website of the Stock Exchange, i.e. BSE Limited at [www.bseindia.com](http://www.bseindia.com) and on the website of Depository i.e. Central Depository Services (India) Limited (CDSL) at [www.evotingindia.com](http://www.evotingindia.com).

**For receiving all communication (including Notice and Annual Report) from the Company electronically:**

(a) Members holding shares in physical mode and who have not registered / updated their email address with the Company are requested to register / update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com) or [rta@alankit.com](mailto:rta@alankit.com);

(b) Members holding shares in dematerialised mode are requested to register / update their

email addresses with the respective Depository Participant(s).

**8. INSTRUCTIONS FOR E-VOTING AND JOINING THE AGM THROUGH VC/ OAVM ARE AS FOLLOWS:**

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI Listing Regulations and the SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December 2020 in relation to e-Voting Facility provided by Listed Entities, the Company is pleased to provide Members, facility to exercise their right to vote at the 21<sup>st</sup> AGM by electronic means and the business may be transacted through Remote e-Voting (e-Voting) services provided by CDSL. Remote e-Voting is optional. The facility of e-Voting shall also be made available at the AGM and the Members attending the AGM who have not already cast their vote by remote e-Voting shall be eligible to exercise their right to cast vote during the AGM.

**(A) The instructions for Members for Remote E-voting are as under:**

- (i) The Remote e-Voting period begins on Saturday, 04<sup>th</sup> September 2021 (10:00 A.M.) and ends on Monday, 06<sup>th</sup> September 2021 (5:00 P.M.). During this period, Members of the Company holding shares either in physical form or in dematerialised form, as on Tuesday, 31<sup>st</sup> August 2021 i.e. cut-off date, may cast their vote electronically. The e-Voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have already voted prior to the meeting date would not be entitled to vote on the date of AGM.

**(B) Login method for Remote e-Voting (e-Voting) and joining virtual meeting for Individual Members holding shares in demat mode:**

In terms of SEBI Circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December 2020 on e-Voting facility provided by Listed Entities, e-Voting process has been enabled for all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / Depository Participants (DPs) in order to increase the efficiency of the

voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP), thereby, not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. **Members are advised to register / update their mobile number and e-mail ID with their DPs in order to access e-Voting facility and/or attend the AGM.**

Individual Members holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants.

Type of Members	Login Method
<b>Individual Members holding shares in Demat mode with CDSL</b>	<p><b>1) Users who have opted for Easi / Easiest facility:</b></p> <ul style="list-style-type: none"> <li>(i) Members can login through their existing user Id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest is <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on 'Login' icon and select 'New System Myeasi'.</li> <li>(ii) Enter your User ID &amp; Password for accessing Easi/ Easiest.</li> <li>(iii) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the e-Voting is in progress as per the information provided by company. On clicking the e-Voting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, links are also provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user</li> </ul>

	<p>can visit the e-Voting service providers website directly.</p> <p><b>2) Users who have not opted for Easi/Easiest facility:</b></p> <p>(i) Option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>(ii) Proceed to complete registration using your 16 digit Beneficiary ID</p> <p>(iii) After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.</p> <p><b>3) Alternatively, the user can directly access the e-Voting page of CDSL as per the following procedure:</b></p> <p>(i) Type in the browser/click on the following link <a href="http://www.cdslindia.com">www.cdslindia.com</a> / <a href="https://www.evotingindia.com">https://www.evotingindia.com</a>.</p> <p>(ii) Click on ‘Shareholder/Member’ module.</p> <p>(iii) Provide Demat Account Number and PAN No.</p> <p>(iv) System will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account.</p> <p>(v) After successful authentication, user will be able to see the e-Voting option where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p><b>Individual Members holding shares in demat mode with NSDL</b></p>	<p><b>1) Users registered for NSDL IDeAS facility:</b></p> <p>(i) Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section.</p>

	<p>(ii) A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.</p> <p>(iii) Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p><b>2) Users not registered for IDeAS e-Services:</b></p> <p>(i) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>(ii) Proceed to complete registration using your DPID, Client ID, Mobile Number etc.</p> <p>(iii) After successful registration, please follow steps given under Sr. No. 1 above to cast your vote.</p> <p><b>3) Alternatively, the user can directly access the e-Voting page of NSDL as per the following procedure:</b></p> <p>(i) Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com">https://www.evoting.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.</p>
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	<p>(ii) A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page.</p> <p>(iii) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<b>Individual Members (holding shares in demat mode) login through their Depository Participants</b>	<p>(i) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After successful login, you will be able to see e-Voting option.</p> <p>(ii) Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>(iii) Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

Individual Members holding shares in demat mode who need assistance for any technical issues related to login through Depositories i.e. CDSL and NSDL may reach out to below helpdesk:

Login type	Helpdesk details
<b>Individual Members holding shares in Demat mode with CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 and 022-23058542-43.
<b>Individual Members holding shares in Demat mode with NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**(C) Login method for e-Voting and joining virtual meeting by Members (other than Individual Members) holding shares in Demat mode & all Members holding shares in Physical mode.**

- a) The Members should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- b) Click on “Shareholders/Members” module.
- c) Now enter your User ID .
  - a. For CDSL: 16 digits beneficiary ID;
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID;
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- d) Next enter the Image Verification as displayed and Click on Login.
- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any company, then your existing password is to be used.
- f) If you are a first time user follow the steps given below:



<b>For Members (other than individuals) holding shares in Demat Form and Physical Form</b>	
PAN	<ul style="list-style-type: none"> <li>• Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both Demat Members as well as Physical Members)</li> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. If both the details are not recorded with the depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (c).

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that company opts for e-Voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i) For Members holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.
- j) Click on the EVSN relevant for **JK Agri Genetics Limited**.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.  
After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- m) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- n) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- o) If a demat account holder has forgotten the login password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
9. **Procedure for Members whose email addresses/Mobile No. are not registered with the Company or Depositories, as the case may be:**
- (i) **Shares held in Physical Mode** - Please provide necessary details like e-mail, mobile no., Folio No., Name of Member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy) or AADHAR (self-attested scanned copy) by email to Company at [jkaglshareholder@jkmil.com](mailto:jkaglshareholder@jkmil.com) / RTA at [rta@alankit.com](mailto:rta@alankit.com).
- (ii) **Shares held in Demat Mode** –  
For Demat Members (other than Individuals) -Please update your email id & mobile no. with your respective Depository Participant (DP).  
**For Individual Demat Members – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.**
10. **Information and instructions for Members attending the AGM through VC/OAVM are as under:**
- (i) Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL



e-Voting system. Members may access the same at <https://www.evotingindia.com> under Shareholders/Members login by using the remote e-Voting credentials. The link for VC/OAVM will be available in Shareholder/Members login where the EVSN of Company will be displayed.

- (ii) Members are encouraged to join the Meeting through Laptops / IPads for better experience.
- (iii) Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- (iv) Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- (v) Members who would like to express their views/ask questions during the AGM may register themselves as a speaker by sending their request on or before 31<sup>st</sup> August 2021 mentioning their name, demat account number/folio number, email id, mobile number at [jkaglshareholder@jkm.com](mailto:jkaglshareholder@jkm.com). The Members who do not wish to speak during the AGM but have queries may send their queries on or before 31<sup>st</sup> August 2021 mentioning their name, demat account number/folio number, email id, mobile number at [jkaglshareholder@jkm.com](mailto:jkaglshareholder@jkm.com). These queries will be replied by the Company suitably.
- (vi) Those Members who have registered themselves as a speaker will only be allowed to express their views/ask questions during the Meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.
- (vii) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the AGM.

11. Members attending the AGM through VC / OAVM shall be reckoned for the purpose of quorum under Section 103 of the Act.

#### 12. Instructions for Members for e-Voting during the AGM are as under:

- (i) The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-Voting

- (ii) Only those Members, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
- (iii) If any votes are cast by the Members through the e-Voting available during the AGM and if the same Members have not participated in the meeting through VC/OAVM facility, then the votes cast by such Members shall be considered invalid as the facility of e-Voting during the meeting is available only to the Members attending the meeting.
- (iv) Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

#### 13. Other Common Instructions:

- (i) Facility for Non – Individual Members and Custodians – Remote e-Voting
  - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - Alternatively, Non Individual Members are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company at [jkaglshareholder@jkm.com](mailto:jkaglshareholder@jkm.com), if they have voted from individual tab and not uploaded same in the CDSL e-Voting system for the scrutinizer to verify the same.

- (ii) If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting system, you may refer the Frequently Asked Questions (“FAQs”) and e-Voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738 ) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

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

- (iii) The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date and a person who is not a Member as on the cut-off date should treat the Notice for information purpose only.
- (iv) Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date may follow the same instructions as mentioned above for e-Voting.
- (v) The Company has opted to provide the same electronic voting system at the Meeting, as used during remote e-Voting, and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the Members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-Voting.
- (vi) The Company has appointed Shri P.K Sarawagi & Associate (Certificate of Practice No. 4882), Company Secretary in practice, as Scrutinizer to scrutinize the process of remote e-Voting and voting on the date of AGM in a fair and transparent manner.
- (vii) The Scrutinizer will after the conclusion of e-Voting at the Meeting, scrutinise the votes cast at the Meeting and votes cast through remote e-Voting, make a consolidated Scrutinizer’s Report and submit the same to the Chairman of the Company or a person authorised by him in writing, who

shall countersign the same. The results declared along with the consolidated Scrutinizer’s Report shall be placed on the Company’s website at [www.jkagri.com](http://www.jkagri.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and shall simultaneously be forwarded to the Stock Exchange. The results of the voting will also be displayed at the Notice Board at the Registered and the Administrative Office of the Company.

- (viii) A person whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date and who has not cast vote by remote e-Voting, and being present at the AGM only shall be entitled to vote at the AGM.

14. The Register of Members and Share Transfer Books of the Company shall remain closed from 1<sup>st</sup> September 2021 to 7<sup>th</sup> September 2021 (both days inclusive).

15. Dividend of Rs. 1.50 per Equity Shares of Rs. 10 each (15%), as recommended by the Board of Directors, if declared at the AGM, will be paid within three weeks of the date of AGM to the members whose names are borne on the Company’s Register of Members on 7<sup>th</sup> September 2021 or to their mandatees. In respect of shares held in dematerialised form, the dividend will be paid on the basis of details of beneficial ownership to be received from the Depositories for this purpose.

Pursuant to Finance Act, 2020, dividend income is taxable in the hands of Members w.e.f. 1<sup>st</sup> April 2020 and the Company is required to deduct tax at source from dividend paid to Members at the prescribed rates. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof as well as our detailed communication already sent to the Members through E-mail which is available at <http://jkagri.com/financials/TDS%20Communication%20to%20Shareholders.pdf>. The Members are requested to update their PAN with their Depository Participant (if shares held in electronic form) and Company / RTA (if shares held in physical form).

## **STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item No. 4**

Dr. Raghupati Singhania, Non-Executive Director of the Company would be attaining the age of 75 years

on 8<sup>th</sup> December 2021. Pursuant to Regulation 17 (1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is required to obtain approval of the Members by means of a Special Resolution for continuation of his directorship.

Dr. Singhania has been Director of the Company since 2013. He is an Eminent Industrialist and Entrepreneur with over 50 years of experience in managing various industries including automotive tyres and tubes, power transmission systems, v-belts, oil seals, material handling systems, high yielding hybrid seeds, bulk drugs, etc. Dr. Singhania is the Chairman & Managing Director of JK Tyre & Industries Ltd. He is also Chairman of J.K. Fenner (India) Ltd., Cavendish Industries Ltd. and JK Tornel, Mexico, apart from being on the Board of various group companies and Foundations in the fields of medical and education. Dr. Singhania is the past Chairman of Automotive Tyre Manufacturers Association and in the past he was President of PHD Chamber of Commerce and Industry. He is also in the National Council of CII, besides his association with other important Business Councils, etc.

The Directors unanimously considered that keeping in view vast business experience and enormous knowledge of Dr. Singhania and the valuable contributions made by him all-along, it will be in the utmost interest of the Company to continue to have him on the Board of the Company.

Except Dr. Raghupati Singhania, Shri Bharat Hari Singhania, Chairman and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors, Key Managerial Personnel of the Company and/or their relatives is in any way concerned or interested, financially or otherwise, in the said Resolution.

The Board recommends the Resolution as set out at Item No. 4 of the Notice for approval of the Members as a Special Resolution.

#### **Item No. 5**

The Members are aware that Shri Vikrampati Singhania was appointed as Managing Director of the Company for a period of five years w.e.f. 7<sup>th</sup> May 2018 with the approval of the Members by way of Special Resolution passed at the Annual General Meeting (AGM) of the Company held on 5<sup>th</sup> September 2018, on the terms of remuneration as summarised below:

(A). Salary: ₹ 37 Lacs per month with such increments as may be decided by the Board from time to time in

the salary range of ₹ 23 Lacs per month to ₹ 55 Lacs per month;

(B). Perquisites, allowances and benefits, including retirement benefits;

(C). Performance Linked Incentive;

(D). Commission: 2% of the net profits computed under Section 198 of the Companies Act, 2013.

The Members at the aforesaid AGM have also approved payment of above specified remuneration (comprising salary, performance linked incentive, perquisites, allowances and benefits) to Shri Vikrampati Singhania as minimum remuneration for a period not exceeding three years in the aggregate, in the event of inadequacy or absence of profits under Sections 197 & 198 of the Act in any Financial Year or years. Due to constant inadequacy of profits, the aforesaid approval of Members for payment of minimum remuneration to Shri Vikrampati Singhania for a period of three years has ended on 31<sup>st</sup> March 2021 and fresh approval of Members is required for payment of minimum remuneration to Shri Singhania for his remaining term i.e., for the period from 1<sup>st</sup> April 2021 to 6<sup>th</sup> May 2023.

Further, considering the present monthly salary and salary range of Shri Vikrampati Singhania, the Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 3<sup>rd</sup> May 2021 recommends revision in his salary range to enable the Board to have adequate flexibility to grant Shri Singhania suitable increments during his remaining term i.e., upto 6<sup>th</sup> May 2023.

Accordingly, and in conformity and furtherance to the Members' Special Resolution passed at the AGM held on 5<sup>th</sup> September 2018, the approval of the Members is now being sought for payment of minimum remuneration to Shri Vikrampati Singhania, Managing Director, in case of inadequacy of profits during his remaining term upto 6<sup>th</sup> May 2023 with an increase in his Salary Range from ₹ 23 lacs per month - ₹ 55 lacs per month to ₹ 23 lacs per month - ₹ 65 lacs per month as contained in proposed resolution at item no. 5 of the Notice.

Shri Vikrampati Singhania is also Managing Director of J.K. Fenner (India) Limited (JKFIL). In terms of Section V of Part II of Schedule V to the Act, Shri Singhania is entitled to and may draw remuneration from the Company or JKFIL or both the companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit

admissible from any one of the said companies.

In terms of Schedule V to the Companies Act, 2013, the relevant details are as under:

**I. GENERAL INFORMATION:**

(1) Nature of Industry: Agri-Genetics which produces high yielding Hybrid Seeds.

(2) Date or expected date of commencement of commercial production: The commercial production commenced in March 1990. However, the Seed Undertaking got transferred to and vested in this Company pursuant to the Scheme of Arrangement and Demerger, sanctioned by the Hon'ble High Court, Calcutta. The Scheme is operative w.e.f. 1<sup>st</sup> April 2005.

(3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable

4) Financial Performance based on given indicators:

Particulars for the Financial Year ended 31 <sup>st</sup> March 2021		₹ in Lacs
-	Net Sales and other Income	22686.18
-	Operating Profit [Before Interest, Depreciation and Tax]	2384.61
-	Profit before Tax [Before Exceptional]	1387.30
-	Profit before Tax [After Exceptional]	1001.69

(5) Foreign investments or collaborators, if any: Not Applicable.

**II. INFORMATION ABOUT THE APPOINTEE:**

(1) Background, Recognition or Awards details: Shri Vikrampati Singhania, aged 55 years, is M.Com., MBA (USA) and is an industrialist with over 28 years of experience in managing various industries including high yielding Hybrid Seeds, Automotive Tyres, Industrial V-Belts & Oil Seals, Pharmaceuticals, Sugar, Clinical Research, etc. His Director Identification No. is 00040659. He joined Board of Directors of the Company on 12<sup>th</sup> February 2013. Shri Singhania attended all the four Board Meetings of the Company held during the Financial Year ended 31<sup>st</sup> March 2021. He holds 23,696 Equity Shares of the Company.

He is also Managing Director of J.K. Fenner (India) Ltd. Shri Singhania is a member of the Company's Stakeholders' Relationship Committee. He does not hold any Committee position in other companies in terms of Regulation 26 of the SEBI (Listing Obligations

& Disclosure Requirements) Regulations, 2015.

(2) Past Remuneration:

Shri Vikrampati Singhania is also Managing Director of J.K. Fenner (India) Limited (JKFIL). In terms of Section V of Part II of Schedule V to the Companies Act 2013, Shri Vikrampati Singhania is entitled to and may draw remuneration from the Company or JKFIL or both the companies, provided that the total remuneration drawn from the companies does not exceed the higher maximum limit admissible from any one of the said companies.

Presently, Shri Vikrampati Singhania is drawing his entire remuneration from JKFIL and has opted not to draw any remuneration from the Company due to inadequate profits.

(3) Job Profile and his suitability: Shri Vikrampati Singhania as Managing Director of the Company has in-depth understanding of agri-business sector and is entrusted with substantial powers of management under the superintendence, control and direction of the Board of Directors. He is also involved in policy planning, vision and strategy and long term development activities of the Company, besides Corporate Governance and Board co-ordination.

(4) Remuneration proposed: The Nomination and Remuneration Committee and the Board of Directors of the Company at their respective meetings held on 3<sup>rd</sup> May 2021 have approved the following terms of remuneration of Shri Vikrampati Singhania, for his remaining term i.e., 1<sup>st</sup> April 2021 to 6<sup>th</sup> May 2023, commencing 1<sup>st</sup> April 2021:

(A) Salary: ₹ 52 Lacs per month with such increments as may be decided by the Board from time to time in the salary range of ₹ 23 Lacs per month to ₹ 65 Lacs per month.

(B). Perquisites, allowances and benefits: Free furnished residential accommodation or house rent allowance in lieu thereof together with furnishings, with gas, electricity, water and other amenities, car(s) with driver(s), reimbursement of medical expenses incurred in India or abroad including hospitalisation and surgical charges for self and family and travel relating thereto; and other perquisites, allowances and benefits including but not restricted to reimbursement of expenses on servants, telephones, leave travel including foreign travel for self and family, fees of clubs, personal accident insurance, etc. and any other perquisites, allowances and benefits as may be sanctioned by the Board from time to time. The



perquisites shall be evaluated as per actual cost or the Income-tax Rules, as applicable.

(C). Performance Linked Incentive, as may be decided by the Board from time to time.

(D). Commission: 2% of the net profits computed under Section 198 of the Companies Act, 2013 or more as may be decided by the Board from time to time.

The term "Board" as mentioned above shall include any committee of Directors authorised by the Board

(E). Contribution to Provident Fund, Superannuation Fund or Annuity Fund, as per Rules of the Company.

(F). Gratuity at the rate of 15 days salary for each completed year of service.

(G). Encashment of unavailed leave.

(H). The Board may, from time to time, increase, modify, vary or alter the salary (including salary range), perquisites, allowances, Performance Linked Incentive and other benefits subject to the limits approved herein.

In the event of inadequacy or absence of profits under Section 197 and other applicable provisions of the Companies Act 2013 (the Act), in any financial year or years, the Managing Director shall be entitled to such remuneration, as specified in paras (A), (B) and (C) above, as minimum remuneration and be also entitled to perquisites mentioned in paras (E), (F) and (G) above, which shall not be included in the computation of the ceiling on minimum remuneration in terms of provisions of Section IV of Part II of Schedule V to the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

(5) Comparative remuneration profile with respect to Industry, size of the Company, profile of the position and person: The executive remuneration in the industry is on the rise. The Nomination and Remuneration Committee of the Company constituted by the Board in terms of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 perused remuneration of managerial persons prevalent in the industry and other companies comparable with the size of the Company, industry benchmarks in general, profile and responsibilities of Shri Vikrampati Singhania, before approving the remuneration as proposed herein above.

(6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel and other director, if any: Besides the proposed remuneration, Shri Vikrampati Singhania does not have any pecuniary relationship with the

Company. Shri Singhania is son of Shri Bharat Hari Singhania, Chairman and husband of Smt. Swati Singhania, Director of the Company.

### III. OTHER INFORMATION:

- Reasons of inadequate profit: JK Agri Genetics Limited has been engaged primarily in agriculture business (seeds - research & development, production, processing and marketing of field crops and vegetable seeds). The Company is rebuilding the business by revamping portfolio, operations and new launches. Management's concreted efforts have started showing sign of growth and in the year 2020-21, the Company has delivered double digit growth in revenue and returned to profits in spite of challenging operating environment. Seed is a momentum business with a research cycle of 5-7 years and hence it is important that Company continues to invest in people & research to leverage the market conditions and be ready and relevant in the market when pipeline delivers new products.

- Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: Company is taking several steps to improve efficiency of research, production, inventory management (including portfolio rationalisation) and go to market approach. Additionally, we continue to look for the export opportunities as more sustainable than just driven by opportunistic trading.

The Company has not made any default in repayment of any of its debts (including public deposits) or debentures or interest payable thereon in the preceding Financial Year.

Accordingly, the Board recommends the Resolution as set out at Item No. 5 of the Notice for approval of the Members as a Special Resolution.

Except Shri Vikrampati Singhania, Managing Director; Shri Bharat Hari Singhania, Chairman and Smt. Swati Singhania, Director and their relatives to the extent of their shareholding, if any, in the Company, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid Resolution.

### Item No. 6

The Company was incorporated on 16<sup>th</sup> March 2000 with the main object of development, production and trading etc. in the hybrid seeds, pollinated seeds and planting material of agriculture, horticulture, medicinal,



fruit or any other crop species and certain other objects.

The existing Memorandum of Association (“MOA”) was adopted by the Company at the time of its incorporation in 2000 and is based on the provisions of the erstwhile Companies Act, 1956. Subsequently, some of the clauses were amended/inserted, from time to time, to cater to specific requirements. Consequent to the enactment of the Companies Act, 2013 (“the Act”), the structure/format of the MOA has undergone change, which requires alteration of several clauses of existing MOA of the Company.

Further, over the years, there have been significant developments/changes in technology, business practices, economic and commercial environment, both at the international and domestic level, which have led to emergence of various new business opportunities, both in manufacturing and service sectors.

Accordingly, the Board of Directors of the Company (“the Board”) at its meeting held on 3<sup>rd</sup> May 2021, recommended for approval of the Members for adoption of altered MOA in substitution of existing MOA with amendment in existing Clause III and IV of the MOA of the Company, so as to make it consistent and align it with the provisions of the Act and also enable the Company to explore various suitable business opportunities and carry on such other businesses to expand its area of operations.

**Brief highlights of alterations proposed in the MOA are as follows:**

- (a) The heading of the existing Clause III “The Objects for which the Company is established are:” is deleted.
- (b) The heading of the existing Clause III(A) “The Main Objects to be pursued by the Company on its incorporation are” is substituted with “The Objects to be pursued by the Company on its incorporation are”.
- (c) Sub-clauses 1 & 2 of existing Clause III(A) is retained under Clause III(A) and new sub-clause 3 is inserted after sub-clause 2 under Clause III(A).
- (d) The heading of existing Clause III(B) “The objects incidental or ancillary to the attainment of the main objects of the Company are” is substituted with “Matters which are necessary for furtherance of the objects specified in Clause III(A) are” and all sub-clauses 1 to 31 appearing in the existing Clause III(B) be substituted with new sub-clauses 1 to 31 under Clause III (B).

(e) The heading of existing Clause III(C) “The other objects for which the Company is established are:” is deleted and all sub-clauses 1 to 25 appearing in the existing Clause III(C) be substituted with new sub-clauses 1 to 25 and be inserted as sub-clauses 32 to 56 under the Clause III(B).

(f) The existing Clause IV is substituted to clarify that the liability of the Members is limited to the amount unpaid, if any, on the shares held by them. This has been done in conformity with the provisions of the Act. Copy of the proposed MOA is available on the website of the Company at [www.jkagri.com](http://www.jkagri.com) and would be available electronically for inspection by the Members from the date of circulation of this Notice upto the date of the AGM.

As per the provisions of Section 13 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of a Special Resolution is required for adoption of altered MOA in substitution of existing MOA.

Accordingly, the Board recommends the Resolution as set at Item No. 6 of this Notice for approval by the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives, except to the extent of their shareholding, if any, in the Company is concerned or interested, financially or otherwise, in the said Resolution.

**Item No. 7**

The existing Articles of Association (“AOA”) was adopted by the Company at the time of its incorporation in 2000 and are based on the provisions of the erstwhile Companies Act, 1956.

Consequent to the enactment of the Companies Act, 2013 (“the Act”), the regulatory provisions have undergone comprehensive changes which have necessitated several amendments in AOA of the Company including deletion of certain redundant Articles. Accordingly, the Board of Directors of the Company (“the Board”) at its meeting held on 3<sup>rd</sup> May 2021, recommended for approval of the Members for adoption of new AOA in substitution of existing AOA to make it consistent and align it with the provisions of the Act and the Rules made thereunder. Copy of the proposed AOA is available on the website of the Company at [www.jkagri.com](http://www.jkagri.com) and would be available electronically for inspection by the Members from the date of circulation of this Notice upto the date of the AGM.

As per the provisions of Section 14 and other applicable provisions, if any, of the Act read with the Companies (Incorporation) Rules, 2014, approval of the Members of the Company by way of a Special Resolution is required for alteration of AOA by adoption of new AOA in substitution of existing AOA.

Accordingly, the Board recommends the Resolution as set out at item no. 7 of the Notice for approval by the Members as a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and/or their relatives, except to the extent of their shareholding, if any, in the Company

is concerned or interested, financially or otherwise, in the said Resolution.

Regd. Office:

7, Council House Street,  
Kolkata-700 001

By Order of the Board

CIN: L01400WB2000PLC091286

Website: [www.jkagri.com](http://www.jkagri.com)

Email: [jkagls shareholder@jkmail.com](mailto:jkagls shareholder@jkmail.com)

Phone: +9133-22486181

Fax: +9133-22481641

Date: 2<sup>nd</sup> August 2021

Anoop Singh Gusain

Company Secretary

## Annexure to Notice

### Details of Directors proposed to be re-appointed including approval sought for continuation of directorship:

Name	Dr. Raghupati Singhania	Shri Vikrampati Singhania
DIN	00036129	00040659
Age (Years)	74	55
Qualification	B.Sc and Honorary Doctorate in Science	Master's Degree in Commerce and MBA from Duke University (USA)
Experience (including expertise in specific functional area)/ Brief Resume	Eminent Industrialist and Entrepreneur with long diversified Industry Experience	Eminent Industrialist and Entrepreneur with diversified Industry Experience
Date of Appointment on the Board	30 <sup>th</sup> March 2013	12 <sup>th</sup> February 2013
Directorships held in other public companies (as per Section 165 of the Companies Act, 2013 excluding private and other companies)	<ul style="list-style-type: none"> <li>• JK Tyre &amp; Industries Ltd.</li> <li>• J.K. Fenner (India) Ltd.</li> <li>• JKT&amp;I Employees Welfare Association Ltd.</li> <li>• Cavendish Industries Ltd.</li> <li>• JK Lakshmi Cement Ltd.</li> <li>• Bengal and Assam Company Ltd.</li> <li>• Radico Khaitan Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>• J.K. Fenner (India) Ltd.</li> <li>• Lumax Industries Ltd.</li> <li>• Transport Corporation of India Ltd.</li> </ul>
Memberships/ Chairmanships of committees of other public companies [includes only Audit Committee and Stakeholders' Relationship Committee in terms of Regulation 26 of the SEBI Listing Regulations]	Membership: <ul style="list-style-type: none"> <li>• JK Lakshmi Cement Ltd. – Audit Committee</li> <li>• Radico Khaitan Ltd. – Audit Committee</li> </ul> Chairmanship: <ul style="list-style-type: none"> <li>• JK Lakshmi Cement Ltd. – Stakeholders Relationship Committee</li> <li>• Bengal &amp; Assam Company Ltd. – Stakeholders Relationship Committee</li> </ul>	Nil
Number of Equity Shares held in the Company	65,644*	27,953**
No. of Board Meetings attended during the Financial Year 2020-21	Four	Four

Terms & conditions of re-appointment/ appointment	Please refer details given at item no. 4 in the Statement pursuant to Section 102 of the Act	Please refer details given at item no. 5 in the Statement pursuant to Section 102 of the Act
Details of remuneration last drawn	Please refer Corporate Governance Report section of Annual Report for the FY 2020-21	
Remuneration proposed to be paid	Sitting fee for attending Board and Committee Meetings and Commission on Net Profits, if any	Please refer details given at item no. 5 in the Statement pursuant to Section 102 of the Act
Relationships with other Directors /KMP	Dr. Raghupati Singhania is brother of Shri Bharat Hari Singhania	Shri Vikrampati Singhania is son of Shri Bharat Hari Singhania and husband of Smt. Swati Singhania

\* Includes, 1,200, Equity Shares as Karta of Dr. Raghupati Singhania (HUF)

\*\* Includes 4,257 Equity Shares as Karta of Vikrampati Singhania (HUF)

### FOR ATTENTION OF THE MEMBERS

- Members having multiple folios are requested to write to the Company at its Secretarial Department at Gulab Bhawan (Rear Wing), 3<sup>rd</sup> Floor, 6A, Bahadur Shah Zafar Marg, New Delhi- 110 002 or E-mail: [anoops@jkmail.com](mailto:anoops@jkmail.com) or its Registrar and Share Transfer Agent (RTA) Alankit Assignments Limited at Alankit House, 4E/2, Jhandewalan Extension, New Delhi-110055 or E-mail: [rt@alankit.com](mailto:rt@alankit.com) together with the Share Certificates for consolidation of the Folios to save the administrative or servicing cost.
- Please do indicate the Pin Code Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
- Dividend Warrants:** As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”), it is mandatory for the Company to print the bank account details of the investors on dividend payment instrument. Accordingly, the Members are requested to register/ update their correct bank account details with the Company/ RTA/ Depository Participant, as the case may be along with nine digit MICR/ NECS details to enable the Company to directly credit the dividend amount in their Bank Account.
- Members are requested to intimate changes, if any, pertaining to their addresses, bank mandates, nominations, etc., and related correspondence to their Depository Participant in case the Shares are held in electronic form and to Company’s RTA at address mentioned above, in case the shares

are held in physical form.

- Investor Grievances and related correspondence should be addressed to the Company’s RTA which will be promptly responded by the RTA. Please write to the Company Secretary at its Secretarial Department at the address mentioned above, in case RTA’s response is not received within a week’s time.

### 6. Investor Education and Protection Fund:

#### (A) Unclaimed Dividend - Transfer to Investor Education and Protection Fund:

Pursuant to Sections 124,125 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), amended from time to time, the unclaimed dividend shall be transferred to the Investor Education and Protection Fund (IEPF) on expiry of 7 years from the date of transfer of such dividend to the Unpaid Dividend Account of the Company.

Accordingly, the unclaimed dividend will be transferred to the IEPF as under:

Dividend	Due date for transfer to the IEPF
Financial Year ended 31.03.2014 -25% Dividend	18 <sup>th</sup> September 2021
Financial Year ended 31.03.2015 -30% Dividend	20 <sup>th</sup> September 2022
Financial Year ended 31.03.2016 - 30% Dividend	7 <sup>th</sup> October 2023

Financial Year ended 31.03.2017 -40% Dividend	23 <sup>rd</sup> September 2024
Financial Year ended 31.03.2018 -40% Dividend	3 <sup>rd</sup> October 2025
Financial Year ended 31.03.2019 -15% Dividend	25 <sup>th</sup> September 2026

**(B) Unclaimed Sale proceeds of fractional shares**

- Transfer to Investor Education and Protection Fund:

Sale proceeds of fractional shares arising out of Merger & Amalgamation, which remains unclaimed for seven years or more shall be transferred to IEPF.

It is to inform that the fractional shares arise pursuant to the Scheme of Arrangement and Demerger of the Company, sanctioned in the year 2012, were consolidated into whole Equity Shares and sold in the market and the sale proceeds thereof were deposited in fractional shares account in the year 2014 for distribution to shareholders. The unclaimed sale proceeds of said fractional shares shall be transferred to IEPF on 6<sup>th</sup> October 2021.

(C) Members who have not claimed their dividend for the said Financial Years and sale proceeds of fractional shares may write to the Company Secretary, for obtaining payments thereof, at the Secretarial Department of the Company mentioned above at least 30 days before they are due for transfer to the said fund.

With respect to dividend and shares due for transfer to IEPF in the Financial Year 2021-22,

the Company has sent notice to all the Members whose dividends are lying unclaimed for seven consecutive years or more to claim the same at the earliest.

7. **Nomination:** Pursuant to Section 72 of the Act, Individual Members holding shares in the Company, in single name or joint names, may nominate an individual to whom all the rights in the shares of the Company shall vest in the event of death of the sole/ all joint holders. Members holding shares in physical form, may send their nomination in the prescribed Form SH-13, duly filled in, to the Secretarial Department at the address mentioned above. Members holding shares in dematerialised form are requested to contact their Depository Participant for recording their nomination.
8. **Dematerialisation of Shares and Liquidity:** As per Regulation 40 of the SEBI Listing Regulations, shares of listed companies can be transferred only in dematerialised form with effect from 1<sup>st</sup> April 2019, except in case of request received for transmission or transposition of securities. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form. Members can contact the Company's RTA for assistance in this regard. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN is INE690O01011.
9. Members are requested to quote their Folio No./ DPID- Client ID and details of shares held in physical/dematerialised forms, e-mail IDs and Telephone/Mobile Nos. for prompt reply to their communications.



Regd. Office: 7, Council House Street, Kolkata-700 001  
(CIN: L01400WB2000PLC091286), Website: [www.jkagri.com](http://www.jkagri.com)  
Email: [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com), Phone: +91-11-68201265/891

### E-COMMUNICATION REGISTRATION FORM

Dear Members,

Pursuant to the provisions of the Companies Act, 2013 read with relevant Rules issued thereunder, the Company is permitted to serve various notices/documents under the said Act, through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository Participant(s) .

To support this 'Green Initiative' the Members holding shares in physical form are requested to fill-in the appended form and send back to the Company. Members holding shares in dematerialized form are requested to approach the concerned Depository Participant to record/update in their e-mail address.

Anoop Singh Gusain  
Company Secretary

.....

### E-COMMUNICATION REGISTRATION FORM

(For Members holding Equity Shares in physical mode)

Folio No. : .....

Name of the 1<sup>st</sup> Registered Holder : .....

Name of the Joint Holder(s) : .....

Registered Address : .....

E-mail Id (to be registered) : .....

Mobile No. (to be registered) : .....

I/We Member(s) of JK Agri Genetics Ltd. agree to receive communication from the Company in electronic mode. Please register my/our above e-mail ID and Mobile Number in your records for sending communication in electronic form.

Date:

Signature:

Note: Member(s) are requested to complete this Form and send to the Company Secretary at the above address or send the scanned copy of this Form duly completed at the email id [jkaglshareholder@jkmail.com](mailto:jkaglshareholder@jkmail.com)





ANNUAL REPORT  
**2020-21**  
OUR YEAR  
IN REVIEW

**JK** AGRI GENETICS LTD.

Harvesting  
*Happiness*  
Through  
*Innovation*



**JK** AGRI GENETICS LTD.







**JK AGRI GENETICS LTD.** is one of the few recognised agri-input companies in India. It is mainly into the business of production, processing and marketing of high-quality hybrid seeds for different crops like Bajra, Jowar, Paddy, Cotton, Maize, Vegetables, etc. and Plant Nutrients products.

The Company has acquired over 31 years of experience in this business and is proceeding further towards realising its objective of developing seeds having superior yield potential, drought tolerance, tolerance to pests and diseases etc.

Currently, the Company has production, processing and R&D facilities in Andhra Pradesh, Telangana, Karnataka, Maharashtra, Gujarat, Bihar, Tamil Nadu, Madhya Pradesh, Rajasthan and Odisha.

The Company's research mainly focuses on developing superior hybrids in different crops like Cotton, Maize, Bajra, Jowar, Paddy, Vegetables etc. and the hybrids are marketed under the brand name of "JK Seeds".

The in-house R&D facilities located at Ranga Reddy District in Telangana are recognised by the Department of Science & Technology, Government of India and also established its state of art biotech laboratory, with facilities for tissue culture, transgenic crop development, molecular biology, molecular breeding, radio isotope laboratory, molecular QC laboratory, Insectory and large containment green houses.

It has achieved unique distinction of being the first Indian Company commercialising Bt. Cotton with indigenous GM Technology in collaboration with Indian Institute of Technology, Kharagpur.

The Company has an extensive marketing network with loyal and committed distributors and dealers pan India.

To know more about us, visit: [www.jkagri.com](http://www.jkagri.com)





# OUR PRODUCTS



FIELD CROPS



VEGETABLES



PLANT NUTRIENTS

**JK** AGRI GENETICS LTD.





## VISION & MISSION

Our **VISION** is to be “A trusted, purposeful, innovative enterprise”.

Our **MISSION** is to emerge as a leading agriculture company.  
Deliver quality products and services through research and collaborations.  
Help grow farmer income by being a customer centric organisation.  
Sustained commitment to community, environment, health & safety.



Caring for **PEOPLE**.  
**INTEGRITY**, Openness, Fairness & Trust.  
Commitment to **EXCELLENCE**.

## CORE VALUES





R&D FARM VISIT  
BY MANAGING DIRECTOR, PRESIDENT & DIRECTOR,  
AND OUR LEADERSHIP TEAM



*Harvesting happiness through innovation*





# CSR ACTIVITIES



SERVING SMALLHOLDER FARMERS,  
LIVELIHOOD ENHANCEMENT



KNOWLEDGE TRANSFER,  
FARMERS TRAINING PROGRAM



DURING THE PERIOD 1750 BENEFICIARY STUDENTS  
WERE EXTENDED SUPPORT

PROMOTING EDUCATION  
IN RURAL AREAS



PROMOTING HEALTH CARE  
IN RURAL AREAS





# BOARD OF DIRECTORS



**Bharat Hari Singhania**  
Chairman



**Dr. Raghupati Singhania**



**Sanjay Kumar Khaitan**



**Sanjeev Kumar Jhunjunwala**



**Swati Singhania**



**Abhimanyu Jhaver**



**Ajay Srivastava**



**Amar Singh Mehta**



**Vikrampati Singhania**  
Managing Director



**Dr. Gyanendra Shukla**  
President & Director



**JK AGRI GENETICS LTD.**





## **JK** AGRI GENETICS LTD.

Website: [www.jkagri.com](http://www.jkagri.com)

CIN: L01400WB2000PLC091286

E-MAIL ID: [jkagshareholder@jkmail.com](mailto:jkagshareholder@jkmail.com)

### **Processing Plant**

Survey No. 509/2  
Village: Gundlapochampally  
Distt. Medchal -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**

BGJC & Associates LLP  
Chartered Accountants

### **Bankers**

HDFC Bank Limited  
Axis Bank Limited  
IDFC FIRST Bank Limited

### **Chief Financial Officer**

G. Sravana Kumar

### **Company Secretary**

Anoop Singh Gusain

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## 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 31<sup>st</sup> March 2021.

### FINANCIAL RESULTS

	(₹ in Crore)
Sales & Other Income	226.86
Profit before Finance Cost & Depreciation (PBIDT)#	23.85
Profit after Tax	7.17
Surplus brought forward	<u>34.75</u>
Surplus carried to Balance Sheet	<u>41.92</u>

# Before exceptional item of ₹ 3.86 Crore

### DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 1.50 /- per Equity Share of ₹ 10/- each (15%) for the Financial Year ended 31<sup>st</sup> March 2021. The Dividend outgo subject to approval at the ensuing Annual General Meeting will be ₹ 69.55 Lacs.

### PREFERENTIAL ALLOTMENT OF EQUITY SHARES PURSUANT TO CONVERSION OF WARRANTS

As per the terms of 4,83,057 warrants issued to the Promoter & Promoter group on a preferential basis, the holder of the warrants exercised the option of converting the said warrants into equity shares by paying the balance 75% of the total consideration of the issue value, amounting to ₹ 17.53 crores. Accordingly, 4,83,057 warrants were converted into 4,83,057 Equity Shares of ₹ 10/- each on 17<sup>th</sup> December 2020.

Consequently, the issued, subscribed and paid-up equity share capital of the Company increased from ₹ 4.15 crore (comprising 41,53,906 Equity Shares of ₹ 10/- each) to ₹ 4.63 crore (comprising 46,36,963 Equity Shares of ₹ 10/- each).

### OPERATIONS

During the year 2020-2021, your Company has delivered 24% revenue growth compared to the last year. This performance was possible due to the effectiveness of the "Covid Business continuity team" formed in early March 20 to operationalise supply chain by mobilising the entire organisation.

All business segments of the Company, except Cotton, delivered high double-digit growth. As part of

the larger growth strategy, JK Agri continues to make fundamental changes in all the areas of operations to bring efficiency. For example, continuous focus on phased product portfolio restructuring program by discontinuing some low margin and old slow-moving products. The newly launched products in Rice, Maize, Mustard, Millets, Sorghum Sudan grass and Cotton have been received well and will start contributing significantly to the turnover and profitability of the Company in the coming years. The domestic cotton business fell below our expectation, but we believe that the recently introduced new products should bring the growth back.

On the export front, your Company is carefully expanding its geographical and product footprint and reducing the overall dependence on the Cotton seeds. Export segment in general continues to face headwinds due to currency & trade logistics issues.

The work that was started last year to improve the performance of vegetable seed business has started delivering positive outcomes. Focus remains on the portfolio refresh and demand generation activities to help drive the grass root level demand and growth. The Company has an active business continuity team to ensure that it can successfully run the business amidst Covid-19.

In future, JK Agri will continue to focus on executing the journey started recently. Some highlights and updates are:

Portfolio renewal will remain fundamental to deliver the growth of the Company. During the year, your Company has successfully launched few crops like Onion & Raddish etc., to complement its basket of offering in vegetable seeds category. Several new products are also introduced in various other crops. This year the major focus is going towards improving the end-to-end supply chain efficiency. In vegetable and field crops a number of new products have been launched.

Your company's in-house team did a commendable job by refreshing the appearance of the Company and its products both online and offline. Customers and channel partners have given positive feedback about the change.

Based on the priorities, teams will continue to balance its crop and product offerings through combination of

in-house research and insourcing from leading players in the segments.

Our country is large, and it is not possible to cover all markets. The Company has started a very focused approach to identify the markets important for it. This will allow JK Agri to plan its business at the village level. The new marketing and sales team structure has started working and started delivering better outcomes. In future, the Company's intent is to continually upgrade the quality and capability of teams. To ensure people engagement during the pandemic, multiple e-learning opportunities have been created for all the employees in the Company.

The Company is working to create and implement a digitalisation road map. This will help to bring a digital focus on traceability of products, visualisation of the information and enhanced customer connect.

Our people engagement enabled by team-based structure is very focused on the team goals. Your Company continues to implement several innovative ways to engage with people. Various recognition and reward schemes were implemented. Second year in a row your Company has earned the distinction of "Great Place to Work™" by the Great Place to Work® Institute, a global certification body.

## **INDUSTRY OVERVIEW AND OUTLOOK**

Covid-19 situation in the current year is more serious than last year as virus seems to have penetrated deep in the country. Food is a basic need; hence we believe that impact on this sector will be far lower as compared to discretionary items of consumption. Monsoon outlook for the year 2021 is positive. Commodity prices for most crops are holding firm. Pandemic has increased the awareness about the need to eat healthy food and that should auger well for fruits and vegetables. In the short-term consumption of vegetables and fruits may get adversely impacted due to lower demand in the HoReCa (Hotels, Restaurants and Canteens) segment and supply chain challenges leading to lower realisation for the farmers.

Resurgence of Covid-19 across the country has caused more wide-spread disruption across complete supply chain in recent months. The Company expects challenging times across the value chain in the current fiscal year and softer environment for Maize and Vegetable seeds. Overall demand for Cotton seed may trend lower due to increased use of unauthorised technologies like herbicide tolerant cotton.

On the positive side, in the last year, Indian agriculture

overall performed well, aided by good rainfall, good reservoir levels, soil moisture and commodity prices in 2020-21. India is likely to report another big year as far as agriculture is concerned.

Government continues to implement policies to improve agriculture and taking multiple steps to double farmers income. Government in a very calibrated manner continues to increase the minimum support price of the crops. The Commission for Agricultural Costs and Prices (CACP) has recommended higher support prices for 17 kharif crops.

## **RESEARCH AND DEVELOPMENT**

Last year your Company further sharpened it's focus on R&D by directing resources towards the modern trend and customer needs. R&D teams have started working on hybrids suitable for multiple Agro climatic conditions including select African and ASEAN markets. To improve the probability of outcome in the shortest possible time, our biotech team and plant breeders have been using marker assisted breeding techniques across the crops. The teams have also started focusing on production research to improve the cost effectiveness of multiplication. The Company continues to strengthen field trials and testing network to improve success rate.

## **OPPORTUNITIES, THREATS, RISK AND CONCERNS**

### **Opportunities**

Agriculture food system is basic to human survival. With the increasing population, increasing food demand and expansion of the modern retail, the focus on agriculture is going to more intense. Seeds will play a very important role in dealing with the challenges posed by the climate change.

In recent past, Government of India has unleashed many initiatives to improve farm income. Increasing role of FPOs (Farmer Producer Organisations) and Fintech players with increasing investment on processing and modern supply chain are visible. The constant increase in Minimum Support Price (MSP) will enable the farmers to get an assured and remunerative price for their produce, encouraging them to increase the production.

The Company is very hopeful that the above-mentioned factors will help in fuelling the growth of Seed Industry. There could also be an opportunity to improve our basket of input offerings to the farmers in future.



### Threats, Risk and Concerns

While demand side of agriculture remains strong, external climatic factors continue to always impact the production cycle. We have seen the increased focus of the Government to deal with such challenges especially Irrigation and Crop Insurance. Changing consumer behaviours due to Covid-19 could also have an impact on cropping patterns.

On the policy side India need better enabling environment that protects intellectual property and allows introduction of modern technologies in agriculture.

### HUMAN RESOURCE DEVELOPMENT

#### Future of Work: A New Era in Human Resources

Future of Work represents a fundamental change in the working world. The Covid-19 pandemic casts a new light on people at work and society. Trends such as digitalisation, globalisation, global networking and demographic change have added a fair amount of complexity to how we work.

New skills are needed to move away from traditional and inflexible work structures that are simply no longer up to the challenges of rapidly changing work environments.

During the pandemic crisis, our focus has been to protect both emotional and physical health of the people. Your Company implemented several proactive measures like Doctors' connect, medical assistance & opened frequent open channels of Communications. This helped in getting better appreciation of employees' feelings, importantly, listening and responding. The success of HR Strategy shall depend on our ability to retain, motivate, develop and continue to attract employees with the skills and experience to help the Company master challenges and make the most of opportunities. We have been on the forefront to understand and make changes to adjust to digitally enabled workplace.

Purpose, People and Process are the vital aspects that comprise the organisational performance management strategy. As part of the growth agenda, the Company continues to invest in the capability building of its people across all levels. New members have joined the JKAGL Strategic Leadership Team. Transformation of the business with a global perspective & emerging challenges is the key objective.

Effective people policies covering all the aspects of the business that are important to the employees are in

place. When transparency is part of workplace culture, it comes along with trust, communication, and greater levels of employee engagement. The policy changes implemented in alignment with the best industry practices had enhanced motivation amongst the employees, in-turn reflecting a positive surge in short, and medium and long-term growth opportunities.

Contemporary Outlook at workplace having aggressive strategic decisions with time bound deliverables. Driving culture of meritocracy based on contribution to business and E-learning had showcased a transformation change in systems and people reflecting in long term growth.

The Company has been working with internal and external faculty of elite institutions like IIMs towards leveraging and developing skills of High Performers across all segments. As an outcome, there has been an improvement in Employee Engagement Survey's & "Great Place to Work<sup>®</sup>" Certification being an 'Employer-of-Choice' recognition is retained by the Company.

These milestones will sharpen our objectives further in the journey to build a High-Trust, High-Performance Culture.

### KEY CHANGES IN FINANCIAL INDICATORS

S. No.	Particulars	Units	As at 31.03.2021	As at 31.03.2020	Remarks
1	Debtors Turnover	Times	3.21	2.62	Better Working Capital Management
2	Inventory Turnover	Times	0.91	1.07	
3	Current Ratio	Times	1.58	1.57	
4	Debt Equity Ratio	Times	0.18	0.34	Infusion of Equity Capital
5	Interest Coverage Ratio	Times	3.70	(0.43)	Increase in Turn-over
6	Operating Profit Margin	%	10.79%	-2.14%	
7	Net Profit Margin	%	4.42%	-9.05%	
8	Return on Net worth	%	5.30%	-9.71%	

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place Internal Control Systems commensurate with the nature of its business, size and complexity of its operations. These systems are regularly tested for their effectiveness by Statutory as



well as Internal Auditor. The Internal Auditor reviews on regular basis to check its adequacy and also to verify all statutory compliances. Based on the Internal Audit Programme approved by the Audit Committee of the Board, the Internal Auditor carry out regular internal audits covering all offices, factory and key areas of business. Reports of the Internal Auditor are placed before the Audit Committee on quarterly basis for review. The Audit Committee regularly reviews the reports and discusses the actions taken with the management in addition to reviewing the effectiveness of the internal control systems and monitoring the implementation of audit recommendations. There are adequate checks & balances in place, wherein deviation from the systems laid-out are clearly identified and corrective actions are taken in the respective areas, wherever required.

#### **INTERNAL FINANCIAL CONTROLS**

The Company has laid down Internal Financial Controls Systems, Policies and Procedures with reference to Financial Statements. The systems, policies and procedures are reviewed from time to time and are updated. These are designed to ensure adherence to the Company's policies, safeguarding of its assets & interests, prevention & detection of frauds & errors, accuracy & completeness of financial records and proper conduct of business of the Company. The Company also has a robust Management Information System which not only facilitates speedy business decisions but also helps in timely preparation and sharing of reliable financial information across various levels in the Company. The transactional controls built in SAP ERP systems ensures appropriate segregation of duties, appropriate level of approval mechanisms and maintenance of various records. All such controls are assessed during the year. Regular audits and review processes ensure that such systems are reinforced on on-going basis. Based on the review of the Internal Financial Control Systems during the year by the Management and the Auditors of the Company, no material reportable weakness was observed in the Internal Financial Control Systems during the financial year.

#### **ANNUAL RETURN**

The Annual Return as required under Section 92 and Section 134 of the Companies Act, 2013 read with Rules made thereunder is available on the website of the Company at [www.jkagri.com](http://www.jkagri.com)

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

The particulars of loans given, guarantees or securities provided and investments made as required under the provisions of Section 186 of the Companies Act, 2013 are given in the Notes to Financial Statements.

#### **RELATED PARTY TRANSACTIONS**

During the Financial Year ended 31<sup>st</sup> March 2021, 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.

#### **COST RECORDS**

Maintenance of cost records, as specified by the Central Government under sub-section (1) of section 148 of the Companies Act 2013, is not required by the Company.

#### **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Shri Vikrampati Singhania (DIN: 00040659), Managing Director of the Company retires by rotation and being eligible offers himself for re-appointment at the ensuing Annual General Meeting (AGM). The Board recommend his re-appointment.

The Board on the recommendation of the Nomination and Remuneration Committee also approved increase in the salary range of Shri Vikrampati Singhania from ₹ 23 lacs per month - ₹ 55 lacs per month to ₹ 23 lacs per month - ₹ 65 lacs per month w.e.f. 1<sup>st</sup> April 2021 and payment of minimum remuneration to him for his remaining term i.e., from 1<sup>st</sup> April 2021 to 6<sup>th</sup> May 2023, subject to requisite approval of the Members of the Company. Further, pursuant to Regulation 17(1A) of the Listing Regulations, the Board has also approved continuation of directorship of Dr. Raghupati Singhania (DIN: 00036129), Non-executive Director liable to retire by rotation, who would be attaining the age of seventy five (75) years on 8<sup>th</sup> December 2021. The Board has recommended necessary Special Resolutions in this regard, for approval of the Shareholders at the ensuing AGM.

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

There were no changes in the Directors/ Key Managerial Personnel of the Company, during the period under review.

#### **CONSERVATION OF ENERGY, ETC.**

The details as required under Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 are annexed to this Report as **Annexure -1** 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**

M/s BGJC & Associates LLP, Chartered Accountants (ICAI Firm Registration Number- 003304N), were appointed as Statutory Auditors of the Company for a second term of five consecutive years, commenced from the conclusion of 19<sup>th</sup> AGM held on 27<sup>th</sup> August 2019 till the conclusion of 24<sup>th</sup> AGM.

The observations of the Auditors in their Report on Accounts and the Financial Statements read with relevant notes are self-explanatory. The Auditor's Report does not contain any qualifications, reservations or adverse remarks.

##### **(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 Namo Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the Financial Year 2020-21.

The Report given by him for the said Financial Year in the prescribed format is annexed to this Report as **Annexure-2**. The Secretarial Audit Report does not contain any qualifications, reservations or adverse remarks.

#### **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 (Act) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to

this Report as **Annexure - 3**. Further, Particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules forms part of this Report. However, in terms of provisions of Section 136 of the 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. The said information is available for inspection at the Registered Office of the Company during business hours on working days of the Company up to the ensuing AGM. Any member interested in obtaining such particulars may write to the Company Secretary.

#### **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 CSR Policy is disclosed on the website of the Company at [www.jkagri.com](http://www.jkagri.com)

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 – 4**.

#### **CHANGE IN THE NATURE OF BUSINESS**

During the Financial Year under review, there was no change in the nature of business of the Company.

#### **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 could impact the going concern status of the Company and its future operations.

#### **COMPLIANCE OF SECRETARIAL STANDARDS**

Based on the Secretarial Audit Report of the Secretarial Auditor, the Company has duly complied with the applicable Secretarial Standards on Meetings of Board of Directors and General Meetings issued by the Institute of Company Secretaries of India.

### **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to best 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 Report. The Corporate Governance Report also covers the following:

- (a) Particulars of the four Board Meetings held during the Financial Year under review.
- (b) Salient features of the Nomination and Remuneration Policy, including changes therein.
- (c) The manner in which formal annual evaluation of the performance of the Board of Directors, of its Committees and of individual Directors has been made.
- (d) The details with respect to Composition of Audit Committee and establishment of Vigil Mechanism.
- (e) Details regarding Risk Management.
- (f) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

### **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: 3<sup>rd</sup> May 2021  
Place: New Delhi

Bharat Hari Singhania  
Chairman

**ANNEXURE - 1 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: Nil
- (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:
  - Upgrading conventional PCR machine to Realtime PCR and SNP Readers.
  - New software for breeding and trial data management
  - Gynoecious line development in Cucumber, Ridge Gourd and Bitter Gourd.
- (ii) Particulars of imported technology: Nil
- (iii) The expenditure incurred on Research and Development:
  - The Capital Expenditure incurred on R&D during the period was ₹ 12.71 lacs and recurring expenditure was ₹ 1314.22 lacs.

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

<b>Description</b>	₹ in Lacs
	<b>2020-21</b>
Foreign Exchange Earnings	2000.58
Foreign Exchange Outgo	623.36

On behalf of the Board of Directors

Date : 3<sup>rd</sup> May 2021  
Place : New Delhi

Bharat Hari Singhania  
Chairman

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH  
2021**

[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 **31<sup>st</sup> March 2021** (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 **31<sup>st</sup> March 2021** 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

**ANNEXURE - 2 TO DIRECTORS' REPORT**

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, 2018;
  - (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 (Buy back of Securities) Regulations, 2018 (Not applicable to the Company during the Audit Period); and
  - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures 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. The Protection of Plant Varieties & Farmers' Rights Act, 2001

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

During the period under review, the Company has 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. There were no changes in the composition of the Board of Directors during the period under review.

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 following specific events have taken place:

1. During the year, the Company allotted 4,83,057 equity shares (of ₹ 10/- each fully paid up) upon conversion of 4,83,057 Warrants, issued at a price of ₹ 484/- each in the previous year to the Promoter and Promoter Group. Pursuant to the said allotment the paid-up share capital of the Company increased to ₹ 4,63,69,630 comprising of 46,36,963 Equity Shares of ₹ 10/- each.

2. As Company's business involves long supply chain from procurement to delivery of seeds, its operations were disrupted for a few days in the beginning of the year due to lockdown imposed in the country on account of COVID-19.

This report is to be read alongwith the following-

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. Wherever 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.
7. The prevailing circumstances in the country on account of Lockdown and COVID19 have impacted, to some extent, my verification of documents and records of the Company.

Place: New Delhi  
Date: 29<sup>th</sup> April 2021  
UDIN: F000234C000204163

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

**ANNEXURE - 3 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 2020-21 ended 31<sup>st</sup> March 2021:**

**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, 0.28; Dr. Raghupati Singhania, 0.30; Shri S.K. Khaitan, 0.41; Shri S.K. Jhunjhunwala, 0.51; Smt. Swati Singhania, 0.24; Shri Abhimanyu Jhaver, 0.18; Shri Ajay Srivastava, 0.20; and Shri A.S. Mehta, 0.58 (b) Executive Directors: Shri Vikrampati Singhania\* and Dr. Gyanendra Shukla, 65.33.

**The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary** - Non-executive Directors did not draw any remuneration from the Company except sitting fee: Shri Bharat Hari Singhania, Chairman, -36.36%; Dr. Raghupati Singhania, -40.00%; Shri S.K. Khaitan, -9.09%; Shri S.K. Jhunjhunwala, -26.47%; Smt. Swati Singhania, -20.00%; Shri Abhimanyu Jhaver, 50.00%; Shri Ajay Srivastava, -47.37%; Shri A.S. Mehta, -35.08%; Shri Vikrampati Singhania, Managing Director\*; Dr. Gyanendra Shukla, President & Director, 69.92%; Shri Anoop Singh Gusain, Company Secretary, 13.43%; Shri G. Sravana Kumar, 33.29%.

The percentage increase in the median remuneration of employees – 9%.

The number of permanent employees on the rolls of Company – 368.

**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 6.46%, while, there was an increase of 69.92% in the managerial remuneration during the current financial year.

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

\* Shri Vikrampati Singhania has currently opted not to withdraw any remuneration from the Company as it does not have adequate profits.

On behalf of the Board of Directors

Date : 3<sup>rd</sup> May 2021  
Place : New Delhi

Bharat Hari Singhania  
Chairman

**ANNEXURE - 4 TO DIRECTORS' REPORT**

**1. Brief outline on CSR Policy of the Company:**

Since inception, your Company considers itself a responsible corporate citizen and has been involved in undertaking projects 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.

**2. Composition of CSR Committee:**

Sl. No.	Name of Director	Designation/ Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Vikrampati Singhania	Managing Director (Chairman of the Committee)	2	2
2	Dr. Gyanendra Shukla	President & Director	2	2
3	Shri Sanjeev Kumar Jhunjhunwala	Independent Director	2	2

**3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company :** <http://jkagri.com/financials/CSR%20Policy.pdf>

**4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report)** : Not Applicable

**5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any** : Not Applicable

**6. Average net profit of the company as per section 135(5)** : ₹ 187.02 lacs

**7. (a) Two percent of average net profit of the company as per section 135(5)** : ₹ 3.74 lacs

**(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.** : Nil

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

**(d) Total CSR obligation for the financial year (7a+7b- 7c)** : ₹ 3.74 lacs

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

Total Amount Spent for the Financial Year. (in ₹/ lacs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
13.13	Nil	NA	NA	Nil	NA

**(b) Details of CSR amount spent against ongoing projects for the financial year:** No ongoing projects, hence Not Applicable

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No).	Location of the project.		Amount spent for the project (in Rs./Lacs)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency	
				State	District			Name	CSR Registration number
1.	General health check-up, Eye Camp and consultancy	Promoting health care including preventive health care	Yes	Telangana	Medchal, Malkajgiri	4.36	Yes	NA	NA
2.	Conducting Farmer training programmes in villages to bring awareness on the best agrarian and farming practices which leads to improvement in the yields in the crop giving rise to increase in their income levels.	Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	No	Andhra Pradesh Bihar Haryana Karnataka Madhya Pradesh Maharashtra Punjab Rajasthan Telangana Uttar Pradesh	Vijayanagar Bhagalpur, Khagaria, Navada Rewari Bellary, Mysore Khargoan Amravati, Nagpur, Nashik Jalandhar Churu, Jaipur, Kota Jadcherala, Warangal Prayagraj, Varanasi	2.01	Yes	NA	NA
3.	Scholarship to needy and deserving students, providing infrastructure to the schools etc.		No	Rajasthan Andhra Pradesh Haryana Maharashtra Madhya Pradesh West Bengal	Bharatpur, Jaipur, Ganganagar. Eluru, Vijayanagaram, Srikakulam Burjanga, Noojawali, Sirsa Kumaria, Fatehabad Akola, Ahmednagar Sundrel Purulia, Malda	6.76	Yes	NA	NA
4.	Contribution to PM Cares Fund*	Contribution to any fund set up by the Central Government	No	PAN India	-	2.76*	Yes	NA	NA
	Total					13.13			



\* Contribution to PM Cares Fund was over and above the CSR obligation of the Company. Therefore, the amount of ₹ 2.76 lacs contributed during the year towards the said fund was not included in CSR spent of the Company during the year.

- (d) Amount spent in Administrative Overheads : Nil  
 (e) Amount spent on Impact Assessment, if applicable : Not Applicable  
 (f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹13.13 lacs (excluding ₹ 2.76 Lacs towards contribution to PM Cares Fund)  
 (g) Excess amount for set off, if any : Nil

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	3.74
(ii)	Total amount spent for the Financial Year (excluding ₹ 2.76 Lacs towards contribution to PM Cares Fund)	13.13
(iii)	Excess amount spent for the financial year [(ii)-(i)]  During the Financial Year 2019-20, the Company could not spent ₹ 9.05 lacs towards its CSR Obligations. This unspent amount is spent by the Company during the Financial Year 2020-21.	9.39
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

**9. (a) Details of Unspent CSR amount for the preceding three financial years:**

S. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹ Lacs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
1.	2019-20	Nil	9.05	Nil	Nil	NA	Nil
2.	2018-19	Nil	Nil	Nil	Nil	NA	Nil
3.	2017-18	Nil	Nil	Nil	Nil	NA	Nil
	TOTAL	Nil	9.05	Nil	Nil	NA	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): No ongoing projects undertaken, hence Not Applicable

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the Financial Year (asset – wise detail)**

- (a) Date of creation or acquisition of capital asset (s) : Not Applicable  
 (b) Amount of CSR spent for creation or acquisition of capital asset (s) : Not Applicable  
 (c) Detail of the entity or public authority or beneficiary under whose name such capital asset is registered, their addresses etc.: Not Applicable  
 (d) Details of the Capital Asset created or acquired (Including complete address and location of the capital asset) : Not Applicable.

**11. Specify the reason(s), if the company has failed to spend two percent of the average net profit as per section 135(2) : Not Applicable**

(Vikrampati Singhania)  
 Chairman, CSR Committee

(Dr. Gyanendra Shukla)  
 President & Director

Date: 3<sup>rd</sup> May 2021

## 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 on 31<sup>st</sup> March 2021, the Board of Directors of the Company consists of ten Directors comprising of two Executive Directors (ED) and eight Non-executive Directors (NED) out of which five are Independent Directors (IND). It is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interest. Four Board Meetings were held during the Financial Year 2020-21 ended 31<sup>st</sup> March 2021 i.e., on 11<sup>th</sup> June 2020, 7<sup>th</sup> August 2020, 27<sup>th</sup> October 2020 and 4<sup>th</sup> February 2021. Attendance and other details as on 31<sup>st</sup> March 2021 of the Directors are given below:

Name of the Director	DIN	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	00041156	NED	4	No	4	1	-
Dr. Raghupati Singhania	00036129	NED	4	No	7	4	2
Shri S.K. Khaitan*	00156816	IND	3	Yes	1	1	-
Shri S.K. Jhunjhunwala*	00177747	IND	4	Yes	2	1	-
Smt. Swati Singhania	00095409	NED	4	Yes	-	-	-
Shri Abhimanyu Jhaver*	02330095	IND	3	Yes	-	-	-
Shri Ajay Srivastava*	00049912	IND	3	Yes	-	-	-
Shri A.S. Mehta*	00030694	IND	4	Yes	5	5	-
Shri Vikrampati Singhania, Managing Director	00040659	Executive	4	Yes	2	-	-
Dr. Gyanendra Shukla President & Director	02922133	Executive	4	Yes	-	-	-

\* 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.

**Other Listed Companies where Directors of the Company are Directors and their category of Directorship (as on 31<sup>st</sup> March 2021)**

Sl. No.	Name of Director	Name of the Listed Company	Category of Directorship
1.	Shri Bharat Hari Singhania	JK Lakshmi Cement Ltd.	Executive
		JK Tyre & Industries Ltd.	Executive
		JK Paper Ltd.	Non-Executive
		Bengal & Assam Company Ltd.	Non-Executive
2.	Dr. Raghupati Singhania	JK Tyre & Industries Ltd.	Executive
		JK Lakshmi Cement Ltd.	Non-Executive
		Bengal & Assam Company Ltd.	Non-Executive
		Radico Khaitan Ltd.	Independent
3.	Shri S.K. Khaitan	Bengal & Assam Company Ltd.	Independent
4.	Shri S.K. Jhunjunwala	Bengal & Assam Company Ltd.	Independent
5.	Shri A.S. Mehta	JK Paper Ltd.	Executive
		Umang Dairies Ltd.	Independent
6.	Shri Vikrampati Singhania	Lumax Industries Ltd.	Independent

Note: Other Directors do not hold directorship in any other listed company.

The Board confirms that in its opinion, all the Independent Directors fulfill the conditions specified in Listing Regulations and are independent of the management of the Company.

The Company has a very balanced and diverse Board of Directors. The composition of the Board primarily takes care of the business needs and stakeholder's interest.

The Board has identified the following as core skills/ expertise/ competencies required in the context of the Company's business and sector for it to function effectively - (i) financial and accounting knowledge; (ii) strategic expertise; (iii) risk governance; (iv) legal & corporate governance expertise; (v) technology/ knowledge pertaining to agri industry; (vi) commercial experience; (vii) community service, sustainability and corporate social responsibility and (viii) quality and safety experience.

All the Board Members possess above skills collectively that enable them to make effective contribution to the Board and its Committees. The core skills of individual Directors are: Shri Bharat Hari Singhania and Dr. Raghupati Singhania - industrialist and entrepreneurs with long diversified industry experience including agri, cement and tyre; Shri Vikrampati Singhania - industrialist and entrepreneur having vast experience in managing industries including agri, tyre, industrial V-belts & oil seals and clinical research; Dr. Gyanendra Shukla - professional having rich technical knowledge and operational experience pertaining to agri industry, risk governance, quality and safety experience; Shri Sanjay Kumar Khaitan – industrialist, knowledge of legal & corporate matters and commercial experience; Shri Sanjeev Kumar Jhunjunwala - industrialist having strategic expertise in real estate business, commercial, quality and safety experience; Smt. Swati Singhania – community service, sustainability, corporate social responsibility, research and development; Shri Abhimanyu Jhaver – industrialist, business philosophy, knowledge pertaining to agri industry and commercial experience; Shri Ajay Srivastava – entrepreneur, investment banking, financial and strategic expertise; and Shri Amar Singh Mehta – financial and accounting knowledge, strategic expertise and risk governance.

The Company has a robust and effective framework for monitoring compliances with applicable laws within

the organisation and to provide updates to senior management and the Board on a periodic basis. 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. With a view to foster an improved compliance reporting and monitoring in the Company, the Company implemented a web based legal compliance tool called “Compliance Manager” developed by Ernst & Young (EY), which is working effectively. Further, legal risks are monitored and mitigated through regular review of changes in the regulatory framework. 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 Dr. Gyanendra Shukla, 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. None of the other Directors are related to each other within the meaning of the Companies Act 2013.

The number of Equity Shares of ₹ 10/- each (i.e. Shares) held by the Non-executive Directors as on 31st March 2021 are: Shri Bharat Hari Singhania – 31,591 Shares and Dr. Raghupati Singhania – 64,444 Shares. Smt. Swati Singhania, Shri Abhimanyu Jhaver, Shri Ajay Srivastava, Shri S.K. Khaitan, Shri S.K. Jhunjhunwala and Shri Amar Singh Mehta do not hold any Shares in the Company. The Company does not have any outstanding convertible instruments.

Shri Vikrampati Singhania, Managing Director, holds 23,696 Shares in the Company as on 31<sup>st</sup> March 2021.

### **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 4<sup>th</sup> February 2021. Shri Sanjay Khaitan was unanimously elected as Chairman of the meeting and three other 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/Familiarisation%20Prog%20for%20INDs-2021-1.pdf>

On an ongoing basis, periodic presentations are made at the Board Meeting on industry scenario, business strategy, sustainability, performance updates of the Company, internal control and risk assessment and mitigation plan. The Directors are also provided with regular update on relevant statutory changes, judicial pronouncements and important amendments.

### **5. PERFORMANCE EVALUATION**

As required, the Nomination and Remuneration Committee of Directors specified the manner for effective evaluation of performance of the Board, its Committees and individual Directors in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations.

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 Act 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 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 the Board as a whole and performance of Chairman were evaluated, taking into account the views of Executives and 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 Board has constituted a well qualified Audit Committee. 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, out of which three are Independent Directors and one is Executive Director. They possess sound knowledge of accounts, audit, finance, taxation and internal control etc. Four meetings of the Audit Committee were held during the financial year ended 31<sup>st</sup> March 2021.

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

Date of Meetings	Number of Members attended
11 <sup>th</sup> June 2020	4
7 <sup>th</sup> August 2020	3
27 <sup>th</sup> October 2020	4
4 <sup>th</sup> February 2021	4

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

Name	Status	No. of Meetings attended
Shri S.K. Khaitan	Chairman	3
Shri S.K. Jhunjunwala	Member	4
Shri A.S. Mehta	Member	4
Dr. Gyanendra Shukla	Member	4

The Audit Committee Meetings were attended by the Chief Financial Officer, Internal Auditor, Company Secretary and the Statutory Auditor. 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, out of which two are Independent Directors and one is Executive Director. 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
11 <sup>th</sup> June 2020	3
27 <sup>th</sup> October 2020	3

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

Name	Status	No. of Meetings attended
Shri A.S. Mehta	Chairman	2
Shri S.K. Khaitan	Member	2
Shri Vikrampati Singhania	Member	2

Shri Anoop Singh Gusain, Company Secretary, is the Compliance Officer who oversees the investor's grievances including related to transfer of shares, non-receipt of balance sheet and dividends etc. During the financial year ended 31<sup>st</sup> March 2021, the Company has received one investor complaint and the same has been resolved to the satisfaction of the investor concerned. Also, there are no complaints pending in respect of previous period.

The Board has delegated the power of transfer of Shares and related matters to '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 31<sup>st</sup> March 2021, 3 meetings of 'Share Transfer Committee' were held.

#### 8. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Committee comprising of three Directors, all being 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
11 <sup>th</sup> June 2020	3
04 <sup>th</sup> February 2021	3



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

Name	Status	No. of Meetings attended
Shri S.K. Jhunjunwala	Chairman	2
Shri S.K. Khaitan	Member	2
Shri A.S. Mehta	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 and independence of a Director as well as a policy on Board Diversity. The Policy is available at the website of the Company and the web link is <http://jkagri.com/financials/Nomination%20&%20Remuneration%20Policy.pdf>

The salient features of the policy are 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, as 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 the Board of Directors, its Committees and individual Directors as per the manner of performance evaluation specified by the Committee from time to time.

(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 Directors:

Sl. No.	Particulars of Remuneration	Sh. Vikrampati Singhania, Managing Director*	Dr. Gyanendra Shukla, 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	Nil	309.95	<b>309.95</b>
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	Nil	-	-
2	Others (mainly contribution to Provident Fund)	Nil	12.12	<b>12.12</b>
<b>Total (A)</b>		Nil	322.07	<b>322.07</b>

\* Shri Singhania has opted not to draw any remuneration from the Company as it does not have adequate profits for Financial Year 2020-21.

In case of Managing Director, the tenure of office is 5 years from the date of appointment, notice period is 6 months and severance fee is equal to the remuneration for the unexpired residue of his term or for 3 years whichever is shorter and in case of President & Director, the tenure of office is 3 years from the date of appointment and notice period is 3 months. Further, the Company does not have Sweat Equity/ Scheme for stock option and neither paid any commission.

**(ii) Non-executive Directors:** During the Financial Year 2020-21, the Company paid sitting fees aggregating to ₹ 13.35 Lacs to all the Non-executive Directors (NEDs) for attending the meetings of the Board and Committees of Directors of the Company. No other payments were made to Non-executive Directors and such Directors do 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
2017-2018	Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020	05.09.2018	11.00 A.M.
2018-2019	Same as above	27.08.2019	11.30 A.M.
2019-2020	Video Conferencing	27.08.2020	03.00 P.M.

Details of Special Resolution (SR) passed: Three SR were passed at the AGM held in the year 2018, 4 SR were passed at the AGM held in the year 2019 and no SR was passed at the AGM held in the year 2020.

No SR was required to put through Postal Ballot during the Financial Year ended 31<sup>st</sup> March 2021. There is no immediate proposal for passing any resolution through postal ballot.

#### 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 Ind AS – 24 – 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 7<sup>th</sup> 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 behavior, 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 have 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 and 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 was filed with ICC and no complaint pending as on the end of the Financial Year 31<sup>st</sup> March 2021.

**(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 President & 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:**

**Input Cost:** If commodity prices rise then the procurement prices of our seeds can also rise as the producing farmers expectations of the revenue / unit land also rises and vice versa.

**Output/Sales:** If commodity prices rise than the demand for seed of that commodity may go up leading to demand / availability mismatch. However, in case of seeds there is no institutional hedging mechanism available except better forecasting.

**(vii) Details of utilization of funds raised through preferential allotment as specified under Regulation 32 (7A):** During the financial year the Company has made allotment of 4,83,057 Equity Shares @ ₹ 484/- per Equity Share to Promoter and Promoter Group, pursuant to conversion of Warrants on December 17, 2020.

Pursuant to the said allotment, the Company has received an aggregate amount of ₹ 23.38 Crore (of which 25% was received upfront on allotment of Warrants and balance amount of ₹ 17.53 Crore was received on 16<sup>th</sup> December 2020, towards conversion of Warrants into Equity Shares).

Out of total receipt of ₹ 50 Crore from allotment of Equity Shares; the Company till 31<sup>st</sup> March 2021 used ₹ 19.46 Crore towards its working capital. Balance ₹ 30.54 Crore will be utilised during Financial Year 2021-22.

**(viii) Certificate:** The Company has received a certificate dated 29<sup>th</sup> April 2021 from Shri Namo Narain Agarwal, Company Secretary in Practice (FCS 234, CP No. 3331) that none of the directors on the board of JK Agri Genetics Ltd. has been debarred or disqualified from being appointed or continuing as directors of the Companies by the Securities and

Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

**(ix)** The Company does not have any subsidiary, therefore the policy for determining 'material' subsidiary is not required.

**(x) Credit Ratings: List of all Credit Ratings obtained by the Company along with revisions thereto during the financial year ended 31<sup>st</sup> March 2021, for all debt instruments of the Company or any fixed deposit programme or any scheme or proposal of the Company involving mobilization of funds, whether in India or abroad:**

For Long Term Bank Facilities rating agency is CARE Ratings Limited and ratings revised to CARE BBB+; Stable (Triple B Plus; Outlook: Stable) from CARE A-; Stable (Single A Minus; Outlook: Stable). For Short Term Facilities rating agency is CARE Ratings Limited and ratings revised to CARE A3+ (A Three plus) from CARE A2 (A Two).

**(xi)** There were no instances where the Board had not accepted any recommendation of any Committees of the Board during the financial year ended 31<sup>st</sup> March 2021.

**(xii) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** Details relating to fees paid to the Statutory Auditors are given in Note No. 40 to the Financial Statements.

### **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 at [www.jkagri.com](http://www.jkagri.com)

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

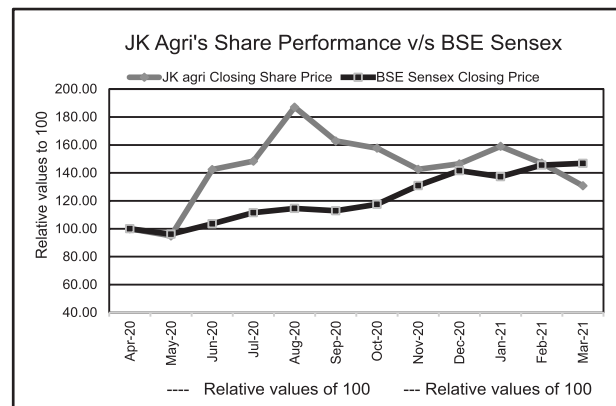
Management Discussion and Analysis forms part of the Annual Report.

**14. GENERAL SHAREHOLDERS' INFORMATION:**

(i)	<b>Registered Office</b>	7, Council House Street, Kolkata-700 001.
(ii)	<b>Annual General Meeting (AGM)</b>	
	(a) Date, Time & Venue	Kindly refer to Notice of the AGM
	(b) A brief resume and other particulars of Directors seeking appointment or re-appointment at the aforesaid AGM are given in the Notes to the Notice convening the said Meeting.	
(iii)	<b>Financial Year:</b> April 1 to March 31	
(iv)	<b>Financial Calendar (tentative)</b> Financial Reporting: <ul style="list-style-type: none"> <li>• 1<sup>st</sup> Quarter ending June 30, 2021</li> <li>• 2<sup>nd</sup> Quarter ending September 30, 2021</li> <li>• 3<sup>rd</sup> Quarter ending December 31, 2021</li> <li>• Annual and 4<sup>th</sup> Quarter ending March 31, 2022</li> <li>• Annual General Meeting for the financial year 2021-22</li> </ul>	} Within 45 days of the end of the quarter } Within 60 days of the end of the 4 <sup>th</sup> quarter } Between July and September 2022
(v)	<b>Dividend Payment Date</b>	Within three weeks of conclusion of AGM
(vi)	<b>Date of Book Closure</b>	As in the AGM Notice
(vii)	<b>Name and address of Stock Exchange where equity shares of the Company are listed</b>	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 2021-22 has been paid to the said Stock Exchange. The securities of the Company are not suspended from trading.
(viii)	<b>Security Code for Company's Equity Shares on Stock Exchange and ISIN</b>	BSE – 536493 ISIN – INE690O01011

**(ix) Stock Market Price Data:**

Month (2020-21)	BSE	
	High (₹)	Low (₹)
April 2020	439.70	404.20
May 2020	399.95	381.50
June 2020	585.30	585.30
July 2020	620.00	596.00
August 2020	845.00	741.00
September 2020	689.40	657.00
October 2020	660.00	647.00
November 2020	610.00	577.10
December 2020	614.00	591.75
January 2021	667.00	630.00
February 2021	623.00	586.00
March 2021	550.00	522.20

 JK Agri Genetics Ltd.'s (JK Agri's) Share Performance v/s BSE Sensex  
 (April 2020– March 2021)




**(x) Distribution of Shareholding (as on 31<sup>st</sup> March 2021):**

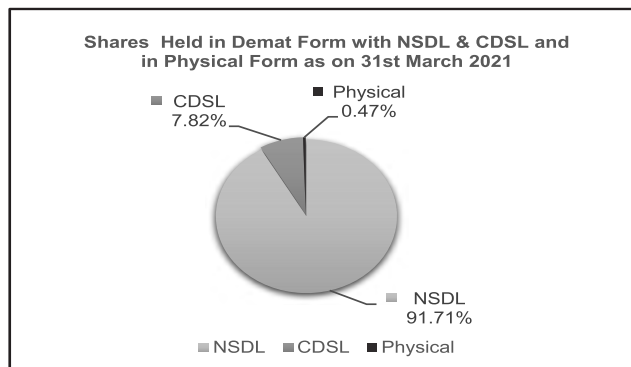
No. of Equity Shares Held	No. of Shares		Shareholders	
	Number	% of Total	Number	% of Total
1-500	286870	6.19	9144	96.85
501-1000	97390	2.10	132	1.40
1001-5000	288685	6.23	124	1.32
5001-10000	142104	3.06	20	0.21
10001 & above	3821914	82.42	21	0.22
Total	4636963	100	9441	100

**(xi) Share Transfer System:**

Transfer of Equity Shares in dematerialised form are done through depositories with no involvement of the Company. In terms of SEBI (LODR) Regulations, effective from 1<sup>st</sup> April 2019, securities of listed companies can be transferred in dematerialised form except where the claim is lodged for transmission or transposition of shares. Members holding shares in physical form are advised to avail the facility of dematerialisation. The Company obtains a half-yearly certificate from a Company Secretary in Practice as required under Regulation 40(9) of SEBI (LODR) Regulations and file copy of the said certificate with the Stock Exchanges.

**(xii) 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 31<sup>st</sup> March 2021, 99.53% of the Equity Shares are held in dematerialised form.

**(xiii) Outstanding GDRs/ADRs/ Warrants/ Options or any Convertible instruments, conversion date and likely impact on equity:**

On 4<sup>th</sup> March 2020, the Company had allotted on a preferential basis 4,83,057 Fully Convertible Warrants (“Warrants”) to be convertible at an option of Warrant holders in one or more tranches, within 18 (Eighteen) months from said allotment date into equivalent number of Equity Shares.

Said Warrants were converted into equivalent number of Equity shares on 17.12.2020. Accordingly, the paid-up share capital of the Company increased from ₹ 4,15,39,060 comprising of 41,53,906 equity shares of ₹ 10/- each to ₹ 4,63,69,630 comprising of 46,36,963 equity shares of ₹ 10/- each. The Company has not issued any GDRs/ADRs or any Convertible instruments.

**(xiv) Commodity price risk or foreign Exchange risk and hedging activities:**

During the financial year ended 31<sup>st</sup> March 2021, the Company has appropriately managed the forex risk by means including natural hedging opportunities available in the business.

**(xv) Plant Locations:**

The Company has Production Centre's 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.

**(xvi) 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.: 91-11-68201891  
 Fax No. : 91-11-23716607  
 Email: jkaglshareholder@jkm.com  
 Website : www.jkagri.com

2. Registrar & Share Transfer Agent  
 Alankit Assignments Ltd.,  
 Alankit House  
 4E/2, Jhandewalan Extension,  
 New Delhi-110 055 (India)



Phone No. :91-11-42541234, 91-11-23541234  
Fax No : 91-11-23552001  
Contact Person: Shri J.K. Singla  
Email: rta@alankit.com  
Website: www.alankit.com

**(xvii)** This Corporate Governance Report of the Company for the financial year ended 31<sup>st</sup> March 2021 is in compliance with the requirements of Corporate Governance under the Listing Regulations, as applicable.

**(xviii)** 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) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit report to the Audit Committee on quarterly basis.

**(xix)** 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.

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

As on 1<sup>st</sup> April 2020, the Company had 7992 Equity Shares, which were unclaimed by 1281 Equity Shareholders. These were lying in dematerialised mode in the suspense account. During the year, the Company has not received any request from shareholder for transfer of shares from aforesaid Suspense account. As on 31<sup>st</sup> March 2021, the Company has 7992 Equity Shares which remain unclaimed by 1281 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 31<sup>st</sup> March 2021, 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.

(Gyanendra Shukla)  
President & Director

## **Independent Auditor's Certificate on Corporate Governance**

### **To the Members of JK Agri Genetics Limited**

We have been requested by JK Agri Genetics Limited ("the Company"), having its registered office: 7, Council House Street, Kolkata -700001, West Bengal, to certify the compliance of conditions of Corporate Governance by the Company, for the year ended 31<sup>st</sup> March 2021, as per Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

This Certificate is issued in accordance with the terms of our engagement letter dated October 22, 2020.

### **Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in SEBI Listing Regulations.

### **Auditor's Responsibility**

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate

Governance issued by the Institute of the Chartered Accountants of India ('ICAI'), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of the Listing Regulations, as applicable.

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

### **Restriction on Use**

The certificate is issued solely for the purpose of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For **BGJC & Associates LLP**

Chartered Accountants  
Firm Registration No. 003304N/N500056

**Darshan Chhajer**

Place: New Delhi

Partner

Date: May 3, 2021

Membership No. 088308

UDIN: 21088308AAAAAN3357

**INDEPENDENT AUDITOR’S REPORT  
TO THE MEMBERS OF JK AGRICULTURE GENETICS  
LIMITED**

**Report on the Audit of Annual Financial Statements**

**Opinion**

We have audited the accompanying financial statements of JK Agri Genetics Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended on that date, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Companies Act, 2013 (‘the Act’) and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, the profit and total comprehensive income for the year ended on that date, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (ICAI). Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of

the Act and the Rules made there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Information other than the financial statements and auditor’s report thereon**

The Company’s Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board’s Report including annexure to Board’s Report, Business Responsibility Report, Corporate Governance and Shareholder’s Information, but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

KEY AUDIT MATTER	RESPONSE TO KEY AUDIT MATTER
<p><b>Trade receivables</b> Trade receivables comprise a significant portion of the liquid assets of the Company.</p> <p>Accordingly, the estimation of the allowance for trade receivables is a significant judgement area and is therefore considered a key audit matter.</p>	<p><b>Principal Audit Procedures</b> Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Evaluated and tested the controls for managing trade receivables and subsequent recovery.</li> <li>• Validated the assumptions underlying the Expected Credit Loss policy.</li> </ul>

	<ul style="list-style-type: none"> <li>• Assessed the recoverability of long outstanding and made provisions where considered doubtful for recovery.</li> <li>• Evaluated the status of disputes and possibility of recovery, where ever consider doubtful.</li> <li>• In case of arbitration cases specific letters were sent to the lawyers and based on their reply, assessed management’s judgment for recoverability.</li> <li>• Independent confirmations were called and alternate audit procedures applied in case of non replies.</li> <li>• Assessed the appropriateness and completeness of the related disclosure.</li> </ul> <p>Conclusion: Based on the above procedure performed, we did not identify any significant exceptions.</p>
<p><b>Existence of inventory</b></p> <p>Inventory comprises a significant portion of the liquid assets of the Company. Various procedures are involved in validating inventory quantities across locations.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Identified and assessed slow moving material for valuation and the process of revalidation to identify obsolesce.</li> <li>• Over all Inventory reconciliation.</li> <li>• Reviewed the policy of physical verification of inventory and its operational implementation.</li> <li>• Independent and signed confirmations from Carrying &amp; Forwarding agents for physical inventory.</li> <li>• Assessed the appropriateness and completeness of the related disclosure.</li> </ul> <p>Conclusion: Based on the above procedure performed, we did not identify any significant exceptions.</p>
<p><b>Utilisation of deferred tax assets</b></p> <p>The analysis of the recoverability of deferred tax assets including MAT credit entitlement has been identified as a key audit matter because the assessment process involves judgement regarding the future profitability and the likelihood of the realization of these assets in particular whether there will be taxable profits in future periods that support the recognition of these assets. This requires assumptions regarding future profitability which is inherently uncertain. Accordingly the same is considered as a key audit matter.</p>	<p><b>Principal Audit Procedures</b></p> <p>Our audit approach was a combination of test of internal controls and substantive procedures which included the following:</p> <ul style="list-style-type: none"> <li>• Obtained, discussed and analysed the future projections after vetting the assumptions and bench marking against past trends.</li> <li>• Obtained evidence of the approval of the budgeted results included in the current year’s projections and the reasonableness of the future cash flow projections and the consistency of those projections with those used in other areas of estimation such as those used for assessing the recoverability of assets.</li> <li>• Assessed the appropriateness and completeness of the related disclosure.</li> </ul> <p>Conclusion: Our procedures did not identify any material exceptions</p>

**Emphasis of Matter**

We draw attention to the following matter in the Note no. 51.2c to the financial statements:

Regarding overdue trade receivables ₹ 1823.61 lakhs & security deposit ₹ 121.68 lakhs from Rajasthan State Seeds Corporation, where petition filed by the Company for arbitration was adjudged against the Company on grounds of limitation. However, the Company has filed an application u/s 34 of The Arbitration and Conciliation Act with The Learned Commercial Court, Jaipur, since the arbitration order was biased without considering various facts and submissions. The management has taken legal opinion based on which, they are confident about the realisation / recovery, hence no provision is made.

Our opinion is not modified in respect of this matter.

**Responsibilities of the Management and Those Charged with Governance 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Indian Accounting Standards and other accounting principles generally accepted in India. The Board of Directors of the Company is responsible for maintenance of the 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.

In preparing the financial statements, the Board of Directors of the Company is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. The Board of Directors

of the Company is also responsible for overseeing the financial reporting process of the Company.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances, for the purpose of expressing an opinion on effectiveness of the Company's internal financial controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material



uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entity or business activities within the Company to express an opinion on the financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report

because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (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, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid financial statements read with Note thereto comply with the Indian Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 35 on Contingent Liabilities to the financial statements;
- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **BGJC & Associates LLP**

Chartered Accountants

Firm's Registration No.003304N/N500056

**Darshan Chhajer**

Partner

Place: New Delhi

Date: May 03, 2021

Membership No. 088308

UDIN: 21088308AAAAAP2730

## **ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of JK Agri Genetics Limited on the financial statements for the year ended March 31, 2021]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (b) The Company has a regular program of physical verification of its property, plant and equipment under which they are verified in a phased manner over a block of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information

and explanations given to us, the title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.

- (ii) The inventory, except goods in transit, were physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) According to the information & explanations given and verified us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186 of the Act.
- (v) 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 provisions of Sections 73 to 76 of the Act and the rules framed there under. We are informed by the management 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 any other Tribunal on the Company in this regard.
- (vi) The Central Government of India has not prescribed the maintenance of cost records for any of the products/activities of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.  
According to the information and explanations given and as verified by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods

and services tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

- (b) According to the information and explanation given and verified by us, there are no dues in respect of income tax, sales tax, service tax, value added tax, goods and services tax, customs duty or excise duty that have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks, governments. The company has not issued any debentures.
- (ix) The Company has not raised the money by way of initial public issue offer / further public offer. In our opinion and according to information and explanation provided to us, money raised through the term loans during the year were utilized for the purposes for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) In our opinion and according to the information and explanations given to us, managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has made preferential allotment or private placement of equity shares during the year

under review and in our opinion and according to the information and explanations given to us, the requirement of Section 42 of the Act has been complied with and the amount raised has been partially utilised during the year. The funds so utilised was as per the purposes for which they were raised.

- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of Clause 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

**For BGJC and Associates LLP**

Chartered Accountants

Firm's Registration No.: 003304N/N500056

**Darshan Chhajer**

Place: New Delhi

Partner

Date: May 03, 2021

Membership No. 088308

UDIN: 21088308AAAAAP2730

## **ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT**

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of JK Agri Genetics Limited on the financial statements for the year ended March 31, 2021]

### **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, 2021** in conjunction with our audit of the 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.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In our opinion, 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, 2021, 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 the Chartered Accountants of India.

For **BGJC and Associates LLP**

Chartered Accountants

Firm’s Registration No.: 003304N/N500056

**Darshan Chhajer**

Place: New Delhi

Partner

Date: May 03, 2021

Membership No. 088308

UDIN: 21088308AAAAAP2730

**BALANCE SHEET** (As AT 31ST MARCH, 2021)

(₹ In Lacs)

Sl. No.	Particulars	Note No.	As at 31.03.2021	As at 31.03.2020
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>NON-CURRENT ASSETS</b>			
(a)	Property, Plant and Equipment	2	2,465.05	2,664.35
(b)	Intangible Assets	3	862.34	906.55
(c)	Financial Assets			
(i)	Loans	4	42.79	40.24
(ii)	Other Financial Assets	5	0.20	-
(d)	Deferred Tax Asset (Net)	6	1,614.42	1,615.96
(e)	Other Non-Current Assets	7	75.53	0.94
			<u>5,060.33</u>	<u>5,228.04</u>
<b>2</b>	<b>CURRENT ASSETS</b>			
(a)	Inventories	8	12,468.88	9,975.70
(b)	Financial Assets			
(i)	Investments	9	2,281.52	-
(ii)	Trade Receivables	10	7,685.83	6,469.70
(iii)	Cash and Cash Equivalents	11	1,524.66	3,096.57
(iv)	Bank Balances other than (iii) above	12	1,193.54	122.81
(v)	Loans	13	224.96	256.89
(vi)	Other Financial Assets	14	71.10	50.32
(c)	Current Tax Assets (Net)	15	148.40	426.66
(d)	Other Current Assets	16	180.47	211.48
			<u>25,779.36</u>	<u>20,610.13</u>
	<b>TOTAL</b>		<u>30,839.69</u>	<u>25,838.17</u>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
	<b>EQUITY</b>			
(a)	Equity Share Capital	17	463.70	415.39
(b)	Other Equity		13,072.78	10,666.31
			<u>13,536.48</u>	<u>11,081.70</u>
	<b>LIABILITIES</b>			
<b>1</b>	<b>NON-CURRENT LIABILITIES</b>			
(a)	Financial Liabilities			
(i)	Borrowings	18	687.25	1,145.54
(ii)	Other Financial Liabilities	19	120.85	290.16
(b)	Provisions	20	196.81	145.11
(c)	Other Non-Current Liabilities	21	7.36	22.69
			<u>1,012.27</u>	<u>1,603.50</u>
<b>2</b>	<b>CURRENT LIABILITIES</b>			
(a)	Financial Liabilities			
(i)	Borrowings	22	1,199.57	2,168.89
(ii)	Trade Payables	23	8,979.72	5,222.29
(iii)	Other Financial Liabilities	24	829.92	738.91
(b)	Other Current Liabilities	25	5,151.44	4,948.81
(c)	Provisions	26	130.29	74.07
			<u>16,290.94</u>	<u>13,152.97</u>
	<b>TOTAL</b>		<u>30,839.69</u>	<u>25,838.17</u>

Significant accounting policies  
The accompanying notes are an integral part of financial statements

1

As per our report of even date.

**For BGJC & Associates LLP**

 Chartered Accountants  
ICAI Firm Registration No. 003304N / N500056

 Darshan Chhajer  
Partner  
Membership No. 088308

 G.SRAVANA KUMAR  
Chief Financial Officer

 ANOOP SINGH GUSAIN  
Company Secretary

BHARAT HARI SINGHANIA	Chairman
DR. RAGHUPATI SINGHANIA	Directors
SANJAY KUMAR KHAITAN	
SANJEEV KUMAR JHUNJHUNWALA	
SWATI SINGHANIA	
ABHIMANYU JHAVER	
AJAY SRIVASTAVA	
AMAR SINGH MEHTA	
VIKRAMPATI SINGHANIA	Managing Director
DR. GYANENDRA SHUKLA	President & Director

New Delhi, 03 May, 2021

**STATEMENT OF PROFIT AND LOSS** (FOR THE YEAR ENDED 31ST MARCH, 2021)

(₹ In Lacs)

Sl. No.	Particulars	Note No.	2020-21	2019-20
I	<b>Revenue from operations</b>	27	<b>22,377.89</b>	17,997.35
II	Other income	28	<b>308.29</b>	54.29
III	<b>Total Income (I + II)</b>		<b>22,686.18</b>	18,051.64
IV	<b>Expenses:</b>			
	Cost of materials consumed	29	<b>15,046.96</b>	7,699.61
	(Increase) / decrease in inventories of finished goods work-in-progress and Stock-in-Trade	30	<b>(2,701.86)</b>	3,082.93
	Employee benefits expense	31	<b>3,355.28</b>	3,167.93
	Finance costs	32	<b>644.53</b>	879.23
	Depreciation and amortization expense	33	<b>352.78</b>	374.45
	Other expenses	34	<b>4,601.19</b>	4,481.01
	<b>Total expenses (IV)</b>		<b>21,298.88</b>	19,685.16
V	<b>Profit before Exceptional Items and Tax (III-IV)</b>		<b>1,387.30</b>	(1,633.52)
VI	Exceptional items (Ref. Note No. 57)		<b>(385.61)</b>	-
VII	<b>Profit Before tax (V+VI)</b>		<b>1,001.69</b>	(1,633.52)
VIII	Tax expense:			
	(1) Current tax		<b>276.65</b>	-
	(2) MAT Credit Entitlement		<b>(276.65)</b>	-
	(3) Deferred tax Liability / (Asset)		<b>284.66</b>	(557.65)
IX	<b>Profit for the Year (VII-VIII)</b>		<b>717.03</b>	(1,075.87)
X	<b>Other Comprehensive Income</b>			
	<b>Items that will not be reclassified to profit or Loss</b>			
	- Re-measurement (Losses)/Gain on Defined Benefit Plans		<b>(22.22)</b>	40.82
	- Income tax effect		<b>6.47</b>	(11.89)
	<b>Total Other Comprehensive income (X)</b>		<b>(15.75)</b>	28.93
XI	<b>Total Comprehensive income for the year (IX + X)</b>		<b>701.28</b>	(1,046.94)
XII	Earnings per equity share: (₹)			
	Basic & Diluted (₹)	46	<b>16.70</b>	(29.51)

Significant accounting policies 1  
The accompanying notes are an integral part of financial statements

As per our report of even date.

For BGJC &amp; Associates LLP

Chartered Accountants

ICAI Firm Registration No. 003304N / N500056

Darshan Chhajer

Partner

Membership No. 088308

New Delhi, 03 May, 2021

 G.SRAVANA KUMAR  
Chief Financial Officer

 ANOOP SINGH GUSAIN  
Company Secretary

BHARAT HARI SINGHANIA	Chairman
DR. RAGHUPATI SINGHANIA	Directors
SANJAY KUMAR KHAITAN	
SANJEEV KUMAR JHUNJHUNWALA	
SWATI SINGHANIA	
ABHIMANYU JHAVER	
AJAY SRIVASTAVA	
AMAR SINGH MEHTA	Managing Director
VIKRAMPATI SINGHANIA	
DR. GYANENDRA SHUKLA	President & Director



**Statement of Changes in Equity for the year ended 31<sup>st</sup> March, 2021**
**(₹ In Lacs)**
**I Share Capital**

Particulars	As at 31.03.2021	As at 31.03.2020
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
46,36,963 Equity Shares (Previous Year 41,53,906 Equity Shares) of ₹ 10/- each fully paid up		
Balance at the beginning of year	415.39	360.39
Changes in equity share capital during year	48.31	55.00
<b>Balance at the end of reporting year</b>	<b>463.70</b>	<b>415.39</b>

**II Other Equity**
**(₹ In Lacs)**

Particulars	Retained Earning	Reserve & Surplus			Other Comprehensive Income that will not be reclassified to P&L	Total
		Share Warrants	Securities Premium Account	General Reserve	Re-measurement of Net Defined Benefit Plans	
<b>Balance As at 31st March, 2020</b>	<b>3,475.08</b>	<b>584.50</b>	<b>2,607.00</b>	<b>4,000.00</b>	<b>(0.27)</b>	<b>10,666.31</b>
Received During the year #		1,753.50				1,753.50
Transferred During the year#		(2,289.69)	2,289.69			-
Transferred During the year to Equity #		(48.31)				(48.31)
Profit for the year	717.03		-		-	717.03
Other Comprehensive income (Net of Taxes)	-		-		(15.75)	(15.75)
<b>Balance As at 31st March, 2021</b>	<b>4,192.11</b>	<b>-</b>	<b>4,896.69</b>	<b>4,000.00</b>	<b>(16.02)</b>	<b>13,072.78</b>

# During the year ₹ 1753.50 lacs received towards 75% balance amount of fully convertible Share Warrants @ ₹ 484 per warrant issued to the promotor group and 483057 equity shares of ₹ 10 each fully paid up at a premium of ₹ 474 per share were allotted to the respective share warrant holders.

As per our report of even date.

For BGJC & Associates LLP

Chartered Accountants

ICAI Firm Registration No. 003304N / N500056

Darshan Chhajjer

Partner

Membership No. 088308

New Delhi, 03 May, 2021

G.SRAVANA KUMAR  
Chief Financial Officer

ANOOP SINGH GUSAIN  
Company Secretary

BHARAT HARI SINGHANIA  
DR. RAGHUPATI SINGHANIA  
SANJAY KUMAR KHAITAN  
SANJEEV KUMAR JHUNJHUNWALA  
SWATI SINGHANIA  
ABHIMANYU JHAVER  
AJAY SRIVASTAVA  
AMAR SINGH MEHTA

Chairman

Directors

VIKRAMPATI SINGHANIA Managing Director  
DR. GYANENDRA SHUKLA President & Director

**Note No.1****1.1 The Company overview:**

JK Agri Genetics Limited (JKAGL) is a public limited company incorporated and domiciled in India and its shares are publicly traded on the Bombay Stock Exchange ('BSE'), in India. The Registered office of the company is situated at 7, Council House Street, Kolkata-700 001, West Bengal (India). JKAGL is engaged in research and development, production, processing and marketing of Cotton, Maize, Paddy, Pearl Millet, Sorghum, Mustard, Wheat, Sorghum Sudan grass, Tomato, Okra, Chillies and other vegetable seeds. The company's manufacturing facilities are located at Survey no. 509/2, Village: Gundlapochampally, District: Medchal - 501401 Telangana and at Ranpur, Kota, Rajasthan.

These financial statements were approved and adopted by board of directors of the Company in their meeting held on 3<sup>rd</sup> May, 2021.

**1.2 Basis of preparation of financial statements:****(i) Statement of compliance:**

These financial statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2017 and relevant provisions of the Companies Act, 2013.

**(ii) Basis of preparation:**

The financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS. The financial statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements)

**(iii) Basis of measurement:**

The financial statements have been prepared under historical cost convention on accrual basis, except for the items that have been measured at fair value as required by relevant Ind AS.

**(iv) Current & Non-Current Classifications.**

All Assets and Liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of product & activities of the Company and their realisation in cash and cash equivalent, the Company has determined its operating cycle as twelve months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

**1.3 Significant accounting policies:****(i) Property, plant and equipment:**

Property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Cost includes expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Expenditure during construction / erection period is included under capital work-in-progress and is allocated to the respective property, plant and equipment on completion of construction / erection.

Depreciation is calculated on straight line method and as per the useful life as prescribed in Schedule II of The Companies Act 2013. Buildings on lease hold Land 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. Leasehold Land considered as operating lease is being amortized over the lease period.

The residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

The cost and related accumulated depreciation are eliminated from the financial statements, upon sale and disposition of the assets and the resultant gains or losses are recognised in the statement of profit and loss.

**(ii) Intangible assets:**

Separately purchased intangible assets are initially measured at cost. Intangible assets acquired in a

business combination are recognised at fair value at the acquisition date. Subsequently, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any. The useful life of intangible assets are assessed as either finite or indefinite. Finite-life intangible assets are amortised on a straight-line basis over the period of their expected useful life.

The amortisation period and the amortisation method for finite-life intangible assets is reviewed at each financial year end and adjusted prospectively. Indefinite life intangibles mainly consist of brands. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues, if not, it is impaired or changed prospectively based on revised estimates.

**(iii) Research and Development Costs**

Revenue Expenditure on Research and Development is charged to Statement of Profit and Loss and Capital Expenditure is added to Property, plant and equipment.

**(iv) Lease:**

Implementation of Ind AS – 116.

Ind AS 116 supersedes Ind AS 17 Leases including evaluating the substance of transactions involving the legal form of a lease.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019.

**Right of Use Assets**

The Company recognises a right-of-use asset, on a lease-by-lease basis, to measure that right-of-use asset an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the balance sheet immediately before the date of initial application.

The cost of right-of-use assets includes the amount of lease liabilities recognised. Initial direct costs incurred and lease payments made at or before the commencement date less any lease incentives received, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment test.

**Lease Liabilities**

The Company recognise a lease liability at the present value of the remaining lease payments, discounted using the lessee's incremental borrowing rate.

The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on a lease by lease basis.

**Short-term Leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

**Significant judgment in determining the lease term of contracts with renewal options**

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

**(v) Inventories:**

Inventories are valued at 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.

**(vi) Borrowing cost:**

Borrowing Cost is charged to Statement of Profit and Loss statement except meant for acquisition of qualifying assets, which is capitalised, using the effective interest method till the date of commercial use.



**(vii) Employee benefit:****a. Defined Contribution Plan**

Employee benefits in the form of Provident Fund (PF) and Employee state Insurance (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 (funded) and Leave Encashment 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. Actuarial Gains or Losses through re-measurement of the net obligation of a defined benefit liability or asset is recognised in Other Comprehensive Income. Such re-measurements are not reclassified to Statement of Profit and Loss in subsequent periods.

**c. Short-term Employee Benefits.**

Short term benefits are charged off at the undiscounted amount in the year in which the related service is rendered.

**d. Long-term Employee Benefit.**

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognized as a liability at the present value of the defined benefit obligation at the balance sheet date.

Annual leaves can either be availed or encashed subject to restriction on the maximum accumulation of leaves.

**(viii) Taxes on Income****a. Current tax:**

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**b. Deferred tax:**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are applicable at the reporting date.

Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized under Other Comprehensive Income (OCI).

Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at balance sheet date has been arrived at after setting off deferred tax assets and liabilities.

**(ix) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

**a. Financial assets**

Financial assets include cash and cash equivalents, trade and other receivables.

Financial Assets are measured at amortised cost or fair value through Other Comprehensive Income or fair value through Statement of Profit or Loss, depending on its business model for managing those financial assets and the assets contractual cash flow characteristics.

Subsequent measurements of financial assets are dependent on initial classification. For impairment purposes significant financial assets are tested on an individual basis, other financial assets are assessed collectively in groups that share similar credit risk characteristics.

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire or it transfers the financial assets and the transfer qualifies for the derecognition under Ind AS 109.

The company assesses impairment based on the expected credit losses (ECL) model to all its financial assets measured at amortised cost.

**b. Financial Assets at Fair value through Profit or Loss (FVTPL)**

At the date of initial recognition, Financial assets are held for trading, or which are measured neither at Amortized Cost nor at Fair Value through OCI. Therefore, they are subsequently measured at each reporting date at fair value, with all fair value movements recognized in the Statement of Profit and Loss.

**c. Financial liabilities**

Financial liabilities include loans and borrowings, trade and other payables and other eligible liabilities.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and other payables, net of directly attributable transaction costs. After initial recognition, financial liabilities are classified under one of the following two categories:

**Financial liabilities at amortised cost:** After initial recognition, such financial liabilities are subsequently measured at amortised cost by applying the Effective Interest Rate (EIR) method to the gross carrying amount of the financial liability. The EIR amortisation is included in finance expense in the Statement of Profit and Loss.

**Financial liabilities at fair value through profit or loss:** Financial liabilities which are designated as such on initial recognition, or which are held for trading. Fair value gains / losses attributable to changes in own credit risk is recognised in OCI. These gains / losses are not subsequently transferred to Statement of Profit and Loss. All other changes in fair value of such liabilities are recognised in the Statement of Profit and Loss.

The Company derecognises a financial liability when the obligation specified in the contract is discharged, cancelled or expires.

**(x) Revenue:**

The Company's revenue is derived from the single performance obligation. Revenue is recognized based on the nature of activity when, the promised goods or services are transferred to the customer and consideration can be reasonable measured or 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 discounts.

**(xi) Grants:**

Grants and subsidies from the Government are recognised when there is reasonable assurance that the grant / subsidy will be received and all attaching conditions will be complied with. Revenue Grants are recognised in the Statement of Profit and Loss. Capital Grants relating to specific assets are recognised in the balance sheet as deferred income and credited in statement of profit and loss on a systematic basis over the useful life of the related asset.

**(xii) Impairment:**

The carrying amount of Property, plant and equipments and Intangible 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 recognised as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed, if there has been an improvement in recoverable amount.

**(xiii) Earnings per share (EPS):**

Basic earnings per share is calculated by dividing the profit or loss for the period attributable to the equity holders of the company by the weighted average number of ordinary shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(xiv) Cash and cash equivalents:**

Cash and cash equivalents include cash on hand and at bank, Cheques on hand and Remittances in transit for the purpose of meeting short-term cash commitments.

**(xv) Foreign currency transactions and translation**

Financial statements have been presented in Indian Rupees(₹), which is the Company's functional and presentation currency.

Monetary 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.

**1.4 Significant accounting judgements, estimates and assumptions:**

The Preparation of these financial statements requires managements judgements, estimates and assumptions that affect the application of accounting policies, the accounting disclosures made and the reported amounts of assets, liabilities, income and expenses.

Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates are made in the period, in which, the estimates are revised and in any future periods, effected pursuant to such revisions.



**Note-2**
**Property, Plant and Equipment**
**(₹ In Lacs)**

Assets	Gross Block				Accumulated Depreciation				Net Carrying Amount	
	As At 01.04.2020	Additions / Adjustments	Disposals Adjustments	As At 31.03.2021	As At 01.04.2020	Charged for the Year	Disposal	As At 31.03.2021	As At 31.03.2021	As At 31.03.2020
<b>Trangible Assets:</b>										
Land - Freehold	1,018.76 (1,018.76)	-	-	<b>1,018.76</b> <b>(1,018.76)</b>	-	-	-	-	<b>1,018.76</b> <b>(1,018.76)</b>	1,018.76 (1,018.76)
Land - Leasehold	492.00 (492.00)	-	-	<b>492.00</b> <b>(492.00)</b>	32.04 (24.03)	8.01 (8.01)	-	<b>40.05</b> <b>(32.04)</b>	<b>451.95</b> <b>(459.96)</b>	459.96 (467.97)
Building #	177.14 (194.88)	-	(17.74)	<b>177.14</b> <b>(177.14)</b>	56.66 (57.45)	8.75 (11.09)	-	<b>65.41</b> <b>(56.66)</b>	<b>111.73</b> <b>(120.48)</b>	120.48 (137.43)
Right To Use of Assets	564.65 -	- (564.65)	-	<b>564.65</b> <b>(564.65)</b>	155.53 -	156.22 (155.53)	-	<b>311.75</b> <b>(155.53)</b>	<b>252.90</b> <b>(409.12)</b>	409.12 -
Plant and Equipments @	1,053.88 (1,054.69)	14.78 (1.75)	51.13 (2.56)	<b>1,017.53</b> <b>(1,053.88)</b>	537.74 (431.01)	93.87 (108.98)	44.19 (2.25)	<b>587.42</b> <b>(537.74)</b>	<b>430.11</b> <b>(516.14)</b>	516.14 (623.68)
Furniture & Fixtures	23.60 (22.55)	0.77 (1.05)	-	<b>24.37</b> <b>(23.60)</b>	9.11 (6.86)	2.26 (2.25)	-	<b>11.37</b> <b>(9.11)</b>	<b>13.00</b> <b>(14.49)</b>	14.49 (15.69)
Office Equipments	175.38 (167.92)	12.77 (11.89)	0.13 (4.43)	<b>188.02</b> <b>(175.38)</b>	112.72 (86.96)	22.91 (29.57)	0.05 (3.81)	<b>135.58</b> <b>(112.72)</b>	<b>52.44</b> <b>(62.66)</b>	62.66 (80.96)
Vehicle	105.82 (152.80)	91.55 (8.24)	32.03 (55.22)	<b>165.34</b> <b>(105.82)</b>	43.08 (51.71)	15.40 (14.50)	27.30 (23.13)	<b>31.18</b> <b>(43.08)</b>	<b>134.16</b> <b>(62.74)</b>	62.74 (101.09)
Previous Year	<b>3,611.23</b> <b>(3,103.60)</b>	<b>119.87</b> <b>(587.58)</b>	<b>83.29</b> <b>(79.95)</b>	<b>3,647.81</b> <b>(3,611.23)</b>	<b>946.88</b> <b>(658.02)</b>	<b>307.42</b> <b>(329.93)</b>	<b>71.54</b> <b>(41.07)</b>	<b>1,182.76</b> <b>(946.88)</b>	<b>2,465.05</b> <b>(2,664.35)</b>	<b>2,664.35</b> <b>(2,445.58)</b>

**Note:**

Figures in brackets represent amounts pertaining to previous year.

On Lease hold premises

# Net carrying Amount of ₹ 68.81 lacs as at 31.03.2021 (Previous year ₹ 79.34 lacs).

@ Net carrying Amount of ₹ 369.88 lacs as at 31.03.2021 (Previous year ₹ 464.93 lacs)

**Note-3**
**Other Intangible Assets**
**(₹ In Lacs)**

Assets	Gross Block				Accumulated Depreciation				Net Carrying Amount	
	As At 01.04.2020	Additions / Adjustments	Disposals Adjustments	As At 31.03.2021	As At 01.04.2020	Charged for the Year	Disposal	As At 31.03.2021	As At 31.03.2021	As At 31.03.2020
<b>Intan-gibles:</b>										
Brand @	810.00 (810.00)	-	-	<b>810.00</b> <b>(810.00)</b>	-	-	-	-	<b>810.00</b> <b>(810.00)</b>	810.00 (810.00)
Software#	235.74 (225.11)	1.15 (10.63)	-	<b>236.89</b> <b>(235.74)</b>	139.19 (94.67)	45.36 (44.52)	-	184.55 (139.19)	<b>52.34</b> <b>(96.55)</b>	96.55 (130.44)
Previous Year	<b>1,045.74</b> <b>(1,035.11)</b>	<b>1.15</b> <b>(10.63)</b>	-	<b>1,046.89</b> <b>1,045.74)</b>	<b>139.19</b> <b>(94.67)</b>	<b>45.36</b> <b>(44.52)</b>	-	<b>184.55</b> <b>(139.19)</b>	<b>862.34</b> <b>(906.55)</b>	<b>906.55</b> <b>(940.44)</b>

**Note:**

Figures in brackets represent amounts pertaining to previous year.

@ The indefinite life intangible assets (J.K. SEEDS - Brand), no indication of impairment noticed.

# Being amortized over a period of 5 Years, being useful life as determined.

**Note No. 4**
**(₹ In Lacs)**

	As at <u>31.03.2021</u>	As at <u>31.03.2020</u>
<b>Non Current Financial Assets - Loans</b> (Unsecured, considered good)		
Deposit with Government & Others	42.75	40.20
Other Loans and Advances to Employees	0.04	0.04
	<u>42.79</u>	<u>40.24</u>

**Note No. 5**
**Non Current Financial assets - Others**

Bank Balance in Deposit Account (Ref Note no.12)	0.20	-
	<u>0.20</u>	<u>-</u>

**Note No. 6**
**Deferred Tax (Liabilities)/ Assets (Net)**

1. Deferred Tax Liabilities Related to Property, Plant and Equipments and Intangibles	257.02	257.88
2. Deferred Tax Assets Expenses / Provisions Allowable	374.63	291.46
Unabsorbed Depreciation & Brought forward Business Losses	146.15	508.37
Deferred Tax (Liability) / Asset (Net)	263.76	541.95
MAT Credit Entitlement	1,350.66	1,074.01
<b>Deferred Tax (Liability) / Asset (Net)</b>	<u>1,614.42</u>	<u>1,615.96</u>

**Note No. 7**
**Other Non Current Assets**

Prepaid Expenses	75.53	0.94
	<u>75.53</u>	<u>0.94</u>

**Note No. 8**
**Inventories**

Stores, Processing & Packing Material	1,011.27	834.34
Semi Finished Goods	6,020.28	3,801.93
Finished Goods*	5,437.33	5,339.43
	<u>12,468.88</u>	<u>9,975.70</u>

\* Includes Stock in Transit ₹110.07 lacs (Previous year ₹ 113.70 lacs)

**Note No. 9**
**Current Investments**

	As at 31.03.2021		As at 31.03.2020	
	Number	Amount	Number	Amount
<b>At Fair Value through Profit &amp; Loss</b>				
<b>Investment in Mutual funds</b>				
Aditya Birla Sun Life Overnight Fund - Growth-Regular Plan	69,874.281	775.32	-	-
Kotak - Overnight Fund Growth (Regular Plan)	58,642.609	642.82	-	-
ICICI - Overnight Fund Growth	779,803.410	863.38	-	-
<b>Total</b>	<u>908,320.30</u>	<u>2,281.52</u>	-	-
Aggregate book value of quoted investments		2,281.52		-
Aggregate market value of quoted investments		2,281.52		-
Aggregate book value of unquoted investments		-		-

**Note No. 10**
**(₹ In Lacs)**

	As at <u>31.03.2021</u>	As at <u>31.03.2020</u>
<b>Trade Receivables (Unsecured)</b>		
Considered Good #	7,213.21	5,732.45
Which have significant increase in Credit Risk	1,736.74	1,935.97
Credit Impaired	-	-
<b>Total</b>	<u>8,949.95</u>	<u>7,668.42</u>
Less: Allowance for Expected Credit Loss	<u>1,264.12</u>	<u>1,198.72</u>
	<u>7,685.83</u>	<u>6,469.70</u>

# Includes Government outstanding of ₹ 1823.61 lacs (Refer Note no.51.2c (ii))

**Note No. 11**
**Cash & Cash Equivalents**

Cash on hand	0.16	0.75
Cheques on hand	0.91	-
Balances with Scheduled Banks :		
On Current Accounts	23.59	3,095.82
On Deposit Accounts maturing before 3 Months	1,500.00	-
	<u>1,524.66</u>	<u>3,096.57</u>

**Note No. 12**
**Bank Balance other than Cash and Cash Equivalents**

On Deposit Accounts maturing after 3 months but before 12 months*	1,184.39	113.65
On Deposit Accounts maturing after 12 months*	0.20	-
Unclaimed dividend accounts	7.18	7.19
Fractional shares Balance Account	1.97	1.97
	<u>1,193.74</u>	<u>122.81</u>
Less: Amount disclosed under Other Non Current Financial Assets (Note No.5)	0.20	-
	<u>1,193.54</u>	<u>122.81</u>

\* Includes ₹ 53.06 lacs (Previous year ₹ 104.12 lacs) Pledged as margin money

**Note No. 13**
**Financial Assets - Loans**

Unsecured		
Deposit with Government Authorities & Others #	224.96	256.89
Which have Significant increase in Credit Risk	52.34	52.34
Credit Impaired	-	-
<b>Total</b>	<u>277.30</u>	<u>309.23</u>
Less: Allowance for Doubtful Advances	52.34	52.34
	<u>224.96</u>	<u>256.89</u>

# Includes Government Deposit of ₹ 121.68 lacs (Refer Note no.51.2c (ii))

**Note No. 14**
**Other Financial Assets**

Interest Accrued	33.73	5.29
Others	37.37	45.03
	<u>71.10</u>	<u>50.32</u>

**Note No. 15**

	As at <u>31.03.2021</u>	(₹ In Lacs) As at <u>31.03.2020</u>
<b>Current Tax Assets (Net)</b>		
Advance payment of Income Tax	148.40	426.66
Net of provision (Incl. interest)		
₹2468.60 Lacs (Previous year ₹2191.94 Lacs)	<u>148.40</u>	<u>426.66</u>

**Note No. 16**
**Other Current Assets**

Advance Recoverable	27.69	148.09
Prepaid Expenses	152.78	56.51
Others	-	6.88
	<u>180.47</u>	<u>211.48</u>

**Note No. 17**
**Share Capital**
**Authorised:**

Equity Shares - 1,40,00,000 of ₹10 each (Previous year 1,40,00,000 of ₹ 10 each)	1,400.00	1,400.00
	<u>1,400.00</u>	<u>1,400.00</u>

**Issued, Subscribed and Paid up:**

Equity Shares - 46,36,963 shares (Previous Year 41,53,906 shares) of ₹ 10/- each fully paid up	463.70	415.39
	<u>463.70</u>	<u>415.39</u>

**17.1. Reconciliation of number of share & outstanding**
**- Equity Share**

Shares outstanding as at the beginning of the year	4,153,906	3,603,906
Add: Shares issued during the year	483,057	550,000
Less: Bought back during the year	-	-
Shares outstanding as at the end of the year	<u>4,636,963</u>	<u>4,153,906</u>

**17.2 Details of Shareholder & who held more than 5% of Equity Share**

	No. of Shares held	No. of Shares held
Bengal & Assam Co. Ltd	3,126,080	2,739,633
Edgefield Securities Ltd.	211,074	217,749

**17.3 Terms/right attached to equity shares:**

- a. The Company has only one class of equity share having par value of ₹10 per share. Each holder of equity share is entitled to one vote per share.
- b. 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.
- c. 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. 18**  
**Financial Borrowings**
**(₹ In Lacs)**

	As at 31.03.2021		As at 31.03.2020	
	Non Current	Current*	Non Current	Current*
<b>Non Current Borrowings</b>				
<b>SECURED LOANS</b>				
Term Loans:				
Banks	675.00	375.00	1,050.00	300.00
Others	12.25	27.82	36.39	27.82
	<b>687.25</b>	<b>402.82</b>	1,086.39	327.82
<b>UNSECURED LOANS</b>				
Council of Scientific & Industrial Research (CSIR)	-	68.68	59.15	73.68
	<b>-</b>	<b>68.68</b>	59.15	73.68
	<b>687.25</b>	<b>471.50</b>	1,145.54	401.50

\*Amount disclosed under Note No.24

**Notes:**

1. Term loan from Bank of ₹ 1050.00 lacs taken from bank is secured by First pari passu charge on the immovable fixed assets of the Company and second pari passu charge on the current assets. Repayable in 10 Quarterly installments ( 2 Equal quarterly Installments of ₹ 75.00 lacs and next 8 Equal quarterly Installments of ₹112.50 lacs).
2. Term loan others of ₹ 40.08 lacs (net of ₹ 1.65 lacs for deferred Government grants) 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 3 equal half yearly installments by 2022-23.
3. Unsecured Loan of ₹ 68.68 lacs (Net of ₹ 5.00 lacs for deferred Government Grants) taken from CSIR is repayable in 1 yearly installments by 2021-22.

**Note No. 19**
**(₹ In Lacs)**

	As at 31.03.2021	As at 31.03.2020
<b>Other Financial Liabilities</b>		
Lease Liability	120.85	290.16
	<b>120.85</b>	<b>290.16</b>

**Note No. 20**
**LONG-TERM PROVISIONS**
**Provision for employee benefits**

Leave encashment	196.81	145.11
	<b>196.81</b>	<b>145.11</b>

**Note No. 21**
**(₹ In Lacs)**

	As at <u>31.03.2021</u>	As at <u>31.03.2020</u>
<b>Other Non Current Liabilities</b>		
Government Grants	-	18.15
Others	<u>7.36</u>	<u>4.54</u>
	<u>7.36</u>	<u>22.69</u>

**Note No. 22**
**Financial Liabilities - Borrowings**
**SECURED LOANS**

Working Capital Borrowing from Banks #	<u>966.49</u>	1,995.21
Buyer's Credit #	<u>233.08</u>	<u>173.68</u>
	<u>1,199.57</u>	<u>2,168.89</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.

**Note No. 23**
**Trade Payables**

a) Micro Enterprises & Small Enterprises	<u>240.67</u>	119.34
b) Others	<u>8,739.05</u>	<u>5,102.95</u>
	<u>8,979.72</u>	<u>5,222.29</u>

**Note No. 24**
**Other Financial Liabilities**

Current Maturities of Long Term Borrowings	<u>471.50</u>	401.50
Interest Accrued but not due on loan	<u>154.60</u>	156.89
Security Deposits	<u>25.35</u>	24.28
Lease Liability	<u>169.32</u>	147.08
Unclaimed Dividend	<u>7.18</u>	7.19
Unpaid Fractional Shares Balance	<u>1.97</u>	1.97
	<u>829.92</u>	<u>738.91</u>

**Note No. 25**
**Other Current Liabilities**

Advance from Customers	<u>4,319.32</u>	4,381.41
Other Liabilities		
Government and Other dues	<u>124.58</u>	102.15
Government Grants	<u>18.15</u>	21.32
Others	<u>689.39</u>	<u>443.93</u>
	<u>5,151.44</u>	<u>4,948.81</u>

**Note No. 26**
**(₹ In Lacs)**

	As at <u>31.03.2021</u>	As at <u>31.03.2020</u>
<b>Provisions</b>		
Provision for Retirement Benefits		
Gratuity	51.67	-
Leave Encashment	43.12	38.57
Others	35.50	35.50
	<u>130.29</u>	<u>74.07</u>
	<u>2020-21</u>	<u>2019-20</u>

**Note No. 27**
**Revenue from Operations**

1. Sales : Seeds	21,670.68	17,411.16
Others	433.98	350.06
2. Other Operating Revenue	273.23	236.13
	<u>22,377.89</u>	<u>17,997.35</u>

**Note No. 28**
**Other Income**

Interest on Deposit with Banks & others	73.33	54.29
Profit on sale / Fair Value of Current Investments.	84.33	-
Profit on Sale of Property, Plant and Equipments (Net)	20.63	-
Others	130.00	-
	<u>308.29</u>	<u>54.29</u>

**Note No. 29**
**Cost of Material Consumed**

Purchase of Seeds	12,842.14	6,295.11
Purchase of Other Agri Products	335.88	219.26
Consumption of Packing Materials & Others	945.82	805.87
Processing Charges	578.03	106.26
Power & Fuel	49.42	48.55
Repair & Maintenance- Machinery	39.85	20.97
Labour expenses	255.82	203.59
	<u>15,046.96</u>	<u>7,699.61</u>

**Note No. 30**
**Changes in Inventories of Finished Goods  
work-in-progress and Stock-in-Trade**
**Opening Stock**

- Semi Finished Goods	3,801.93	4,839.08
- Finished Goods	5,339.43	7,385.21
	<u>9,141.36</u>	<u>12,224.29</u>

**Closing Stock**

- Semi Finished Goods	6,020.28	3,801.93
- Finished Goods	5,437.33	5,339.43
	<u>11,457.61</u>	<u>9,141.36</u>

(Increase)/Decrease in Stocks (Before Exceptional)	(2,316.25)	3,082.93
Exceptional Items (Ref Note no.57)	(385.61)	-
(Increase)/Decrease in Stocks	<u>(2,701.86)</u>	<u>3,082.93</u>

**Note No. 31**

(₹ In Lacs)

	<u>2020-21</u>	<u>2019-20</u>
<b>Employee Benefit Expenses</b>		
Salaries, Wages, Allowance, etc.	2,850.44	2,774.17
Contribution to Provident and other Funds	156.81	150.88
Employees' Welfare and other Benefits	348.03	242.88
	<u>3,355.28</u>	<u>3,167.93</u>

**Note No. 32**
**Finance Cost**

Interest Expenses	610.19	863.70
Other Borrowing costs	34.34	15.53
	<u>644.53</u>	<u>879.23</u>

**Note No. 33**
**Depreciation and Amortization Expense**

Depreciation on Property, Plant and Equipments	307.42	329.94
Amortization of Intangible Assets	45.36	44.51
	<u>352.78</u>	<u>374.45</u>

**Note No. 34**
**Other Expenses**

Rent	169.05	164.96
Rates & Taxes	0.52	0.47
Insurance	69.44	72.37
Freight Outwards	1,132.02	872.41
Advertisement & Sales Promotion	836.01	935.71
Royalty	-	84.78
Directors' Fees	13.35	18.69
Farming Expenses	521.91	469.36
Travelling	499.15	732.97
Commission	499.26	402.66
Loss on Sales/Discard of Assets (Net)	-	13.82
Foreign Exchange Fluctuation	30.07	31.69
Provisions/Allowances for Doubtful Debts	120.08	62.51
Bad Debts and Advances Written off	54.69	
Less: Withdrawal from Provision/allowance for doubtful debts	<u>54.69</u>	
	-	
Miscellaneous Expenses.	710.33	618.61
	<u>4,601.19</u>	<u>4,481.01</u>



**Note No. 35**
**Contingent liabilities, not provided for in respect of :**

- (i) Claims by certain parties against the company not accepted and not provided for ₹ 312.31 lacs (Previous Year ₹321.34 lacs).
- (ii) Income Tax (matters in appeals) of ₹ Nil lacs (Previous year ₹ 25.65 lacs). In respect of certain disallowances and additions made by the Income Tax authorities, which has been settled by the management under the "Vivad se Viswas Scheme".

**Note No. 36**

Company acted as a facilitator for Schedule Banks ₹ 3681.32 lacs (Previous year ₹ 3237.89 lacs) for loans provided to the farmers, grouped under trade payables / trade advances.

**Note No. 37**

Estimated amount of contracts net of advances amounting to ₹ 0.07 lacs (Previous year ₹ 3.52 lacs) remaining to be executed on capital account.

**Note No. 38**

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.

**Note No. 39**
**Expenditure on Research and Development (R&D) activities during the year:**

Particulars	(₹ In Lacs)	
	2020-21	2019-20
<b>Recurring Expenses*</b>		
Employees Cost	545.15	575.28
Farming Expenses	521.91	469.36
Other Expenses	247.16	269.56
<b>Total Recurring Expenses</b>	<b>1,314.22</b>	1,314.20
<b>Total Capital Expenditure</b>	<b>12.71</b>	1.58
<b>Total R &amp; D Expenses (incl. Capital Expenditure)</b>	<b>1,326.93</b>	1,315.78

\*Included in respective account

**Note No. 40**
**Amount paid to Auditors:**
**Statutory Auditors**

Audit Fee	5.00	5.00
Taxation	1.00	1.00
Certification & Other Services	7.18	6.14
Reimbursement of expenses	0.24	0.21
<b>Total</b>	<b>13.42</b>	12.35

**Note No. 41**

- 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 17<sup>th</sup> 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 17<sup>th</sup> October, 2012, giving impact of the Scheme from 1<sup>st</sup> April, 2005, during the financial year 2012-13.

**Note No. 42**

Based on information available with the Company in respect of MSME ('The Micro Small & Medium Enterprises Development Act 2006'). The details are as under:

- i) Principal and Interest amount due and remaining unpaid as at 31<sup>st</sup> March 2021 ₹ Nil (previous year ₹ Nil).
- ii) Interest paid in terms of section 16 of the MSME Act during the year - Nil (previous year - Nil).
- iii) The amount of Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified – Nil (previous year - Nil).
- iv) Payment made beyond the appointed day during the year - Nil (previous year - Nil).
- v) Interest Accrued and unpaid as at 31<sup>st</sup> March 2021 - Nil (previous year - Nil).

**Note No. 43**

Foreign Currency exposure not hedged as at Balance sheet Date:

Net receivable ₹ 663.60 Lacs - US\$ 344275 & AED 2068083 (Previous year ₹ 114.75 lacs – US \$ 152310), Net payable ₹ 30.13 lacs (US\$ 41225) (Previous year ₹ Nil) and Buyers Credit ₹ 233.08 lacs – US\$ 159000 & Euro 136096 (Previous ₹ 173.68 lacs – US\$ 97049.30 & Euro 121000)

**Note No. 44**
**Retirement benefit obligations:**
**A Expenses Recognised for Defined Contribution Plan**

Particulars	(₹ In Lacs)	
	2020-21	2019-20
Company's contribution to PF	156.81	150.88
Company's Contribution to ESI	5.08	9.07

Below tables sets forth the changes in the projected benefit obligation and plan assets and amounts recognised in the standalone Balance Sheet as at March 31, 2021 and March 31, 2020, being the respective measurement dates:

**I. Change in Present Value of Defined Benefit Obligation during the year**

Particulars	(₹ In Lacs)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
<b>Present Value of obligation as on 1st April'20</b>	<b>202.75</b>	244.18	<b>156.97</b>	168.29
Current Service Cost	<b>35.37</b>	30.91	<b>57.60</b>	35.46
Interest Cost	<b>10.96</b>	17.01	<b>8.00</b>	11.72
Benefits Paid	<b>(14.18)</b>	(56.28)	<b>(28.22)</b>	(48.32)
Remeasurement - actuarial loss/(gain) arising from	-	-	-	-
-Change in demographic assumptions	<b>2.63</b>	-	<b>1.31</b>	-
-Change in financial assumptions	<b>(5.95)</b>	12.11	<b>0.72</b>	9.13
-Experience Variance	<b>14.45</b>	(52.93)	<b>8.61</b>	(19.31)
-Liability in Transfer	-	7.75	-	-
<b>Present Value of obligation as on 31<sup>st</sup> March'2021</b>	<b>246.03</b>	202.75	<b>204.99</b>	156.97

**II. Change in Fair Value Plan Assets**
**(₹ In Lacs)**

Particulars				
	2020-21	2019-20	2020-21	2019-20
Fair Value of Plan Assets at the beginning of year	201.01	188.20	-	-
Acquisition / Transfer in / Transfer out	-	-	-	-
Expected Return on Plan Assets	10.86	13.11	-	-
Employer Contribution	-	55.98	-	-
Benefit Paid	(14.18)	(56.28)	-	-
Actuarial gain / (Loss)	(11.08)	-	-	-
Fair Value of Plan Assets at the end of year	186.61	201.01	-	-
Present Value of Obligation	246.03	202.75	-	-
Net funded status of plan	(59.42)	(1.74)	-	-
Actual Returns on Plan Assets	10.86	13.11	-	-

**III. Expenses recognised in Statement of Profit and Loss**
**(₹ In Lacs)**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	35.37	30.91	57.60	35.46
Net Interest cost/ (income) on the net defined benefit liability/ (assets)	0.10	3.90	8.00	11.72
Past service cost	-	-	-	-
Re – measurement (or Actuarial) (gain)/ loss arising from:				
-Change in demographic assumptions	2.63	-	1.31	-
-Change in financial assumptions	(5.95)	12.11	0.72	9.13
-Experience variance (i.e actual experience vs assumptions)	14.45	(52.93)	8.61	(19.31)
-Experience (Gain)/ Loss on plan liabilities	11.09	-	-	-
Less: Recognised in Other Comprehensive Income (OCI)	(22.22)	40.82	-	-
<b>Expenses recognised in P&amp;L For the year ended 31<sup>st</sup> March'2021</b>	<b>35.47</b>	<b>34.81</b>	<b>76.24</b>	<b>37.00</b>

**IV. Recognised in Other Comprehensive Income**
**(₹ In Lacs)**

Particulars	Gratuity
Remeasurement - Actuarial loss / (gain) For the year ended 31 <sup>st</sup> March, 2020	(40.82)
Remeasurement - Actuarial loss / (gain) For the year ended 31 <sup>st</sup> March, 2021	22.22

**V. The Principal actuarial assumptions used for estimating the Company's defined obligations are set out below.**

**Financial Assumptions**

Particulars	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Attrition / Withdrawal rate (per Annum)	17.00%	19.50%	17.00%	19.50%
Discount rate (per annum)	6.25%	5.60%	6.25%	5.60%
Salary growth rate (per annum)	6.48%	6.50%	6.48%	6.50%
Mortality Rate (% of IALM 2012-14 (PY 2012-14))	100%		100%	
Withdrawal rates, based on age: (per annum)	17.00%	19.50%	17.00%	19.50%

**VI. Sensitivity analysis**

Particulars	(₹ In Lacs)			
	Change in assumption	Effect on obligation	Change in assumption	Effect on obligation
	31.03.2021		31.03.2020	
<b>Gratuity :-</b>				
Discount Rate	1.00%	(2.50)	1.00%	9.93
	-1.00%	(25.43)	-1.00%	(9.13)
Salary Growth Rate	1.00%	12.21	1.00%	9.75
	-1.00%	(11.40)	-1.00%	(9.14)
<b>Leave Encashment :-</b>				
Discount Rate	1.00%	10.59	1.00%	7.71
	-1.00%	(9.64)	-1.00%	(6.87)
Salary Growth Rate	1.00%	10.17	1.00%	7.36
	-1.00%	(9.64)	-1.00%	(6.88)

Sensitivities due to mortality & withdrawals are not material & hence impact of change not calculated.

**Estimate of expected benefit payments**

Expected cash flow over the next (valued on undiscounted basis):	(₹ In Lacs)	
	Gratuity	Leave encashment
1 Year	37.67	35.03
2 to 5 years	134.45	94.87
More than 5 Years	94.92	75.09

**VII. Statement of Employee benefit provision**

Particulars	(₹ In Lacs)	
	2020-21	2019-20
Gratuity	59.42	1.74
Leave encashment	204.99	156.97



**VIII. Current and non-current provision for Gratuity and Leave Encashment**

The following table sets out the funded status of the plan and the amounts recognised in the Company's balance sheet

Particulars	(₹ In Lacs)			
	Gratuity (Funded)		Leave Encashment (Unfunded)	
	As at 31.03.2021	As at 31.03.2020	As at 31.03.2021	As at 31.03.2020
Current	59.42	-	35.03	31.69
Non current	-	-	169.96	125.28
Total	59.42	-	204.99	156.97

**IX. Employee benefit expense.**

Particulars	(₹ In Lacs)	
	2020-21	2019-20
Salary and Wages	2730.50	2704.10
Costs-defined benefit	119.94	70.07
Costs-defined contribution plan	156.81	150.88
Employees Welfare Expenses	348.03	242.88
Total	3355.28	3167.93

**Note No. 45**
**Segment Information:**

The Company is engaged primarily into Agri & Allied products. The Company has only one business segment as identified by management namely "Agri & Allied products". Segments have been identified taking into account nature of product and differential risk and returns of the segment.

**Note No. 46**
**Earning Per Equity Share:**

	2020-21	2019-20
Weighted average shares outstanding	4,292,868	3,645,983
Profit after tax (in Lacs)	717.03	(1,075.87)
Basic & Diluted Earnings per equity share (₹): (Face value of ₹ 10 each)	16.70	(29.51)

**Note No. 47**
**Dividends**

The following dividends were declared and paid by the company during the year:

	(₹ In Lacs)	
	2020-21	2019-20
For the year ended March 31, 2020: ₹ Nil per equity share, (31st March, 2019: ₹1.5 per equity share.)	-	54.06
Dividend Distribution Tax thereon	-	11.11
<b>Total</b>	-	<b>65.17</b>

The following dividends were proposed by the board of directors in their meeting subject to approval of shareholders at the Annual General Meeting and are not recognised as a liability.

	(₹ In Lacs)	
	<u>2020-21</u>	<u>2019-20</u>
For the year ended 31 <sup>st</sup> March, 2021: 15% i.e. ₹ 1.5 per equity share, (31 <sup>st</sup> March, 2020: Nil)	69.55	-
<b>Total</b>	<u>69.55</u>	<u>-</u>

**Note No. 48**

Union Government vide notification no.S.O.1204 (E) dated 24.03.2020 stated that the trait value (Royalty) on Sales of BG II Cotton is nil, hence not provided.

**Note No. 49**
**Lease**

The Company has adopted Ind AS 116 'Leases' effective April 1, 2019 and applied the Standard to its leases.

	(₹ In Lacs)
	<u>As at 31.03.2021</u>
Following are the changes in the carrying value of right of use assets for the year ended March 31, 2021:	
<b>Particulars</b>	
Balance as at April 1, 2020	409.12
Addition	-
Deletion	-
Depreciation	156.22
<b>Balance as at March 31, 2021</b>	<u>252.90</u>

The aggregate depreciation expense on Right to use assets is included under depreciation and amortization expense in the statement of Profit and Loss.

**The following is the break-up of current and non-current lease liabilities:**

<b>Particulars</b>	<u>As at 31.03.2021</u>
Current lease liabilities	169.31
Non current lease liabilities	120.85

**The following is the movement in lease liabilities:**

<b>Particulars</b>	<u>As at 31.03.2021</u>
Balance as at April 1, 2020	437.24
Additions	-
Finance cost accrued during the period	37.02
Payment of lease liabilities (Total cash outflow)	184.10
<b>Balance as at March 31, 2021</b>	<u>290.16</u>

**The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis :**

<b>Particulars</b>	<u>As at 31.03.2021</u>
Not later than one year	190.94
Later than one year and not later than five years	125.37
Later than five years	-

**Note No. 50**

Details of expenditure on Corporate Social Responsibility Activities as per section 135 of Companies Act, 2013 read with schedule III are as below

Particulars	(₹ In Lacs)	
	Year Ended 2020-21	Year Ended 2019-20
Gross amount required to be spent by the company during the year	3.74	26.00
Amount spent during the year #	15.89	16.95
Promotion of Education	2.01	5.27
Health Care	4.36	1.41
Others	9.52	10.27
# Includes previous year Unspent amount of ₹ 9.05 lacs		

**Note No. 51**
**Financial Risk Management Objectives and Policies.**

The Company's Financial Risk Management is an integral part of how to plan and execute its Business Strategies. The Company's Financial Risk Management Policy is set by the Board. The Company's activities are exposed to a variety of financial risks from its operations. The key financial risks include market risk (including foreign currency risk, interest rate risk and commodity risk etc.), credit risk and liquidity risk.

**51.1 Market Risk:** Market risk is the risk of loss of future earnings, fair values or future cash flows that may results from change in the price of a financial instrument. The value of a financial instrument may change as result of change in the interest rates, foreign currency exchange rates, equity prices and other market changes may affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments and deposits, foreign currency receivables, payables and loans and borrowings. Market risk comprises mainly three types of risk:

Interest rate risk, currency risk and other price risk such as equity price risk and commodity risk.

The Company has an elaborate risk management system to inform Board Members about risk management and minimization procedures.

**a) Foreign Currency Risk :**

Foreign Currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company makes certain imports and exports in foreign currency & therefore is exposed to Foreign Exchange Risk. The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company has not undertaken any hedging activities for foreign exchange.

Particulars	As at 31.03.2021	As at 31.03.2020
	Change in USD	2%
Effect on profit / (loss)before tax	8.01	1.18
Change in USD	-2%	-2%
Effect on profit / (loss)before tax	-8.01	-1.18

**b) Interest Rate Risk :-**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Any changes in the interest rates environment may impact future rates of borrowing. The Company mitigates this risk by maintaining a proper blend of Fixed & Floating Rate Borrowings. The following Table shows the blend of Company's Fixed & Floating Rate Borrowings in Indian Rupee:

Particulars	(₹ In Lacs)	
	As at 31.03.2021	As at 31.03.2020
<b>Loans in Rupees</b>		
- Fixed Rate	341.84	370.72
- Floating Rate	2,016.49	3,345.21
<b>Total</b>	<b>2,358.33</b>	<b>3,715.93</b>

The Company regularly scans the Market & Interest Rate Scenario to find appropriate Financial Instruments & negotiates with the Lenders in order to reduce the effect Cost of Funding.

**Interest Rate Sensitivity:** The following table demonstrates the sensitivity to a reasonably possible change in interest rates on financial assets affected. With all other variables held constant, the Company's profit / (Loss) before tax is affected through the impact on finance cost with respect to our borrowing, as follows:

Particulars	(₹ In Lacs)	
	As at 31.03.2021	As at 31.03.2020
<b>Change in Basis Points</b>	25	25
Effect on profit before tax	(5.04)	(8.36)
Change in Basis Points	-25	-25
<b>Effect on profit before tax</b>	<b>5.04</b>	<b>8.36</b>

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment.

**(c) Commodity Price Risk and Sensitivity:**

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.

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

**51.2 Credit Risk:**

Credit risk is the risk that counterparty might not honor its obligations under a financial instrument or customer contract, leading to a financial loss. The company is exposed to credit risk from its operating activities (primarily trade receivables).

**Trade Receivables:** Customer credit risk is managed based on company's established policy, procedures and controls. The company assesses the credit quality of the counterparties, taking into account their financial position, past experience and other factors.

Credit risk is reduced by receiving pre-payments and export letter of credit to the extent possible. The Company has a well defined sales policy to minimize its risk of credit defaults. Outstanding customer receivables are regularly monitored and assessed. Impairment analysis is performed based on historical data at each reporting date on an individual basis. However a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively.

**51.2a.** The ageing of the trade receivables are given below.

Particulars	(₹ In Lacs)				
	Neither due not impaired	Upto 6 months	6 to 12 months	Above 12 months	Total
<b>As at 31st March 2021</b>					
Secured	-	-	-	-	-
Unsecured	3,272.60	1,262.46	854.54	3,560.35	8,949.95
<b>Total</b>	<b>3,272.60</b>	<b>1,262.46</b>	<b>854.54</b>	<b>3,560.35</b>	<b>8,949.95</b>
Provision/ Allowances for Expected Credit Loss				(1,264.12)	(1,264.12)
<b>Net total</b>	<b>3,272.60</b>	<b>1,262.46</b>	<b>854.54</b>	<b>2,296.23</b>	<b>7,685.83</b>



Particulars	(₹ In Lacs)				
	Neither due not impaired	Upto 6 months	6 to 12 months	Above 12 months	Total
<b>As at 31st March 2020</b>					
Secured	-	-	-	-	-
Unsecured#	2,223.56	1,151.15	534.49	3,759.22	7,668.42
<b>Total</b>	<b>2,223.56</b>	<b>1,151.15</b>	<b>534.49</b>	<b>3,759.22</b>	<b>7,668.42</b>
Provision/ Allowances for Expected Credit Loss				(1,198.72)	(1,198.72)
<b>Net total</b>	<b>2,223.56</b>	<b>1,151.15</b>	<b>534.49</b>	<b>2,560.50</b>	<b>6,469.70</b>

**51.2b.** Advance to suppliers are net of provision/loss allowances made for Doubtful advances of ₹ 34.12 lacs (Previous year ₹ 34.12 lacs).

**51.2c.** ECL impairment loss allowance (or reversal) recognized during the period as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'. The balance sheet presentation for financial instruments is described below:

- i) Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.
- ii) Financial Assets includes ₹ 1823.61 lacs towards Trade Receivables and Security Deposit of ₹ 121.68 lacs shown under the heading "Deposit with Government Authorities and others" from Rajasthan State Seed Corporation (Rajasthan Government). In view of the fact that the materials supplied met all the quality specifications and was accepted by the said corporation, the receivable is considered good and recoverable. During the previous year the arbitration was adjudged against the Company on grounds of limitation.

The Company is of the opinion, in spite of the facts placed before the arbitrator, the order was passed without considering the facts placed. In view of this the company has filed an application U/S 34 of The Arbitration and conciliation ACt with The Learned commercial court, Jaipur. The management has taken legal opinion based on which, they are confident about the relisation/recovery, hence no provision is made.

- iii) The Company has initiated legal proceedings on Uttar Pradesh Seed Development Corporation (UPSDC) for recovery of the overdue outstanding of ₹ 952.00 lacs out of which we have received ₹ 48.25 lacs and current outstanding is ₹ 903.35 lacs (Previous year ₹ 949.39 lacs) for which necessary provision has been made under expected credit loss allowance in the books of accounts.

Company filed an application in Hon'ble High Court of Uttar Pradesh seeking for appointment of arbitrator. Last year the Hon'ble Court after hearing the parties, disposed off the application on the ground that the dispute is not covered by the arbitration as payment was not stopped on account of any issue relating to quality or supply time.

In the Affidavit filed by UPSDC there is an admission that there is no dispute with respect to "quality" and "supply time, payment has been stopped on account of pending enquiry by the Government of Uttar Pradesh. Subsequently Company filed a writ petition on 5.12.2019 before Allahabad High Court Lucknow bench against UPSDC and Director of Agriculture UP State.

On the facts of the case, Company has a good chance to recover.

**51.2d.** Some of the balances of debtors, loans & advances and current liabilities are in the process of confirmation/ reconciliation.

### 51.3 Liquidity Risk:

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when due. The Company relies on a mix of borrowings and operating cash flows to meet its needs for funds. The current committed lines of credit are sufficient to meet its short to medium term expansion needs. The Company monitors rolling forecasts of its liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient

headroom on its undrawn committed borrowings facilities at all times so that the Company does not breach borrowing limits or covenants (where applicable) on any of its borrowing facilities.

**Maturity Profile of Financial Liabilities:**

The following Table provides undiscounted cash flows towards financial liabilities into relevant maturity based on the remaining period at the balance sheet to the contractual maturity date

(₹ In Lacs)						
Sl. No	Particulars	Carrying amount	Due within 1 year	Due between 1-5 years	Due after 5 years	Total
1	<b>As on 31st March 2021</b>					
	Borrowings	2,358.33	1,671.07	687.25	-	2,358.33
	Trade payables	8,979.72	8,979.72	-	-	8,979.72
	Other liabilities	479.26	358.41	120.85	-	479.26
	<b>Total</b>	<b>11,817.31</b>	<b>11,009.20</b>	<b>808.11</b>	<b>-</b>	<b>11,817.31</b>
2	<b>As on 31st March 2020</b>					
	Borrowings	3,715.93	2,570.39	1,145.54	-	3,715.93
	Trade payables	5,222.29	5,222.29	-	-	5,222.29
	Other liabilities	627.57	337.41	290.16	-	627.57
	<b>Total</b>	<b>9,565.79</b>	<b>8,130.09</b>	<b>1,435.70</b>	<b>-</b>	<b>9,565.79</b>

**Note No. 52**

**Capital Risk Management:**

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal structure to reduce the cost of capital. For the purpose of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, less cash and cash equivalents.

Particulars	(₹ In Lacs)	
	As at 31.03.2021	As at 31.03.2020
Borrowings	<b>2,358.33</b>	3,715.93
Less: Cash and Cash equivalents (Incl. Bank Balances)	<b>2,718.20</b>	3,219.39
Less: Current Investments	<b>2,281.52</b>	-
<b>Net debt</b>	<b>(2,641.39)</b>	496.54
Equity Share Capital	<b>463.70</b>	415.39
Other Equity	<b>13,072.78</b>	10,666.31
<b>Total Capital</b>	<b>13,536.48</b>	11,081.70
<b>Capital and net debt</b>	<b>10,895.10</b>	11,578.25
<b>Gearing ratio</b>	<b>-24%</b>	4%

The Company monitors capital using a gearing ratio, which is Net Debt divided by Total Capital plus Net Debt. Net Debt is calculated as total borrowings including short term and current maturities of long term debt.

**Note No. 53**
**Fair Value of Financial Assets and Liabilities:**

Set out below, is a comparison by class of the carrying amounts and fair value of the financial instruments of the Companies

Particulars	(₹ In Lacs)			
	As at 31st March 2021		As at 31st March 2020	
	Carrying Amount	Fair Value	Carrying amount	Fair Value
Financial Assets at Amortized cost				
Trade Receivable	7,685.83	7,685.83	6,469.70	6,469.70
Others	5,338.77	5,338.77	3,566.83	3,566.83
<b>Total</b>	<b>13,024.60</b>	<b>13,024.60</b>	10,036.53	10,036.53
Financial Liabilities at Amortized Costs				
Borrowings	2,358.33	2,358.33	3,715.93	3,715.93
Trade payables	8,979.72	8,979.72	5,222.29	5,222.29
Others	479.26	479.26	627.57	627.57
<b>Total</b>	<b>11,817.31</b>	<b>11,817.31</b>	9,565.79	9,565.79

**Fair Valuation Techniques:**

The Company maintains policies and procedures to value Financial Assets & Financial Liabilities using the best and most relevant data available. The Fair Values of the Financial Assets and Liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The Company has disclosed financial instruments such as cash and cash equivalents, other bank balances, trade receivables, trade payables and other financial liability at carrying value because their carrying amounts are a reasonable approximation of the fair values due to their short term nature.

Fair value of Investments in quoted mutual funds are based on quoted market price at the reporting date.

The Company does not have any asset or liabilities that can be grouped into Level 1 to Level 3 for Fair value measurement.

**Note No. 54**
**Related Party Disclosure**
**List of Related Parties :**
**a) Key Management Personnel (KMP)**
Non Executive Directors

Shri Bharat Hari Singhania	:	Chairman
Dr. Raghupati Singhania	:	Non Independent
Shri Sanjay Kumar Khaitan	:	Independent
Shri Sanjeev Kumar Jhunjunwala	:	Independent
Smt. Swati Singhania	:	Non Independent
Shri Abhimanyu Jhaver	:	Independent
Shri Amar Singh Mehta	:	Independent
Shri Ajay Srivastava	:	Independent

Executive Directors

Shri Vikrampati Singhania	:	Managing Director
Dr. Gyanendra Shukla	:	President & Whole Time Director

**Executives**

Shri G. Sravana Kumar : Chief Financial Officer  
 Shri Anoop Singh Gusain : Company Secretary

**b) Post-Employment Benefit Plan Entities:**

JK Agri Genetics Limited - Employees Gratuity Fund.

**c) Holding Company**

Bengal & Assam Company Ltd (BACL)

**d) Fellow Subsidiaries**

J.K. Fenner (India) Limited (JKFIL)  
 JK Tyre and Industries Limited (JKTIL)

**e) Associates of Holding Company**

JK Paper Limited (JKPL)  
 JK Lakshmi Cements Ltd. (JKLC)  
 J.K. Risk Managers & Insurance Brokers Ltd. (JKR)

i. The following transactions were carried out with related parties in the ordinary course of business and on arm's length basis:

Particulars	Year	₹ In Lacs)					
		JKFIL	JKTIL	JKPL	JKLC	JKR	Trust
Gratuity Liability Paid	2020-21	-	-	-	-	-	-
	2019-20	-	-	-	-	-	55.98
Sharing of Exps-Paid	2020-21	-	0.56	-	3.18	-	-
	2019-20	-	0.09	0.76	9.43	-	-
Rent Paid	2020-21	20.78	0.71	-	12.09	-	-
	2019-20	17.32	0.71	-	14.50	-	-
Sharing of Exps-Received	2020-21	0.12	-	-	-	-	-
	2019-20	0.12	-	1.00	0.38	0.06	-
Service Availed	2020-21	17.70	7.61	-	-	-	-
	2019-20	-	9.31	-	-	-	-
Sales / Services	2020-21	-	-	7.22	1.00	-	-
	2019-20	-	-	-	-	-	-
Receivable / (Payable)	2020-21	-	-	(2.73)	0.49	-	-

**ii) Remuneration Paid to KMPs**

Particulars	₹ In Lacs)	
	2020-21	2019-20
Short Term Employee benefits**	382.82	343.33
Sitting Fees to Non Executive Directors	13.35	18.69

\*\* As the liability for Gratuity and Leave Encashment are provided on actuarial basis for the Company as a whole, The Amount pertaining to KMPs are not included above.



**Note No. 55**
**Income Tax Expense.**
**i. Amount recognized in statement of profit and loss :-**

<b>Particulars</b>	<b>2020-21</b>	<b>(₹ In Lacs) 2019-20</b>
Current Income Tax		
Current Year #	<b>276.65</b>	
MAT Credit Entitlement#	<b>(276.65)</b>	
<b>Total</b>		
<b>B) Deferred tax</b>	<b>284.66</b>	<b>(557.65)</b>
Income tax reports in Statement of Profit and Loss (A+B)	<b>284.66</b>	<b>(557.65)</b>
# Includes previous year adjustment of ₹ 88.96 lacs		

**ii. Income Tax recognized in other Comprehensive Income :-**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Deferred Tax (Gain)/Loss on defined benefit	<b>6.47</b>	<b>(11.89)</b>

**iii. Reconciliation of effective tax rate**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Accounting Profit/(Loss) before income tax	<b>1,001.69</b>	<b>(1,633.52)</b>
At applicable Statutory Income tax rate	<b>29.120%</b>	<b>29.120%</b>
Computed Income Tax Expense/(Income)	<b>291.69</b>	<b>-</b>
<b>Increase / (Reduction) in taxes on account of :</b>		
Other Additions /(Deductions) as per IT Act	<b>67.65</b>	<b>-</b>
Income Tax Expenses before adjustment of brought forward losses	<b>359.34</b>	<b>-</b>
Deferred Tax	<b>284.66</b>	<b>(557.65)</b>
Brought forwarded Losses	<b>(718.68)</b>	<b>-</b>
Income Tax Expenses / (Income) reported in Profit & Loss	<b>284.66</b>	<b>(557.65)</b>
Effective Tax Rate	<b>28.42%</b>	<b>34.14%</b>

**iv. Reconciliation of deferred tax Asset / (Liability) (Net):**

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Opening Balance	<b>1,615.96</b>	<b>1,070.20</b>
Deferred Tax Expense recognised in Statement of Profit and Loss	<b>(8.01)</b>	<b>557.65</b>
Other comprehensive income	<b>6.47</b>	<b>(11.89)</b>
<b>Closing Balance</b>	<b>1,614.42</b>	<b>1,615.96</b>

**v. Deferred Tax:**

Deferred Tax relates to the followings:

<b>Particulars</b>	<b>2020-21</b>	<b>2019-20</b>
Book base and tax base of Property Plant and Equipments (Disallowance) / Allowance (net) under Income Tax & Others	<b>(257.02)</b>	<b>(257.88)</b>
Unabsorbed Depreciation & Business Losses	<b>374.63</b>	<b>291.46</b>
MAT Credit entitlement	<b>146.15</b>	<b>508.37</b>
<b>Total Deferred Tax Asset</b>	<b>1,350.66</b>	<b>1,074.01</b>
	<b>1,614.43</b>	<b>1,615.96</b>

**Note No. 56**

Changes in liabilities arising from financing activities:

Particulars	2019-20	Cash Flows	Non Cash Items Fair Value Changes	2020-21
Long Term Borrowings	1547.04	(401.48)	13.22	1,158.76
Short Term Borrowings	2168.89	(963.03)	(6.29)	1199.57
Interest Paid	-	(596.61)	(50.21)	(646.82)
<b>Total</b>	<b>3715.93</b>	<b>(1961.12)</b>	<b>(43.28)</b>	<b>1711.51</b>

**Note No. 57**

Exceptional items are inventory provision for discontinued varieties.

**Note No. 58**
**Impairment Testing of Intangible Assets**

The Brands are considered to have an Indefinite useful life on the basis of the expected longevity and tested for impairment annually, in case there is any indication for impairment of carrying value. Based on internal analysis and relevant factors, the Management is of the opinion that, the brand is expected to continue to generate cash flows for an undetermined period.

**Note No. 59**

Covid-19 continues to rapidly spread throughout the country. The Business continuity team was able to monitor and review the developments on regular basis and appropriate actions were taken. The company has considered the possible effects that may result from the pandemic relating to Covid 19 on the carrying amounts of Property, Plant and Equipment, Inventories, Receivables and other current assets.

The Company has performed a sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. The impact of the global health pandemic may be different from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to the future economic conditions.

**Note No. 60**

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

**Note No. 61**

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

As per our report of even date.

For BGJC & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 003304N / N500056

Darshan Chhajer  
Partner  
Membership No. 088308

New Delhi, 03 May, 2021

G.SRAVANA KUMAR  
Chief Financial Officer

ANOOP SINGH GUSAIN  
Company Secretary

BHARAT HARI SINGHANIA	Chairman
DR. RAGHUPATI SINGHANIA	Directors
SANJAY KUMAR KHAITAN	
SANJEEV KUMAR JHUNJHUNWALA	
SWATI SINGHANIA	
ABHIMANYU JHAVER	
AJAY SRIVASTAVA	
AMAR SINGH MEHTA	
VIKRAMPATI SINGHANIA	Managing Director
DR. GYANENDRA SHUKLA	President & Director

**CASH FLOW STATEMENT** (FOR THE PERIOD ENDED 31ST MARCH, 2021)

	2020-21	(₹ In Lacs) 2019-20
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax	1,001.69	(1,633.52)
Adjustment for :		
Depreciation / Amortisation	352.78	374.45
Income from Investment	(84.33)	-
Interest Expenses	644.53	879.23
(Profit)/Loss on sale of Property, Plant & Equipments	(20.63)	13.82
Unrealised Foreign Exchange Fluctuation (Net)	13.94	7.27
Interest Income	(73.33)	(54.29)
Provision for Doubtful Debts/Advances	120.08	62.51
Liabilities no longer required written back	(124.84)	(46.43)
Exceptional Items	385.61	-
<b>Operating Profit before working capital changes</b>	<b>2,215.50</b>	<b>(396.96)</b>
(Increase)/ Decrease in Trade and Other Receivables	(1,362.80)	895.72
(Increase)/ Decrease in Inventories	(2,493.18)	3,156.31
Increase/ (Decrease) in Trade and Other Payables	4,162.84	(1,044.08)
<b>Cash generated from Operations</b>	<b>2,522.36</b>	<b>2,610.99</b>
Direct taxes Net	1.61	(76.44)
<b>Net Cash from Operating Activities before exceptional items</b>	<b>2,523.97</b>	<b>2,534.55</b>
Exceptional Items	(385.61)	-
<b>Net Cash from Operating Activities after exceptional items</b>	<b>2,138.36</b>	<b>2,534.55</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant & Equipments	(121.02)	(33.57)
Sale of Property, Plant and Equipments	32.38	25.06
Sale/(Purchase) of Investment (Net)	(2,197.19)	-
Interest Received	44.88	56.76
<b>Net Cash from / (used in) Investing activities</b>	<b>(2,240.95)</b>	<b>48.25</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Equity Share Capital	1,753.50	3,246.50
Repayment of Long Term borrowings	(401.50)	(251.50)
Proceeds/(Repayments) from Short Term borrowings (Net)	(963.03)	(1,586.14)
Repayment of Lease	(190.94)	(178.19)
Interest Paid	(596.61)	(1,027.21)
Dividend Paid (Including Dividend Distribution Tax)	-	(65.17)
<b>Net cash from / (Used in) financing activities</b>	<b>(398.58)</b>	<b>138.29</b>
<b>Net Increase / (Decrease) in Cash and Cash equivalents</b>	<b>(501.17)</b>	<b>2,721.09</b>
<b>Cash and Cash equivalents as at the beginning of the year</b>	<b>3,210.22</b>	<b>489.13</b>
<b>Cash and Cash equivalents as at the end of the year</b>	<b>2,709.05</b>	<b>3,210.22</b>
<b>Notes:</b>		
1 Cash and Bank Balances Include:		
- Cash, Cheques in hand and Remittances in transit	1,524.66	3,096.57
- Balances with Scheduled Banks including deposits#	1,184.39	113.65
Cash and Bank Balances	<b>2,709.05</b>	<b>3,210.22</b>

# Excludes earmarked balance in Unclaimed Dividend Account ₹ 7.18 lacs & Fractional shares Balance ₹ 1.97 lacs (Previous year Unclaimed Dividend ₹ 7.19 lacs & Fractional shares ₹ 1.97 lacs) (Refer Note no.12)

As per our report of even date.  
For BGJC & Associates LLP  
Chartered Accountants  
ICAI Firm Registration No. 003304N / N500056

Darshan Chhajjer  
Partner  
Membership No. 088308

New Delhi, 03 May, 2021

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DR. GYANENDRA SHUKLA

Chairman  
Directors  
Managing Director  
President & Director









Harvesting  
*Happiness*  
Through  
*Innovation*

Great  
Place  
To  
Work<sup>®</sup>

Certified  
MAR 2021-FEB 2022  
INDIA



Harvesting  
*Happiness*  
Through  
*Innovation*



**JK AGRI GENETICS LTD.**

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