

JKAGL:AGM:SE:2018

Date: 13th September, 2018

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

Scrip Code: 536493

Through: BSE Listing Centre

Dear Sir,

Re: Annual Report for the Financial Year 2017-18

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, we submit herewith Annual Report for the Financial Year 2017-18, as approved and adopted by the Shareholders of the Company in the Annual General Meeting held on Wednesday, 5th September 2018 at Kolkata.

Kindly take the above on record.

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

Yours faithfully,
For JK Agri Genetics Ltd.


(Anoop Singh Gusain)
Company Secretary and
Compliance Officer

NOTICE

NOTICE is hereby given that the **18th Annual General Meeting** of the Members of **JK Agri Genetics Limited** will be held at **Shripati Singhanian Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata -700 020** on Wednesday, **5th September 2018** at **11.00 A.M.** to transact the following business:

1. To receive, consider and adopt the audited Financial Statements of the Company for the Financial Year ended 31st March 2018 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 Singhanian (DIN: 00040659), who retires by rotation and being eligible, offers himself for re-appointment.

As Special Business

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder read with Schedule IV to the Act and 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, Shri Ajay Srivastava (DIN: 00049912) whose appointment on the Board as an Additional Director determines on the date of the present Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 24th October 2017”.

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

“RESOLVED that pursuant to the provisions of Sections 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules made thereunder read with Schedule IV to the Act and 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, Shri Amar Singh Mehta (DIN: 00030694) whose appointment on the Board as an Additional Director determines on the date of the present Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) consecutive years with effect from 6th February 2018”.

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

“RESOLVED that pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and Schedule V thereto and the Rules made thereunder, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, the appointment of Shri Vikrampati Singhanian (DIN: 00040659) as Managing Director of the Company for a period of five years with effect from 7th May 2018 be and is hereby approved on the terms of remuneration, which in any financial year may exceed 5% of the net profits of the Company subject to the overall limits for all managerial persons specified in Section 197 (1) read with other relevant provisions of the Act, set out in the Statement annexed hereto which shall be deemed to form part hereof and in the event of inadequacy or absence of profits under Sections 197 and 198 of the said Act in any financial year or years, the remuneration comprising salary, performance linked incentive, perquisites, allowances and benefits, as approved herein be paid as minimum remuneration to the said Managing Director for a period not exceeding three years in the aggregate subject to requisite approvals under the said Act.

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 the said Managing Director within the overall limits approved herein and settle any question or difficulty in connection therewith and incidental thereto”.

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

“RESOLVED that pursuant to Regulation 17 (1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, Shri Bharat Hari Singhania, (DIN: 00041156) aged 80 years, who has been a Director of the Company, since 30th March 2013, do continue to be a Director of the Company in the category of Non-Executive Director”.

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

“RESOLVED that pursuant to the provisions of Sections 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, approval of the Company be and is hereby accorded to the payment of remuneration to the Non-executive Directors other than the Managing Director and Whole-time Director of the Company, not exceeding, in aggregate, one percent of the annual net profits of the Company for each financial year, computed in the manner referred to in Section 198 and other applicable provisions of the Act, in addition to the sitting fee for attending the meetings of the Board of Directors or Committees thereof, in the manner as the Board of Directors may, from time to time, determine.

RESOLVED further that the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution”.

Regd. Office:

7, Council House Street, Kolkata–700 001

CIN: L01400WB2000PLC091286

Website: www.jkagri.com

Email: jkaglshareholder@jkmail.com

Phone: +9133–22486181, Fax: +9133-22481641

Date: 7th August 2018

By Order of the Board

Anoop Singh Gusain

Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF. SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. INSTRUMENT APPOINTING PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.

2. The Statement pursuant to Section 102 of the Companies Act 2013, setting out the material facts concerning Item No. 4 to 8 of the Notice, is annexed hereto.
3. Corporate Members intending to send their Authorised Representatives to attend the Annual General Meeting (AGM) are requested to send a duly certified copy of their Board Resolution authorising such representatives to attend and vote at the AGM.
4. Relevant documents referred to in the accompanying Notice, shall be available for inspection at the Registered Office of the Company and the copies thereof at the Administrative Office of the Company during normal business hours (between 11.00 AM to 1.00 PM) on all working days upto and including the date of the AGM and also at the venue of the Meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed from 30th August 2018 to 5th September 2018 (both days inclusive).
6. The Dividend of ₹ 4/- per Equity Share of ₹ 10/- each (40%) as recommended by the Board of Directors, if declared at the AGM, will be paid within three weeks of the date of the AGM to the Members whose names are borne on the Company's Register of Members on 5th September 2018 or to their mandatees. In respect of shares held by the Members 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.
7. The Ministry of Corporate Affairs vide its Notification dated 7th May 2018 has done away with the requirement to place the matter relating to appointment of Auditors for ratification by members at every AGM. Accordingly, no resolution is proposed for ratification of appointment of Auditors – M/s BGJC & Associates LLP, Chartered Accountants who were appointed in the AGM held on 25th August 2017.
8. In furtherance of the Go Green Initiative of the Government, electronic copy of the Annual Report for the Financial Year 2017-18, the Notice of the 18th AGM of the Company along with Admission Slip and Proxy Form are being emailed to all the Members whose email addresses are registered with the Company/Depository Participants. These documents will also be available on the Company's website www.jkagri.com. Physical copies of the aforesaid documents may be sent on request by any such Member.
9. Physical copy of the Annual Report for the Financial Year 2017-18, the Notice of the 18th AGM of the Company along with Admission Slip and Proxy Form are being sent to those Members who have not registered their email addresses with the Company/Depository Participants. We request such members to register their e-mail address for receiving all communications including Annual Report, Notices, Circulars, etc. from the Company electronically.

10. APPOINTMENT OF DIRECTORS:

Details of Directors seeking re-appointment/ appointment i.e. Shri Vikrampati Singhania - Item No. 3 & 6, Shri Ajay Srivastava - Item No. 4 and Shri Amar Singh Mehta - Item No. 5 of the Notice are given in the explanatory statement as attached hereto.

11. Remote e-voting procedure:-

In compliance with the provisions of Section 108 of the Companies Act, 2013 read with relevant rules thereunder, Secretarial Standards on General Meetings and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide Members, facility to exercise their right to vote at the 18th AGM by electronic means and the business may be transacted through remote e-voting services provided by Central Depository Services (India) Limited (CDSL). Remote e-voting is optional. The facility for voting by ballot/polling paper 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 able to exercise their right to cast vote at the AGM.

The instructions for Members for remote e-voting are as under:

- (i) The e-voting period begins on, 2nd September 2018 at 10:00 A.M. and ends on 4th September 2018 at 5:00 P.M. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on cut-off date i.e. 29th August 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Members who have cast their vote by remote e-voting prior to the AGM date may also attend the AGM but shall not be entitled to cast their vote again at the AGM.
- (iii) Log on to the e-voting website www.evotingindia.com during the voting period and Click on “Shareholders/Members”.
- (iv) Members maintaining their holding in Demat form should enter their User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID.) Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Enter the character displayed on the image verification and click on Login.
- (vi) Members holding shares in demat form and had logged on to www.evotingindia.com and voted earlier for any company, then your existing password is to be used.
- (vii) For the first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in Capital letters followed by 8 digits of the sequence number in the PAN field. The sequence number is printed on the Address Slip on the envelope or email sent, as the case may be. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the sequence number and after the first two characters of the name in Capital letters eg., if your name is Ramesh Kumar and sequence number is 1, then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company'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 (iv).</p>

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, Members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN relevant for JK Agri Genetics Limited.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same

the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details..
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed 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.
- (xviii) Members can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non – Individual Members and Custodians:
 - Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the Scrutinizer to verify the same.
- (xx) 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 i.e. 29th August 2018 may follow the same instructions as mentioned above for e-voting.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section. The contact details of official responsible to address grievances connected with remote e-voting are Shri Rakesh Dalvi, Deputy Manager, Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (E), Mumbai – 400013.; Phone No. 1800225533 or write an email to helpdesk.evoting@cdslindia.com
- (xxii) 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.

- (xxiii) The Company has appointed Shri P.K. Sarawagi, of M/s P. Sarawagi & Associates, Practicing Company Secretary, as Scrutinizer to scrutinise the voting (at AGM venue) and e-voting process in a fair and transparent manner.
- (xxiv) The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than 48 hours of conclusion of the Meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing, who shall countersign the same. The Chairman or a person authorised by him in writing shall declare the result of the voting forthwith.
12. 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 i.e., 29th August 2018 and who has not cast vote by remote e-voting, and being present at the AGM either personally or through proxy, only shall be entitled to vote at the AGM. Ballot papers will be available at the venue of the AGM.
13. The results declared along with the consolidated Scrutiniser's Report shall be placed on the Company's website www.jkagri.com and on the website of CDSL e-voting www.evotingindia.com and shall simultaneously be forwarded to the Stock Exchange. The result of the Voting will also be displayed on the Notice Board at the Registered Office and the Administrative Office of the Company.

STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors of the Company has appointed Shri Ajay Srivastava as an Additional Director of the Company w.e.f 24th October 2017 and also appointed him as an Independent Director of the Company from the said date for a term of five consecutive years, subject to approval of the members at the forthcoming Annual General Meeting (AGM). In terms of Section 161 of the Companies Act, 2013 (Act), Shri Srivastava shall hold office of Director upto the date of this AGM of the Company. The Company has received a notice pursuant to Section 160 of the Act from a member proposing the name of Shri Srivastava for appointment as a Director of the Company at the forthcoming AGM of the Company.

Shri Srivastava has given requisite declaration that he meets the criteria of Independence as prescribed under Section 149 read with Schedule IV of the Act, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Shri Srivastava is also not disqualified from being appointed as Director in terms of Section 164 of the said Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Shri Srivastava fulfils the conditions specified in the said Act and the Listing Regulations in respect of his appointment as an Independent Director of the Company. Shri Srivastava is independent of the management and possesses appropriate skills, experience and knowledge.

Shri Srivastava, aged 50 years, is PGDM from IIM Bangalore. He has worked with Citibank in the area of Transactional Services and Corporate and Investment Banking for many years. Shri Srivastava is the founder of Dimensions, which is considered to be a pioneer in Corporate and Financial Restructuring and Investment Banking in the Country. His expertise in capital markets and on the economic affairs is widely used by several television channels. His Director Identification No. 00049912. He is Managing Director of Dimensions Corporate Finance Services Pvt. Ltd. and Director of GIVO Pvt. Ltd., Dimensions Wealth Management Pvt. Ltd. and Oceans and Palms Resorts Pvt. Ltd. Chairmanship/Membership of Shri Srivastava in Committees of Directors of other Boards (in terms of Listing Regulations)- Nil. Shri Srivastava is not related to any Director/ Key

Managerial Personnel of the Company. Number of Equity Shares held by Shri Srivastava - Nil. Shri Srivastava attended both the Board Meetings of the Company held from 24th October 2017 (i.e. the date of appointment of Shri Srivastava as a Director) to 31st March 2018.

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Shri Ajay Srivastava is appointed as an Independent Director of the Company.

Copy of the draft letter of appointment of Shri Srivastava as an Independent Director setting out the terms and conditions would be available for inspection by the Members at the Registered Office of the Company.

The Board recommends the aforesaid Resolution for approval by the Members.

Except Shri Srivastava and his 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. 5

The Board of Directors of the Company has appointed Shri Amar Singh Mehta as an Additional Director of the Company w.e.f 6th February 2018 and also appointed him as an Independent Director of the Company from the said date for a term of five consecutive years, subject to approval of the members at the forthcoming Annual General Meeting (AGM). In terms of Section 161 of the Companies Act 2013, (Act), Shri Mehta shall hold office of Director upto the date of this AGM of the Company. The Company has received a notice pursuant to Section 160 of the Act from a member proposing the name of Shri Mehta for appointment as a Director of the Company at the forthcoming AGM of the Company.

Shri Mehta has given requisite declaration that he meets the criteria of Independence as prescribed under Section 149 read with Schedule IV of the Act, and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations). Shri Mehta is also not disqualified from being appointed as Director in terms of Section 164 of the said Act and has given his consent to act as a Director of the Company.

In the opinion of the Board, Shri Mehta fulfils the conditions specified in the said Act and the Listing Regulations in respect of his appointment as an Independent Director of the Company. Shri Mehta is independent of the management and possesses appropriate skills, experience and knowledge.

Shri Mehta, aged 57 years, is a Fellow Member of Institute of Chartered Accountants of India. His Director Identification No. is 00030694. He has a vast experience of over 35 years including 30 years in the Paper and Tyre business of JK Group. Shri Mehta was Marketing Director of JK Tyre & Industries Ltd. and took over as President in JK Paper Ltd. in October 2011. As a part of the Management Team, he has actively participated in several major initiatives taken by the Group mainly on capacity expansions, mergers and acquisitions, quality certification, board matters and corporate governance, cost compression, competency assessments, financial control systems and procedures, employees' policies etc. He is Director of Florence Investech Ltd., Bhopal Udyog Ltd. and Ultima Finvest Ltd. Shri Mehta is a member of Audit Committee of Florence Investech Ltd. and Ultima Finvest Ltd (Chairmanship/Membership of Shri Mehta in Committees of Directors of other Boards are in terms of Listing Regulations). Shri Mehta is not related to any Director/ Key Managerial Personnel of the Company. Number of Equity Shares held by Shri Mehta - Nil. Shri Mehta attended the Board Meeting of the Company held on 6th February 2018 (i.e. the only Board Meeting of the Company held from 6th February 2018, the date of appointment of Shri Mehta as a Director, to 31st March 2018).

Keeping in view his vast experience and knowledge, it will be in the interest of the Company that Shri Amar Singh Mehta is appointed as an Independent Director of the Company.

Copy of the draft letter of appointment of Shri Mehta as an Independent Director setting out the

terms and conditions would be available for inspection by the Members at the Registered Office of the Company.

The Board recommends the aforesaid Resolution for approval by the Members.

Except Shri Mehta and his 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 Board of Directors of the Company has appointed Shri Vikrampati Singhania as Managing Director of the Company for a term of five years w.e.f. 7th May 2018, pursuant to Sections 196, 197, 198, 203 of the Companies Act, 2013 (Act) or any statutory modification or re-enactment thereof and Schedule V thereto, on the terms and remuneration determined by the Nomination and Remuneration Committee of Directors, set out hereinafter, subject to the approval of Members and such other approval(s), as may be required.

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. 1st 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 st March 2018		₹ in Lacs
-	Net Sales and other Income	20,288.58
-	Operating Profit (Before Interest, Depreciation and Tax)	2738.49
-	Profit before Tax	1653.99

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

II. INFORMATION ABOUT THE APPOINTEE:

- (1) Background, Recognition or Awards details: Shri Vikrampati Singhania, aged 52 years, is M.Com., MBA (USA) and is an industrialist with over 25 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. 00040659. He joined Board of Directors of the Company on 12th February 2013. Shri Singhania attended all the four Board Meetings of the Company held during the financial year ended 31st March 2018. He holds 4,119 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 has been Non-executive Director of the Company since 12th February 2013. Except sitting fees for attending the meetings of the Board of Directors and Committees thereof, Shri Vikrampati Singhania has not received any remuneration from the Company.
- (3) Job Profile and his suitability: Shri Vikrampati Singhania, Managing Director of the Company has in-depth understanding of agri-business sector and is entrusted with substantial powers of

management subject to the superintendence, control and direction of the Board of Directors of the Company. Shri Singhania is responsible for policy planning, vision and strategy and also involved in 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 7th May 2018 approved the following terms of remuneration for the five years tenure of Shri Vikrampati Singhania commencing 7th May 2018:-

(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: 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 overall ceiling prescribed under the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

(I) In the event of inadequacy or absence of profits under Sections 197, 198 and other applicable provisions of the Companies Act 2013, in any financial year or years, the Managing Director shall be entitled to such remuneration as he may be then drawing, 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 II of Part II of Schedule V to the Companies Act, 2013 or any statutory modifications thereto or re-enactments thereof.

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.

(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 Singhanian and other relevant factors while determining his remuneration as proposed.

- (6) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any: Besides the proposed remuneration, Shri Singhanian does not have any pecuniary relationship with the Company. Shri Singhanian is son of Shri Bharat Hari Singhanian, Chairman and husband of Smt. Swati Singhanian, Director of the Company.

III OTHER INFORMATION:

- (1) Reasons of inadequate profits: JK Agri Genetics Limited is engaged in research & development, production, processing and marketing of Hybrid Seeds in major agricultural field and vegetable crops. The failure of the monsoon along with developments like demonetisation has impacted the Agriculture Economy adversely. The farmers were faced with double whammy of lower production and also poor realisation for their end produce. The reduced earning of the farmer translated into poor spending by the farmer on all the Agricultural inputs including seeds. Therefore, the Industry has not been able to grow for the past two years. However, the Company has not cut down on any essential expenses like training & development, Investments in R&D etc.
- (2) Steps taken or proposed to be taken for improvement and expected increase in productivity and profits in measurable terms: The Company has been focusing on the export market and a few key steps have been taken to expand the export business rapidly. The Company continues to lay emphasis on products with higher margins like Vegetables. Further, the expected improvement in the sentiments of the farming community coupled with above initiatives will help the Company to improve its bottom line significantly in the coming years.

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.

The Board recommends the aforesaid resolution for approval of the members by means of a Special Resolution.

Except Shri Vikrampati Singhanian, Managing Director; Shri Bharat Hari Singhanian, Chairman and Smt. Swati Singhanian, 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. 7

Shri Bharat Hari Singhanian has been a Director of the Company since 30th March 2013 and holds the position of Chairman of the Company (Non-Executive) since then.

Pursuant to Regulation 17(1A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (Applicable w.e.f. 1st April 2019), the Company is required to take approval of the Members by means of a Special Resolution for continuation of Directorship of Shri Bharat Hari Singhanian, who is aged 80 years, by giving justification therefor. The resolution is accordingly recommended for approval of the Members by means of a Special Resolution.

Shri Bharat Hari Singhanian is an Industrialist with about 61 years of experience in managing various industries including Cement, Automotive Tyres, Paper, Jute, Synthetics, Paints, high yielding Hybrid Seeds, Audio Magnetic Tapes, Sugar, etc.

Shri Bharat Hari Singhanian is also the Chairman of Bengal & Assam Company Ltd. and JK Paper Ltd.; Chairman & Managing Director of JK Lakshmi Cement Ltd, Managing Director of JK Tyre &

Industries Ltd. and Director of other Companies. He is also Chancellor of JK Lakshmipat University, Jaipur.

Shri Bharat Hari Singhania is also the President of J K Organisation, an Industrial Group founded over 100 years ago. The Group is a multi-business, multi-product and multi-location group.

Shri Bharat Hari Singhania was the past President of Indian Chamber of Commerce, past Chairman of Indian Jute Mills Association and Indian Jute Industries Research Association, Kolkata and has been involved with a large number of industry and professional bodies. He has been a Member of various Government bodies and Trade delegations. He has travelled widely in India & overseas and has intense knowledge of various industries and finance sector.

Shri Bharat Hari Singhania is heading various philanthropic organisations of JK Group such as Lakshmipat Singhania Education Foundation, Lakshmipat Singhania Medical Foundation and Pushpawati Singhania Hospital & Research Institute. He is also actively associated with many other Academic Institutions which are run by JK Group. He has a passion for promoting educational institutions, health care, cultural & philanthropic activities in various parts of the Country.

With a progressive attitude and inherent leadership skills, Shri Singhania has provided strategic direction to the Company and immensely contributed in its functioning and growth. Having been involved in the business since its inception, he has deep understanding of business dynamics. As a Chairman of the Board, Shri Singhania has harmoniously conducted the meetings, actively participated in discussions and ensured that the policies, processes and compliances are strengthened in the Company, benchmarked with the best and duly observed.

Keeping in view vast business experience and knowledge of Shri Singhania, it will be in the interest of the Company to continue his directorship. Accordingly, Board recommends his continuation as a Director of the Company in the category of Non-executive Director.

Except Shri Bharat Hari Singhania, Chairman; Shri Vikrampati Singhania, Managing Director; Dr. Raghupati Singhania and Smt. Swati Singhania, Directors 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 concerned or interested, financially or otherwise in the aforesaid Resolution.

Item No. 8

Section 197 of the Companies Act, 2013 (Act) authorises payment of remuneration to Directors, other than Managing Directors or Whole-time Directors of the Company, upto 1% of the net profits of the Company, calculated in the manner referred to in Section 198 of the Act, without the approval of the Company in General Meeting.

Further, Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (Listing Regulations) stipulates that all fees or compensation (excluding sitting fees), paid to the Non-executive Directors, including Independent Directors, shall be fixed by the Board of Directors and shall require previous approval of Members in general meeting.

Accordingly, it is considered necessary to obtain approval of the Members by means of a Special Resolution authorising Board of Directors of the Company for payment of such remuneration including fees or compensation to the Non-executive Directors, including Independent Directors, not exceeding, in aggregate, one percent of the annual net profits of the Company for each Financial Year commencing 1st April 2018 in terms of Section 197 of the Act and Regulation 17 of the (Listing Regulations).

The Board recommends the aforesaid resolution for approval of the members by means of a Special Resolution.

All the Directors, other than the Managing Director and Whole-time Director of the Company and their relatives to the extent of their shareholding, if any, in the Company, may be deemed to be

concerned or interested in the resolution to the extent of the share of remuneration that they may receive. None of the Key Managerial Personnel of the Company and/or their relatives is concerned or interested, financially or otherwise, in the aforesaid resolution.

Regd. Office:

7, Council House Street, Kolkata-700 001

CIN: L01400WB2000PLC091286

Website: www.jkagri.com

Email: jkagls shareholder@jkmail.com

Phone: +9133-22486181, Fax: +9133-22481641

Date: 7th August 2018

By Order of the Board

Anoop Singh Gusain

Company Secretary

FOR ATTENTION OF THE MEMBERS

1. Members/Proxies should bring the Admission Slip sent herewith duly filled in for attending the Meeting.
2. Please Check the Pincode in the address slip pasted on the envelope and advise correction, if any, therein. Also please do indicate the Pincode Number of your delivery post office while notifying change in your address to the Company where shares are held in physical form.
3. **Any person seeking transfer of shares in physical form (upto 5th December 2018) should furnish copy of PAN card of the Transferor and Transferee to the Company/RTA for registration of transfer of Shares. Pursuant to SEBI Circular dated 8th June 2018, the securities of listed companies can be transferred only in dematerialised mode w.e.f. 5th December 2018. In view of the above and to avail various benefits of dematerialisation, Members are advised to dematerialise shares held by them in physical form. Dematerialisation facility is available both on NSDL and CDSL. Company's ISIN No. is INE690O01011.**
4. Multiple folios: Members having multiple folios are requested to write to Company/RTA for consolidation of the folios to save the administrative or servicing cost.
5. **Dividend Warrants, Share Transfer etc.:**
 - a. As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 alongwith nine digit MICR/ NECS details to enable the Company to directly credit the dividend amount in their Bank Account.
 - b. Requests for transfer of Equity Shares and related correspondence should be addressed to the **Company's Registrar and Share Transfer Agents: Alankit Assignments Ltd.,** Alankit Heights, IE/13, Jhandewalan Extension, New Delhi – 110 055. Members holding shares in dematerialised mode should approach the Depository Participant with whom they are maintaining Account for registration of change in address, bank mandate, nomination, etc. For other matters, kindly write to the Company Secretary at Gulab Bhawan (Rear Block), 3rd Floor, 6A, Bahadur Shah Zafar Marg, New Delhi – 110 002 or E-mail at anoops@jkmail.com
6. **Unclaimed Dividends- Transfer to Investor Education and Protection Fund**
 - (a) The unclaimed dividend will be transferred to the Investor Education and Protection Fund (IE & PF) on expiry of 7 years from the date the dividend became due for payment.

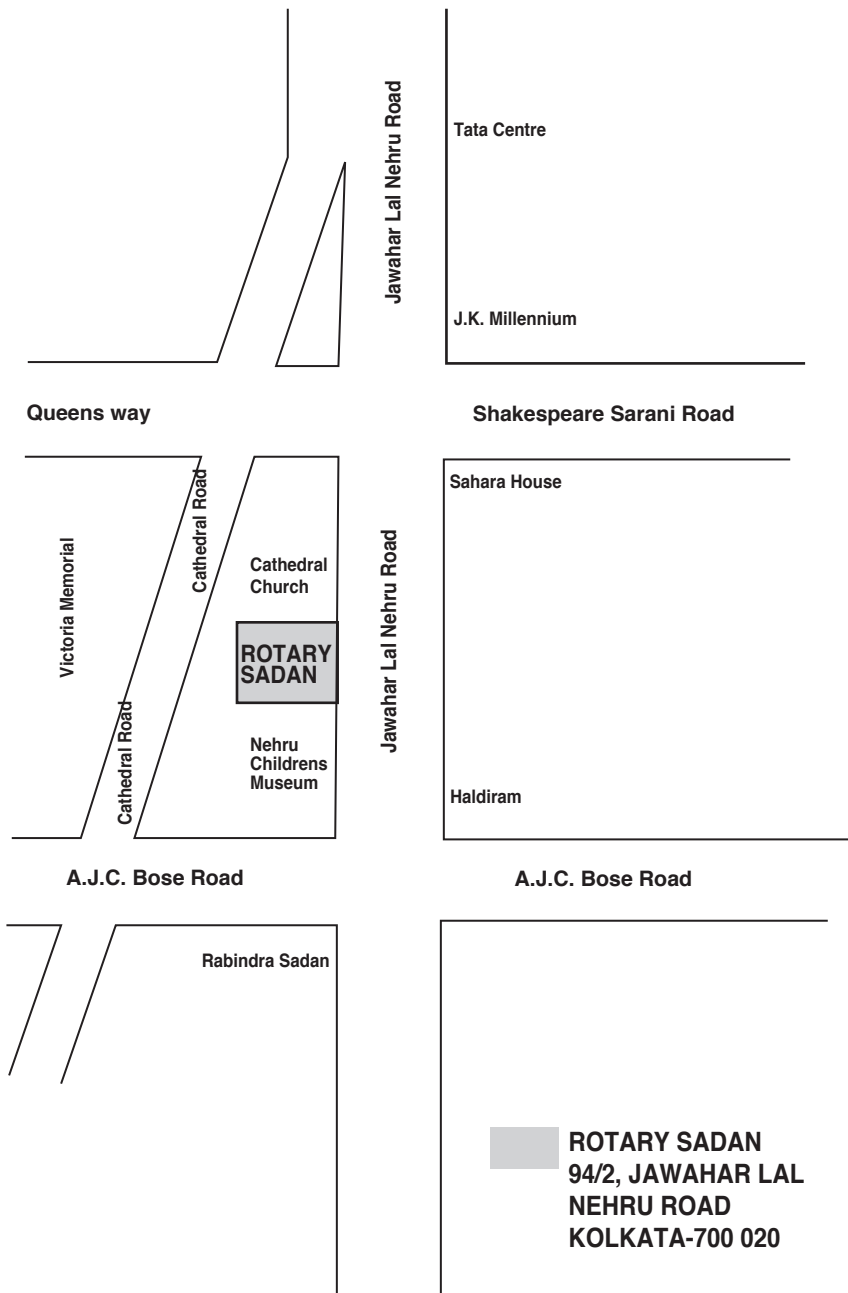
- (b) The unclaimed Dividend for the Financial Year 2013-14 ended 31st March 2014 will become due for transfer to IE & PF on 18th September 2021.
- (c) Members who have not claimed their dividend for the Financial Years 2013-14 (the year of declaration of maiden dividend) onwards may send their unclaimed dividend warrants to the Company Secretary for revalidation at the address given at Point No. 5(b) above.
- 7. Nomination:** Pursuant to Section 72 of the Companies Act, 2013, individual Members holding Shares in the Company singly or jointly may nominate an individual to whom all the rights in the Shares in 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 filed 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.** Members are requested to quote their Folio No./ DP ID-Client ID and details of shares held in physical/demat mode, e-mail IDs and Telephone No. for prompt reply to their communications.
- 9.** This Notice also contains a route map of the venue of AGM.

Green Initiative in Corporate Governance: Register E-mail Address

Pursuant to Section 101 of the Companies Act, 2013 and the Rules made thereunder, the Company is permitted to send various notices/ documents under the Companies Act, 2013 to its Members, through electronic mode. We request the Members to support this initiative and register their E-mail addresses in respect of shares held in: (1) dematerialised mode, with their Depository Participants; and (2) physical mode, with Alankit Assignments Ltd. (RTA). Please quote the following particulars in the E-mail Registration Request: Folio No./ DP ID- Client ID, PAN, Name(s) of Registered Holder(s), Address, Telephone and E-mail Address and send the same under your signature(s).

Route map to the venue of the AGM

Shripati Singhanian Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road) Kolkata – 700 020





Regd. Office: 7, Council House Street, Kolkata-700 001
(CIN: L01400WB2000PLC091286), Website: www.jkagri.com
Email: jkagshareholder@jkgmail.com, Phone: +9133-22486181, Fax: +9133-22481641

ADMISSION SLIP

Folio No. or DP ID / Client ID	
No. of Equity Shares held	

I hereby record my presence at the **18th Annual General Meeting** of the Company being held at **Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020** on **Wednesday, 5th September 2018** at **11.00 A.M.**

Name of the Member <i>(in block letters)</i>	
Name of Proxy-holder / Authorised Representative* <i>(in block letters)</i>	

* Strike out whichever is not applicable

Signature of the Member/ Proxy/ Authorised Representative*

Note: 1. A member/proxy/ authorised representative wishing to attend the meeting must complete this Admission Slip before coming to Meeting and hand it over at the entrance.
2. If you intend to appoint a Proxy, please complete, stamp, sign and deposit the Proxy Form at the Company's Registered Office at least 48 hours before the meeting.



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Email: jkagshareholder@jkgmail.com, Phone: +9133-22486181, Fax: +9133-22481641

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s):	
Registered Address:	
E-Mail ID:	
Folio No./DPID/Client ID:	

I /We, being the member(s) of JK Agri Genetics Ltd., holding shares, hereby appoint:

1. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her
2. Name : _____

Address : _____

E-mail Id : _____

Signature : _____, or failing him / her
3. Name : _____

Address : _____

E-mail Id : _____

Signature : _____

as my / our proxy to attend and vote (on a poll) for me/us and on my/ our behalf at the 18th Annual General Meeting of the Company, to be held on Wednesday, the 5th September 2018 at 11.00 A.M. at Shripati Singhanian Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road) Kolkata – 700 020 and at any adjournment thereof in respect of the resolutions as are indicated below:

Resolution No.	Resolution Description
1	Consideration and Adoption of the Financial Statements for the financial year ended 31 st March 2018 and the Reports of the Directors and Auditors thereon.
2	Declaration of Dividend.
3	Re-appointment of Shri Vikrampati Singhanian, who retires by rotation.
4	Appointment of Shri Ajay Srivastava as an Independent Director
5	Appointment of Shri Amar Singh Mehta as an Independent Director
6	Appointment of Shri Vikrampati Singhanian as Managing Director
7	Continuation of Shri Bharat Hari Singhanian to be a Non-executive Director
8	Authority for payment of remuneration to Non-executive Directors

Signed this _____ day of _____ 2018

Affix
revenue
stamp

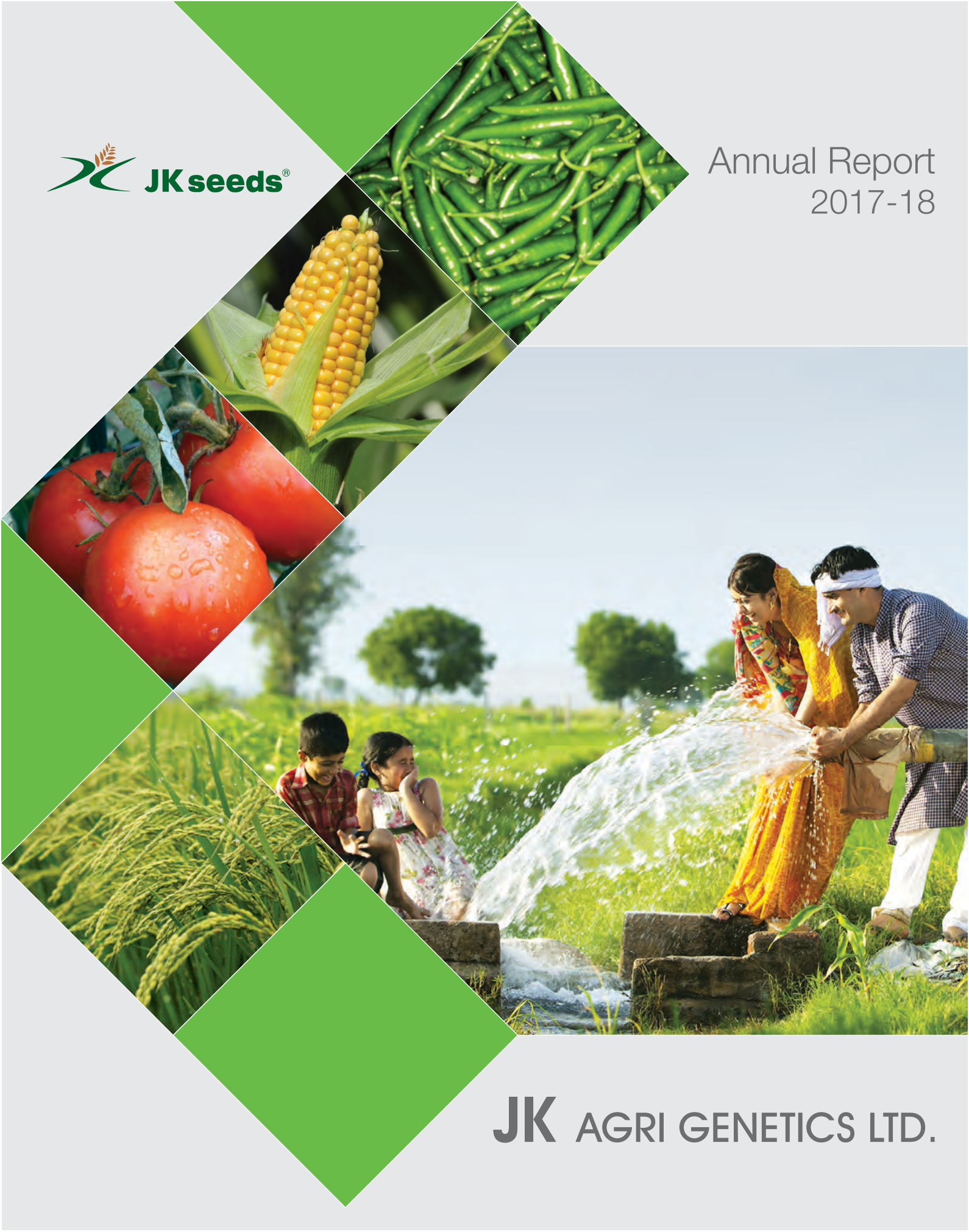
Signature of Members

Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.



Annual Report
2017-18



JK AGRI GENETICS LTD.

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Board of Directors

Bharat Hari Singhania
Chairman

Dr. Raghupati Singhania

Sanjay Kumar Khaitan

Sanjeev Kumar Jhunjhunwala

Swati Singhania

Abhimanyu Jhaver

Ajay Srivastava

Amar Singh Mehta

Vikrampati Singhania
Managing Director

Sanjay Kumar Gupta
President & Director

Processing Plant

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

Administrative Office

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

Registered Office

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

Auditors

BGJC & Associates LLP
Chartered Accountants

Bankers

Axis Bank Limited
IDFC Bank Limited
Yes Bank Limited

Chief Financial Officer

Amit Agarwal

Company Secretary

Anoop Singh Gusain

Website: www.jkagri.com

CIN: L01400WB2000PLC091286

E-MAIL ID: jkagls shareholder@jkmail.com

DIRECTORS' REPORT AND MANAGEMENT DISCUSSION & ANALYSIS

TO THE MEMBERS

Your Directors have pleasure in presenting the Annual Report together with the Audited Financial Statements of the Company for the Financial Year ended 31st March 2018.

FINANCIAL RESULTS

	(₹ in Crore)
Sales & Other Income	202.89
Profit before Finance Cost & Depreciation (PBITD)	27.38
Profit after Tax	11.99
Surplus brought forward	32.67
Surplus carried to Balance Sheet	42.92

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 4/- per Equity Share of ₹ 10/- each (i.e. 40%) for the Financial Year ended 31st March 2018. The Dividend outgo subject to approval at the ensuing Annual General Meeting will be ₹ 1.74 crore (inclusive of Dividend Distribution Tax of ₹ 0.30 crore).

OPERATIONS

During the Financial Year ended 31st March 2018, the Company achieved a turnover of ₹ 202.89 crore, an increase of 6% over previous year. EBITDA of the Company during the year was ₹ 27.38 crore.

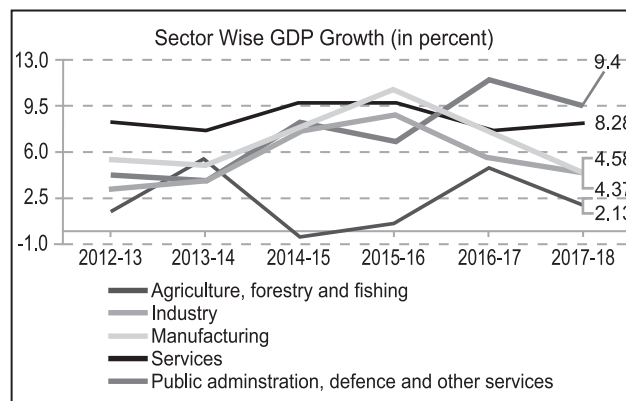
During the year the Company recorded significant improvement in its field crop and cotton seeds business clocking high double digit growth in both the categories. The Company is very hopeful that this growth will continue in the coming years also. The increase in the Minimum Support Price (MSP) of key crops along with prediction of a normal monsoon augurs well for the Agri Economy. This will help create a conducive environment for increased investment in agriculture inputs including seeds by the farmer, directly benefitting the Company's business.

During the year the farm gate prices of most of the commodities especially vegetables remained suppressed due to factors like over production and sudden stoppage of exports of fresh vegetables to some of our neighbouring countries creating a situation of glut in the domestic market. This had a negative impact on the vegetable seeds business, which hitherto has been growing at a very healthy rate.

We are very hopeful that this situation will change for the better in the coming year.

We expect that in coming times, there will be a redistribution of crop acreages based on economic returns. The expected hike in the MSPs of various crops will also have a bearing on this decision. The Company is very well prepared to handle these likely changes owing to its diversified product portfolio and also an R&D program which is capable of coming out with new products in response to the changing market requirements.

Your Company continues to work across segments in field crops like Jowar, Bajra, Wheat, Rice, Cotton, etc. in addition to vegetables like Okra, Tomato, Chillies, Cabbage, Gourds, etc.



The effort of the Company is to widen the portfolio by way of launching products for each of the micro-segments in the market.

This year saw the market share expansion of our Bajra & Cotton hybrids especially in North and Central Indian Markets. One new Tomato hybrid - JK Ratan continues to make good strides and we are hopeful that this hybrid will grow manifold in the coming seasons.

RESEARCH AND DEVELOPMENT

R&D is the key driving force for growth of any company in agriculture. It is the potential factor to turnaround the entire business and propels growth of the Company.

While the Company has been focusing on growth, R&D has always acted as a propeller in the ocean of agriculture industry. The R&D team has delivered

good hybrids of Cotton, Corn, Paddy, Bajra and new varieties in Mustard and Wheat. These varieties have helped in strengthening the overall brand equity of your Company.

Vegetable R&D also continues to come up with a number of hybrids in Okra, Tomato & Chili. Along with it the Company has also launched some hybrids of Gourds and Cucurbits, especially Melons and Cucumbers.

The Company's R&D team is working to come up with solutions to resolve the productivity challenges, surpassing the biotic and abiotic stress & reducing the dependency of farming community on pesticide and other Agri inputs.

INDUSTRY OVERVIEW

Agriculture plays a vital role in India's economy. Two third of the Country's population depends primarily on agriculture for their livelihood. Continued subdued performance of the Agricultural sector with abysmally low average growth rate of 2.2% per annum during last four years does not augur well for the Economy.

The Government in the recent budget announced various programmes for the farming community. It announced MSP of 1.5 times of the input cost of farmers for the kharif crops. Further increased allocation for rural credit and fertilizer subsidy, along with irrigation reforms as well as full implementation of eNAM system (online agriculture market place) has been announced.

Development and up-gradation of agriculture marketing infrastructure in 22,000 Grams and 58 APMCS will also help the farmers. The Government has also set aside ₹ 500 Crore for "Operation Green" to address price volatility in perishable commodities. A special focus on food processing sector coupled with increased allocation towards crop insurance would help the farmers. In addition, initiatives like supply of subsidized fertilizer to farmers through Direct Benefit Scheme, supply of urea at statutorily controlled price are steps in the right direction to double the farmers' income.

Favourable monsoon forecast by IMD and Skymet, expected hike in MSP rates, possibility of higher yield coupled with above mentioned initiatives taken by the government, augurs well for the farming community to boost up agricultural growth thereby reviving rural consumption.

Enthused by the positive monsoon predictions, the food grain production in the coming year is expected to surpass the record production of the previous year. While monsoon continues to be crucial for Kharif crops, however, increasing production in the Rabi season has also helped in reducing over dependence on monsoon during Kharif season.

Rising global temperatures due to climate change is also having an impact on cropping patterns and farm incomes. Irrigation is the best insurance for climate change. Approximately 35% of the total cropped area is under irrigation, leaving a large part of India to the mercy of monsoons. Over the last few years improved canal connectivity and micro irrigation to some extent has helped improve productivity, especially in the states of Uttar Pradesh, Haryana, Punjab and Maharashtra. However, relatively poor irrigation and low reservoir levels in Southern states continue to be a matter of concern.

In a nutshell in the above backdrop and due to overall positive sentiments the agricultural sector is poised for a decent double digit growth in the coming years.

OPPORTUNITIES, THREATS, RISK AND CONCERNS

Opportunities

India's burgeoning population and rising need for food grains, increasing GDP coupled with increasing seed replacement rate, better awareness among the farming community about the benefits of using certified seeds, has led to a spur in demand for Hybrid seeds over the past few years.

With rising disposable income and change in the life-style and food habits of Indians the demand for fruits and vegetables has increased the need for quality vegetable seeds. The low hybridisation in Vegetable Segment, presents ample opportunity for the seed sector to grow multi-fold in next few years.

Continued economic growth and increasing demand for food in many emerging economies, especially in African and Asian continent, has opened new markets for quality seeds. Being in similar agro-climatic conditions and the potential adaptability of Indian Hybrid seeds in these regions is opening up new vistas to expand geographically.

Escalation in hybridisation rate in some of the under penetrated crops coupled with approval for GM in

food crops in future has the potential to accelerate the growth of the industry.

Increasing role of the organized sector, post demonetization and GST implementation, growth in contract farming, increased mechanization, easy availability of credit and a host of recent measures initiated by the Government will further help catalyse the growth of the Indian seed industry.

Threats, Risk and Concerns

Erratic and unpredictable monsoons, uneven and skewed distribution of rain, surging cost of production, availability of labour and varying commodity prices are some of the areas of concern to the farmers.

In addition, increasing incidence of pest and Pink Boll worm attacks, rising competition, saturated market in certain crops, working capital requirement and labour cost also pose challenges for the industry. Frequent regulatory intervention restricting MRPs in certain crops and lack of a strong regulatory regime for protection of patent, etc. also cause uncertainty.

All the above factors pose a challenge to the sustainable and healthy growth of the industry.

HUMAN RESOURCE DEVELOPMENT

The success of our HR Strategy will depend in part 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. Investing in our employees remains of paramount importance. This enables in translating our strategic priorities into action and is reflected in our organizational culture, diversity and inclusion, talent and development, talent acquisition, compensation and benefits, managing change and collaboration with our social partners.

The role of HR has changed over the years. More than ever it operates in partnership with senior management across all functions. It has a key role in strategic development of the goals of the Company and helps its teams to build capabilities to deliver.

The Company has been working with internal and external faculty including exposing people across segments to training programmes at leading institutions like IIMs at Lucknow, Kozhikode, Bengaluru, etc. The team also closely works with internal mentors and has been participating in quality movements as well as innovation initiatives. Various teams have also been

involved in CSR activities undertaken by the Company like farmer education, etc. The HR team continues to work with the leadership in building capabilities across the organisation to help it achieve a sustainable growth agenda. The Company continues to work towards providing an encouraging work culture where performance and innovation are encouraged and recognised.

INTERNAL CONTROL SYSTEMS

The Company has in place an adequate internal control system under which its Internal Auditor carries out extensive audit covering all significant areas of Company's operations through-out the year. The Internal Auditor regularly reviews the adequacy and effectiveness of Company's internal control systems. Reports of the Internal Auditor are placed before the Audit Committee on quarterly basis for review. 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. Further, the Legal Compliance Monitoring Software Tool also performed satisfactorily during the year to monitor and ensure timely compliances of all applicable statutory requirements.

INTERNAL FINANCIAL CONTROLS

The Company over the years has strengthened its budgetary control system and internal financial controls with reference to financial statements. Further, the Company has adequate internal financial control policies and procedures commensurate with its size, complexity and nature of its operations. These are designed to ensure adherence to the Company's policies, safeguarding of its assets & interests, prevention & detection of frauds & errors and accuracy & completeness of financial records. The control & systems of the Company have been made more effective with the implementation of ERP (SAP) which connects the plants as well as all offices and marketing offices to ensure seamless data and information flow. The Company also has a robust management Information System for the timely preparation of reliable financial information. No material reportable weakness was observed in the system during the previous financial year.

EXTRACT OF ANNUAL RETURN

An extract of the Annual Return as on 31st March 2018 in the prescribed Form MGT-9 is attached as **Annexure - 1** to this report and forms part of it.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The particulars of loans 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 financial statements.

RELATED PARTY TRANSACTIONS

During the Financial Year ended 31st March 2018, all the contracts or arrangements or transactions entered into by the Company with the Related Parties were in the ordinary course of business and on arm's length basis and were in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

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

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

DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year, Shri Ajay Srivastava and Shri Amar Singh Mehta were appointed as Additional Directors of the Company w.e.f. 24th October 2017 and 6th February 2018, respectively, pursuant to Section 161 of the Companies Act 2013 (Act), and they shall hold office as Directors up to the date of the forthcoming Annual General Meeting (AGM). The Board also appointed them as Independent Directors of the Company for a term of five consecutive years each from the said dates pursuant to the relevant provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has also received requisite Notice from Members of the Company proposing the name of Shri Ajay Srivastava and Shri Amar Singh Mehta for appointment as Director at the forthcoming AGM. The Board recommends their appointments as aforesaid.

Shri J.R.C. Bhandari and Shri S.C Sethi, Independent Directors, resigned from the Board w.e.f. 14th November 2017 and 27th March 2018, respectively, owing to health issues. Shri Bhandari was also Chairman of the Audit Committee and the Nomination and Remuneration Committee of Directors and Shri Sethi was Chairman of the Stakeholders Relationship

Committee of Directors of the Company. The Board placed on record its sincere appreciation of the valuable contributions made by them during the long tenure of their association with the Company.

Shri Vikrampati Singhania retires by rotation and being eligible offers himself for re-appointment at the forthcoming AGM. The Board of Directors also appointed Shri Singhania as Managing Director of the Company w.e.f. 7th May 2018, for a period of five years, subject to the approval of the Members of the Company at the forthcoming AGM. Shri Vikrampati Singhania also became Key Managerial Personnel of the Company effective from the said date. The Board recommends his appointment.

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

Further, there were no other changes in the Directors and Key Managerial Personnel of the Company in terms of the provisions of the Companies Act 2013, during the period under review.

CONSERVATION OF ENERGY, ETC.

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

DEPOSITS

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

AUDITORS

(a) Statutory Auditors and their Report

M/s. BGJC & Associates LLP, Chartered Accountants were appointed as Statutory Auditors of the Company for a term of two consecutive years to hold office from conclusion of the 17th AGM held in the year 2017 till the conclusion of the 19th AGM to be held in the year 2019, subject to ratification of their appointment by the members at the AGM to be held in the year 2018. However, pursuant to the Companies (Amendment) Act, 2017, the requirement of ratification of appointment of the Auditors on yearly basis has been dispensed with. The observations of the Auditors in their Report on Accounts and the Financial Statements, read with relevant notes are self-explanatory.

(b) Secretarial Auditor and Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013, the Board of Directors appointed Shri Namo Narain Agarwal, Company Secretary in Practice as Secretarial Auditor to carry out Secretarial Audit of the Company for the Financial Year 2017-18. The Report given by him for the said Financial Year in the prescribed format is annexed to this Report as **Annexure-3**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

PARTICULARS OF REMUNERATION

Disclosure of the ratio of the remuneration of each director to the median employee's remuneration and other requisite details pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed to this Report as **Annexure - 4**. Further, Particulars of Employees pursuant to Rule 5(2) & (3) of the above Rules also form part of this Report. However, in terms of provisions of Section 136 of the said Act, the Report and Accounts are being sent to all the members of the Company and others entitled thereto, excluding the said particulars of employees. 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 contents of the CSR Policy are disclosed on the website of the Company.

The Annual Report on the CSR activities undertaken by the Company during the financial year under review, in the prescribed format is annexed to this Report as **Annexure – 5**.

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

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

COMPLIANCE WITH SECRETARIAL STANDARDS

During the financial year under review, the Company has duly complied with the applicable Secretarial Standards on Meetings of the Board of Directors and General Meetings.

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 Annual Report.

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

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- (a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

- (b) the accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the said Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) the internal financial controls to be followed by the Company have been laid down and that such internal financial controls are adequate and were operating effectively; and
- (f) the proper systems to ensure compliance with the provisions of all applicable laws have been devised and that such systems were adequate and operating effectively.

CAUTIONARY STATEMENT

“Management’s Discussion & Analysis Report” contains forward looking statements, which may be identified by the use of the words in that direction,

or connoting the same. All statements that address expectation or projections about the future, including, but not limited to statements about the Company’s strategy for growth, product development, market position, expenditures and financial results are forward looking statements. The Company’s actual results, performance or achievements could thus differ materially from those projected in such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward - looking statements on the basis of any subsequent development, information or events.

ACKNOWLEDGEMENTS

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

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

On behalf of the Board of Directors

Dr. Raghupati Singhania
Director
Date: 7th May 2018
Place: New Delhi

Vikrampati Singhania
Managing Director

ANNEXURE - 1 TO DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2018

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

I. REGISTRATION AND OTHER DETAILS:

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

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

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

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year (as on 1 st April 2017)				No. of Shares held at the end of the year (as on 31 st March 2018)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters**									
(1) Indian									
a) Individual/ HUF	45161	-	45161	1.25	45161	-	45161	1.25	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2311819	-	2311819	64.15	2311819	-	2311819	64.15	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	2356980	-	2356980	65.40	2356980	-	2356980	65.40	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any others	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)**=(A)(1)+(A)(2)	2356980	-	2356980	65.40	2356980	-	2356980	65.40	-

****The total shareholding of Promoters at (A) above includes 1557447 Equity Shares (43.21%) as on 1st April 2017 and also as on 31st March 2018, pertaining to constituents of the Promoter Group as per SEBI (Issue of Capital & Disclosure Requirements) Regulations, 2009. The same does not form part of the Promoters as defined in the Companies Act, 2013.**

Category of Shareholders		No. of Shares held at the beginning of the year (as on 1 st April 2017)				No. of Shares held at the end of the year (as on 31 st March 2018)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Share holding										
1. Institutions										
a)	Mutual Funds/UTI	207	36	243	0.01	207	36	243	0.01	-
b)	Banks/FI	88	180	268	0.01	88	180	268	0.01	-
c)	Central Govt.	9	-	9	-	9	-	9	-	-
d)	State Govt.(s)	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	15	15	30	0.00	15	15	30	0.00	-
g)	FIs	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Others	-	-	-	-	-	-	-	-	-
	Sub-Total (B)(1)	319	231	550	0.02	319	231	550	0.02	-
2. Non-Institutions										
a)	Bodies Corp.									
	i) Indian	362008	326	362334	10.05	312549	326	312875	8.68	-1.37
	ii) Overseas	217749	-	217749	6.04	217749	-	217749	6.04	-
b)	Individuals									
	i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	394308	26106	420414	11.67	477994	24969	502963	13.96	2.29
	ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	227515	-	227515	6.31	185678	-	185678	5.15	-1.16
c)	Others (specify)									
	(i) NRI	18099	139	18238	0.51	26846	139	26985	0.75	0.24
	(ii) Trust	126	-	126	0.00	126	-	126	0.00	-
	Sub-Total (B)(2)	1219805	26571	1246376	34.58	1220942	25434	1246376	34.58	-
	Total Public shareholding (B)= (B)(1)+(B)(2)	1220124	26802	1246926	34.60	1221261	25665	1246926	34.60	-
	C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	3577104	26802	3603906	100.00	3578241	25665	3603906	100.00	-

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year (as on 1 st April 2017)			Shareholding at the end of the year (as on 31 st March 2018)			% change in shareholding during the year
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Bengal & Assam Company Ltd.	799533	22.19	-	799533	22.19	-	-
Total		799533	22.19	-	799533	22.19	-	-

(iii) Change in Promoters' Shareholding (please specify, if there is no change) : No Change
(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders*	Shareholding at the beginning of the year 1 st April 2017		Cumulative Shareholding at the end of the year 31 st March 2018	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Florence Investech Ltd.^	1500000	41.62	1500000	41.62
2	Edgefield Securities Ltd.^	217749	6.04	217749	6.04
3	Bahubalibhai Shantilal Shah ^	115615	3.21	115615	3.21
4	Alchemist Capital Ltd. ^	105000	2.91	105000	2.91
5	Alchemist Holdings Ltd. ^	104528	2.90	104528	2.90
6	Ultima Finvest Ltd.^	18367	0.51	18367	0.51
7	Preeti Krishnagopal Chandak@	7597	0.21	17958	0.50
8	Mohan Gupta^	26000	0.72	15000	0.72
9	Krishnagopal Motilal Chandak@	13500	0.37	13500	0.37
10	Mentor Capital Ltd. @	-	-	13257	0.37
11	Sharad Kanayalal Shah**	36000	0.99	-	-
12	Edelweiss Broking Ltd. **	30981	0.86	232	0.01
13	Rajasthan Global Securities Pvt. Ltd. **	18668	0.52	-	-

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

^^ Common Top Ten Shareholders as on 1st April 2017 and 31st March 2018.

@ Top Ten Shareholders only as on 31st March 2018.

** Top Ten Shareholders only as on 1st April 2017.

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP [^]	Shareholding at the beginning of the year 1 st April 2017		Cumulative Shareholding at the end of the year 31 st March 2018	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total Shares of the Company
1	Shri Bharat Hari Singhania, Chairman	11272	0.31	11272	0.31
2	Dr. Raghupati Singhania, Director	3744	0.10	3744	0.10
3	Shri Swaroop Chand Sethi, Director [^]	3	0.00	NA	NA
4	Shri Vikrampati Singhania, Director	4119	0.11	4119	0.11

[^] Shri Swaroop Chand Sethi, Director has resigned from the directorship of the Company w.e.f. 27.03.2018.

Note: Shri Sanjay Kumar Khaitan, Shri Sanjeev Kumar Jhunjhunwala, Smt. Swati Singhania, Shri Abhimanyu Jhaver, Shri Ajay Srivastava and Shri Amar Singh Mehta, Directors of the Company; Shri Sanjay Kumar Gupta, President & Director; Shri Amit Agarwal, Chief Financial Officer and Shri Anoop Singh Gusain, Company Secretary of the Company were not holding any shares in the Company at the beginning of the year i.e. as on 1st April 2017 and at the end of the year i.e. as on 31st March 2018. Also, there was no increase/decrease in their shareholding during the financial year.

V. INDEBTNESS

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

(₹ In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposit	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	3285.54	368.40	-	3653.94
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	18.59	5.55	-	24.14
Total (i+ii+iii)	3304.13	373.95	-	3678.08
Change in indebtedness during the financial year				
• Addition	1123.80	-	-	1123.80
• Reduction	-	74.82	-	74.82
Net Change	1123.80	(74.82)	-	1048.98
Indebtedness at the end of the financial year				
(i) Principal Amount	4402.83	294.72	-	4697.55
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	25.10	4.41	-	29.51
Total (i+ii+iii)	4427.93	299.13	-	4727.06

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

Sl. No.	Particulars of Remuneration [^]	Name of Whole-time Director Sh. S.K. Gupta-President & Director	Total Amount (₹ In Lacs)
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	142.68	142.68
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	17.77	17.77
2	Others (mainly contribution to Provident Fund)	9.90	9.90
Total (A)		170.35	170.35
Ceiling as per the Act		In compliance with Section 196, 197, 198 read with Schedule V of the Companies Act, 2013	

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

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration^	Name of Directors							Total Amount (₹ In Lacs)
1	Independent Directors	Sh. Sanjeev Kumar Jhunjunwala	Sh. Sanjay Kumar Khaitan	Sh. Abhimanyu Jhaver	Sh. S.C. Sethi	Sh. J.R.C. Bhandari	Sh. Ajay Srivastava	Sh. Amar Singh Mehta	
	• Fee for attending Board/ Committee Meetings	2.40	0.70	1.00	2.95	1.60	0.70	0.33	9.68
	Total (1)	2.40	0.70	1.00	2.95	1.60	0.70	0.33	9.68
2.	Other Non-Executive Directors	Sh. Bharat Hari Singhania	Dr. Raghupati Singhania	Sh. Vikrampati Singhania	Smt. Swati Singhania				Total Amount (₹ In Lacs)
	• Fee for attending Board/ Committee Meetings	2.10	1.90	2.93	1.20				8.13
	Total (2)	2.10	1.90	2.93	1.20				8.13
Total (B)=(1+2)									17.81
Total Managerial Remuneration (A+B)									188.16
Overall Ceiling as per the Act		In compliance with Section 196, 197, 198 read with Schedule V of the Companies Act, 2013							

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

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

Sl. No.	Particulars of Remuneration [^]	Key Managerial Personnel		Total (₹ In Lacs)
		Shri Anoop Singh Gusain Company Secretary	Shri Amit Agarwal Chief Financial Officer	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	11.36	83.35	94.71
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	0.81	3.81	4.62
2	Others (mainly contribution to Provident Fund)	0.56	3.33	3.89
	Total	12.73	90.49	103.22

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

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

There were no penalties, punishment or compounding of offences during the year ended 31st March 2018.

On behalf of the Board of Directors

Date : 7th May 2018
Place : New Delhi

Dr. Raghupati Singhania
Director

Vikrampati Singhania
Managing Director

ANNEXURE - 2 TO DIRECTORS' REPORT

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

CONSERVATION OF ENERGY

- (i) The steps taken or impact on conservation of energy:
- Replaced high power consuming air-conditioning system at germplasm storage with modern energy efficient HVAC system.
 - Improved insulation in various areas to reduce heat load and power consumption.
- (ii) The steps taken by the Company for utilising alternate sources of energy : NIL
- (iii) The capital investment on energy conservation equipments : Nil

TECHNOLOGY ABSORPTION

- (i) The efforts made towards technology absorption:
- With our continued efforts of growing our vegetable seeds business, it was decided to enter into the promising segment of cucurbits in the country which hitherto has been dominated by Open Pollinated Varieties; however, we believe that hybridization in the cucurbits is imminent.
Joined the Bitter Gourds consortium at AVRDC to absorb cutting edge knowledge in this area.
Joined hands with CIMMYT to develop wheat varieties for better tolerance of higher temperatures.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution;
- New product development which will enhance revenue growth and import substitution.
- (iii) Particulars of imported technology : Nil
- (iv) The expenditure incurred on Research and Development
- The Capital Expenditure incurred on R&D during the period was ₹ 5.33 Lacs and recurring expenditure was ₹ 1429.48 Lacs.

FOREIGN EXCHANGE EARNINGS AND OUTGO

₹ In Lacs

Description	2017-18
Foreign Exchange Earnings	1711.13
Foreign Exchange Outgo	496.28

On behalf of the Board of Directors

Date : 7th May 2018
Place : New Delhi

Dr. Raghupati Singhania
Director

Vikrampati Singhania
Managing Director

ANNEXURE - 3 TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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

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

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2018** (Audit Period), complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas

Direct Investment and External Commercial Borrowings;

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014- (Not applicable to the Company during the Audit Period);
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- (Not applicable to the Company during the Audit Period);
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- (Not applicable to the Company during the Audit Period);
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- (Not applicable to the Company during the Audit Period); and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosures) Regulations, 2015.

- (vi) Management has identified and confirmed the following laws as being specifically applicable to the company and complied with:-

1. Andhra Pradesh (Agricultural Produce and Livestock) Markets Act, 1966
2. Seed Act, 1966, Seed Rules, 1968 & Seed (Control) Order, 1983
3. Protection of Plant Varieties & Farmers Rights Act, 2001
4. Plant Variety Protection Act, 1970
5. Agricultural Tenancy Act, 1970

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 generally complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

I further report that:

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

Adequate Notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda are sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the Meeting.

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

I further report that, based on review of compliance mechanism established by the Company and on the basis of compliance certificates issued by the Company Executives and taken on record by the Board of Directors and Audit Committee at their meetings, there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company had no specific event / action having a major bearing on the company's affairs in pursuance of the

above referred laws, rules, regulations, guidelines, standards etc. referred to above.

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. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : New Delhi
Date : 5th May 2018

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

ANNEXURE - 4 TO DIRECTORS' REPORT

Disclosure pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 for the financial year 2017-18 ended 31st March 2018:

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, 0.53; Dr. Raghupati Singhania, 0.48; Shri S.K. Khaitan, 0.18; Shri S.K. Jhunjhunwala, 0.60; Smt. Swati Singhania, 0.30; Shri Abhimanyu Jhaver, 0.25; Shri J.R.C. Bhandari, 0.40; Shri S.C. Sethi, 0.74; Shri Ajay Srivastava, 0.18; Shri A.S. Mehta, 0.08; and Shri Vikrampati Singhania, 0.73 (b) Executive Director: Shri Sanjay Kumar Gupta, 42.59.

The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any - Non-executive Directors did not draw any remuneration from the Company except sitting fee: Shri Bharat Hari Singhania, Chairman, 23.53%; Dr. Raghupati Singhania, 11.76%; Shri S.K. Khaitan, -66.67%; Shri S.K. Jhunjhunwala, 4.35%; Smt. Swati Singhania, 0%; Shri Abhimanyu Jhaver, 42.86%; Shri J.R.C. Bhandari, -30.43%; Shri S.C. Sethi, 18.47%; Shri Vikrampati Singhania, 18.42%; Shri Sanjay Kumar Gupta, President & Director, 10.60%; Shri Amit Agarwal, Chief Financial Officer, 13.80%; Shri Anoop Singh Gusain, Company Secretary, 22.78%. Shri Ajay Srivastava, Director, joined the Board w.e.f. 24th October 2017 and Shri A.S. Mehta, Director, joined the Board w.e.f. 6th February 2018 and no Sitting Fee was paid to them during the previous financial year 2016-17.

The percentage increase in the median remuneration of employees –14.5%. The number of permanent employees on the rolls of Company – 428.

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 9.00%. While, there was an increase of 10.6% in the managerial remuneration during the current financial year.

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

On behalf of the Board of Directors

Date : 7th May 2018

Place : New Delhi

Dr. Raghupati Singhania

Director

Vikrampati Singhania

Managing Director

ANNEXURE - 5 TO DIRECTORS' REPORT

ANNUAL REPORT ON THE CSR ACTIVITIES UNDERTAKEN BY THE COMPANY DURING THE FINANCIAL YEAR ENDED 31ST MARCH 2018

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

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

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

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

2. The Composition of the CSR Committee:

The CSR Committee comprises of the following Directors:

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

3. Average Net Profit of the Company for last three financial years: ₹1413.70 Lacs

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): ₹28.27 Lacs

5. Details of CSR spent during the financial year

a. Total amount to be spent for financial year : ₹ 28.27 Lacs

b. Amount unspent, if any : Nil

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

Sl No.	CSR project or activity identified	Sector in which the project is covered (Clause no. of Schedule VII to the Companies Act, 2013 as amended)	Projects or Programs:- (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) project or programs-wise (in ₹ Lacs)	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads: (in ₹ Lacs)	Cumulative expenditure upto the reporting period (in ₹ Lacs)	Amount spent directly or through implementing agency
1	General health check-up, Eye Camp and consultancy	Cl.(i) Promoting health care including preventive health care	Rajasthan-Alwar,Dausa, Chhattisgarh-Ambikapur, Odisha-Bargarh, NCR-Delhi, Maharashtra-Nashik	5.00	4.20	7.98	Direct
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.	Cl. (ii) Promoting education, including special education and employment enhancing vocational skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects.	Andhra Pradesh - Anantapur, Guntur, Vijayawada, Bihar - Buxar, Gaya, Nalanda, Patna, Purnia, Chhattisgarh - Giridih,Rajnandgaon, Delhi- NCR, Gujarat - Anand, Bhavnagar, Surendranagar, Vadodara, Vyara, Himachal Pradesh - Mandi, Jharkhand - Hazaribagh, Karnataka - Kushtagi, Maharashtra - Amravati, Malegaon, Yeola, Madhya Pradesh - Chhindwara, Morena, Satara, Odisha - Berhampur, Angul, Rajasthan - Chittorgarh, Telangana - Adilabad,Karimnagar, Tamilnadu-Theni, Uttar Pradesh - Agra, Aligarh, Faizabad, Gorakhpur, Kanpur, Moradabad, Morena, West Bengal - Bankura, Barasat, Malda, Shyampur	13.50	13.61	68.22	Direct
3	Scholarship to needy and deserving students, providing infrastructure to the schools etc.		Chhattisgarh- Ambikapur, Andhra Pradesh - Guntur, Haryana - Hisar, Yamunanagar Telangana - Khammam, Maharashtra - Nashik, Rajasthan - Sikar	10.00	10.76	19.56	Direct
Total				28.50	28.57	95.76*	

* The above mentioned cumulative total includes only the above mentioned projects. There were additional projects which are not included in total.

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

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

Date: 7th May 2018

S.K. Gupta
President & Director

Vikrampati Singhania
Chairman, CSR Committee

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

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

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

2. BOARD OF DIRECTORS:

As at 31st March 2018, the Board of Directors of the Company consists of Ten Directors comprising of one Executive Director (ED) and nine Non-executive Directors (NED); out of which five are Independent Directors (IND). Four Board Meetings were held during the Financial Year 2017-18 ended 31st March 2018 i.e., on 10th May 2017, 8th August 2017, 24th October 2017 and 6th February 2018. Attendance and other details as on 31st March 2018 of the Directors are given below:

Name of the Director	Director Identification Number (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	Yes	4	1	-
Dr. Raghupati Singhania	00036129	NED	4	Yes	8	4	2
Shri S.K. Khaitan*	00156816	IND	1	Yes	1	1	-
Shri S.K. Jhunjhunwala*	00177747	IND	4	Yes	2	2	-
Smt. Swati Singhania	00095409	NED	4	Yes	-	-	-
Shri Abhimanyu Jhaver*	02330095	IND	3	No	-	-	-
Shri J.R.C. Bhandari*#	00292314	IND	3	No	N.A.	N.A.	N.A.
Shri S.C. Sethi*#	00328990	IND	3	No	N.A.	N.A.	N.A.
Shri Ajay Srivastava*@	00049912	IND	2	N.A.	-	-	-
Shri A.S. Mehta*!	00030694	IND	1	N.A.	3	2	-
Shri Vikrampati Singhania	00040659	NED	4	Yes	1	-	-
Shri S.K. Gupta President & Director	01797850	Executive	4	Yes	1	-	-

- * The appointment of Independent Directors is in accordance with the provisions of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).
- # Shri J.R.C. Bhandari and Shri S.C. Sethi resigned from the Directorship of the Company w.e.f. 14th November 2017 and 27th March 2018, respectively.
- @ Shri Ajay Srivastava has been appointed as an Additional Director in the category of Independent Director w.e.f. 24th October 2017 for a term of five consecutive years, subject to the approval of shareholders of the Company.
- ! Shri A.S. Mehta has been appointed as an Additional Director in the category of Independent Director w.e.f. 6th February 2018 for a term of five consecutive years, subject to the approval of shareholders of the Company.
- \$ Excluding private companies and companies under Section 8 of the Companies Act, 2013. Independent Directorships held by the Directors are in accordance with the Listing Regulations.
- ^ Only covers Memberships/Chairmanships of Audit Committee and Stakeholders Relationship Committee.

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

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

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

The number of Equity Shares of ₹ 10/- each (i.e. Shares) held by the Non-executive Directors as on 31st March 2018 are: Shri Bharat Hari Singhania – 11,272 Shares; Dr. Raghupati Singhania – 3,744 Shares and Shri Vikrampati Singhania – 4,119 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.

3. SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

In accordance with the provision of Schedule IV to the Companies Act, 2013 and Regulation 25 of the Listing Regulations, a separate meeting of the Independent Directors of the Company was held on 6th February 2018. Shri Sanjeev Kumar Jhunjhunwala was unanimously elected as Chairman of the meeting and four Independent Directors of the Company were present at the said Meeting

4. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:

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

5. PERFORMANCE EVALUATION

The Board of Directors has made formal annual evaluation of its own performance and that of its Committees and Individual Directors pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed under the Listing Regulations.

Performance of the Board was evaluated after seeking inputs from all the Directors on the basis of the criteria such as adequacy of its composition and structure, effectiveness of board processes, information and functioning, etc.

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

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

In a separate meeting of the Independent Directors of the Company, performance of non-independent Directors, performance of Board as a whole and performance of Chairman was evaluated, taking into account the views of Executive Director 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 Company has an Audit Committee of Directors, the Composition and the 'Terms of Reference' of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations.

The Committee consists of four Directors, out of which three are Independent Directors and one is Executive Director. Four meetings of the Audit Committee were held during the financial year ended 31st March 2018.

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

Date of Meetings	Number of Members attended
10 th May 2017	3
8 th August 2017	3
24 th October 2017	3
6 th February 2018	3

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 [§]	1
Shri J.R.C. Bhandari [#]	Chairman [#]	3
Shri S.K Jhunjhunwala	Member	4
Shri S.C. Sethi [#]	Member [#]	3
Shri S.K. Gupta [*]	Member [*]	1
Shri A.S. Mehta [*]	Member [*]	N.A.

§ Shri S.K. Khaitan has been appointed as Chairman of the Committee w.e.f. 24th October 2017, in place of Shri J.R.C. Bhandari.

Shri J.R.C. Bhandari and Shri S.C. Sethi resigned as Members of the Committee w.e.f. 14th November 2017 and 27th March 2018, respectively.

* Shri S.K. Gupta and Shri A.S. Mehta have been appointed as Members of the Committee w.e.f. 24th October 2017 and 6th February 2018, respectively.

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

7. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

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

Date of the Meetings	Number of Members attended
10 th May 2017	2
8 th August 2017	2
24 th October 2017	2
6 th February 2018	2

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 [^]	N.A.
Shri S.C. Sethi [#]	Chairman [#]	3
Shri S.K. Khaitan	Member	1
Shri Vikrampati Singhania	Member	4

[^] Shri A.S. Mehta has been appointed as Chairman of the Committee w.e.f. 6th February 2018, in place of Shri S.C. Sethi.

[#] Shri S.C. Sethi resigned as a Member of the Committee w.e.f. 27th March 2018.

Shri Anoop Singh Gusain, Company Secretary, is the Compliance Officer. During the financial year ended 31st March 2018, the Company has not received any complaint from the shareholder. Also, there are no complaints pending in respect of previous period.

The Board has delegated the power of transfer of Shares and related matters to a 'Share Transfer Committee' and the share transfer formalities are attended as required. All valid requests for transfer of shares in physical form were processed in time and there were no pending transfers of shares. During the financial year ended 31st March 2018, 15 meetings of 'Share Transfer Committee' were held.

8. NOMINATION AND REMUNERATION COMMITTEE:

The Company has a Nomination and Remuneration Committee comprising of four Directors, all being Non-executive Directors, out of which three are 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
24 th October 2017	2
6 th February 2018	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 [§]	1
Shri J.R.C. Bhandari [#]	Chairman [#]	1
Shri S.K. Khaitan	Member	1
Shri S.C. Sethi [#]	Member [#]	1
Shri Vikrampati Singhania [*]	Member [*]	1
Shri A.S. Mehta [*]	Member [*]	N.A.

§ Shri S.K. Jhunjunwala has been appointed as Chairman of the Committee w.e.f. 24th October 2017, in place of Shri J.R.C. Bhandari.

Shri J.R.C. Bhandari and Shri S.C. Sethi resigned as Members of the Committee w.e.f. 14th November 2017 and 27th March 2018 respectively.

* Shri Vikrampati Singhania and Shri A.S. Mehta have been appointed as Members of the Committee w.e.f. 24th October 2017 and 6th February 2018, respectively.

9. NOMINATION AND REMUNERATION POLICY

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

- 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.

- The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Regulations and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.
- The Board will review the performance of a Director as per the structure of performance evaluation adopted by the Board for Directors including Executive Directors.
- 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.
- The eligibility criteria for appointment of Key Managerial Personnel (KMPs) and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of KMPs shall be filled by senior personnel having relevant qualifications and experience. The Compensation structure for KMPs and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks. The

remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

10. REMUNERATION PAID TO DIRECTORS:

- (i) Executive Director: The remuneration comprising of salary, perquisites and contribution to Provident Fund and Superannuation Fund for the financial year ended 31st March 2018 to Shri S.K. Gupta, President & Director is ₹ 170.35 Lacs.

The Company does not have any Stock Option Scheme. The tenure of office of President & Director is three years from the date of appointment and notice period is three months

- (ii) Non-executive Directors: During the financial year 2017-18, the Company paid sitting fees aggregating to ₹ 17.81 Lacs to all the Non-executive Directors for attending the meetings of the Board and/or Committees thereof.

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

11. GENERAL BODY MEETINGS:

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

Financial Year	Location	Date	Time
2014-2015	Shripati Singhanian Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020	11.09.2015	11.30 A.M.
2015-2016	Same as above	09.09.2016	11.30 A.M.
2016-2017	Same as above	25.08.2017	11.00 A.M.

Details of Special Resolution (SR) passed: No SR was passed at the AGM held in the year 2015, one SR was passed at the AGM held in the year 2016 and no SR was passed at AGM held in the year 2017. No SR was required to put through Postal Ballot during the financial year ended 31st March 2018.

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

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

- (iv) **Prevention of Sexual Harassment of Women at Workplace:** Your Company is sensitive to women employees at workplace. As required under the Sexual Harassment of Women at the Workplace

(Prevention, Prohibition & Redressal) Act, 2013, the Company has a formal policy to ensure safety of women and prevention of sexual harassment and has set up Internal Complaints Committee (ICC) at its work places to redress the complaints of women employees.

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

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

(vi) Disclosure of commodity price risks and commodity hedging activities: Commodity price fluctuations can have an impact on the demand of seeds for particular crop. Therefore, we track the commodity price movements very closely and take advance production decisions accordingly.

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

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

subsidiary is not required.

(viii) Corporate Social Responsibility Committee:

The Company has a "Corporate Social Responsibility Committee of Directors" which comprises of three Directors (including one Independent Director, one Executive Director and one Non-Executive Director). The Composition and the role of the Committee are in conformity with the provisions of Section 135 of the Companies Act, 2013. Two Meetings of the Committee were held during the financial year ended 31st March 2018 i.e., on 10th May 2017 and on 6th February 2018. Shri Vikrampati Singhania (Chairman of the Committee), Shri Sanjay Kumar Gupta and Shri Sanjeev Kumar Jhunjunwala, Members attended both the aforesaid Meetings.

13. MEANS OF COMMUNICATION:

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

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

Management Discussion and Analysis forms part of the Annual Report.

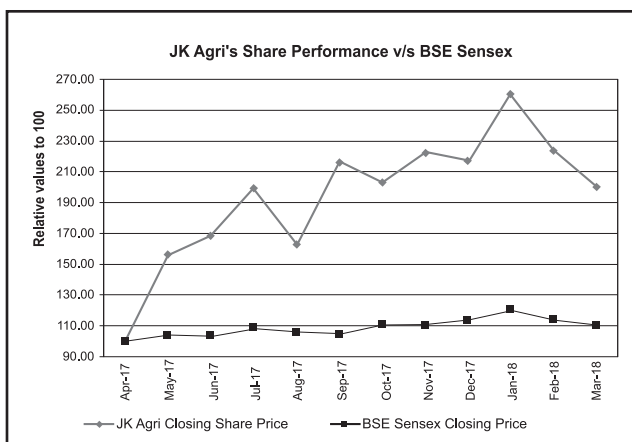
14. GENERAL SHAREHOLDERS' INFORMATION:

(i)	Registered Office:	7, Council House Street, Kolkata-700 001. Phone No: 033-22486181
(ii)	Annual General Meeting (AGM)	
	(a) Date, Time & Venue:	5 th September 2018 at Shripati Singhania Hall, Rotary Sadan, 94/2, Jawahar Lal Nehru Road (Chowringhee Road), Kolkata – 700 020 at 11.00 A.M.
	(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)	Financial Calendar (tentative) Financial Reporting: <ul style="list-style-type: none"> • 1st Quarter ending June 30, 2018 • 2nd Quarter ending September 30, 2018 • 3rd Quarter ending December 31, 2018 • Annual and 4th Quarter ending March 31, 2019 • Annual General Meeting for the financial year 2018-19 	<p>Within 45 days of the end of the quarter</p> <p>Within 60 days of the end of the 4th quarter</p> <p>Between July and September 2019</p>
(iv)	Dividend Payment Date	Within three weeks of conclusion of AGM
(v)	Date of Book Closure	30 th August 2018 to 5 th September 2018 (both days inclusive)

(vi)	Name and address of Stock Exchange where equity shares of the Company are listed	The Equity Shares of the Company are listed on BSE Ltd. – Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001 The annual listing fee for the financial year 2018-19 has been paid to the said Stock Exchange. The securities of the Company are not suspended from trading.
(vii)	Security Code for Company's Equity Shares on Stock Exchange and ISIN	BSE – 536493 ISIN – INE690O01011

(viii) Stock Market Price Data

Month (2017-18)	BSE	
	High (₹)	Low (₹)
April 2017	575.25	521.85
May 2017	946.00	524.50
June 2017	1054.00	840.20
July 2017	1166.00	931.00
August 2017	1233.00	898.70
September 2017	1308.00	850.00
October 2017	1355.00	1032.50
November 2017	1332.15	1151.00
December 2017	1283.00	1066.00
January 2018	1819.00	1172.05
February 2018	1568.00	1027.55
March 2018	1298.10	1080.00

JK Agri Genetics Ltd's (JK Agri's) Share Performance v/s BSE Sensex (April 2017 – March 2018)

(ix) Distribution of Shareholding (as on 31st March 2018)

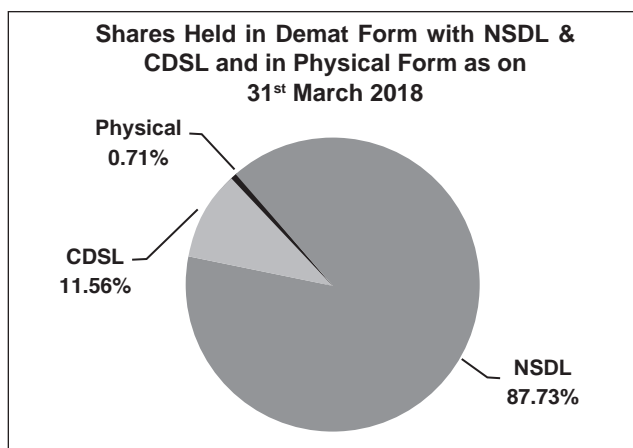
No. of Equity Shares Held	No. of Shares		Shareholders	
	Number	% of Total	Number	% of Total
1-250	178674	4.96	8344	95.74
251-500	57954	1.61	154	1.77
501-1000	70639	1.96	95	1.09
1001-5000	210508	5.84	93	1.07
5001-10000	108680	3.02	14	0.16
10001 & above	2977451	82.62	15	0.17
Total	3603906	100	8715	100

(x) Share Transfer System

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

(xi) Dematerialisation of Shares and liquidity

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



As on 31st March 2018, 99.29% of the Equity Shares are held in dematerialized form.

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

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

During the financial year ended 31st March 2018, the Company has appropriately managed the forex risk by means including natural hedging opportunities available in the business.

(xiv) Plant Locations

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

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

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

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

(xvi) This Corporate Governance Report of the Company for the financial year ended 31st March 2018 is in compliance with the requirements of Regulation 34 and Schedule V of the Listing Regulations, as applicable.

(xvii) Adoption of discretionary requirements specified in Part E of Schedule II of the Listing Regulations- (a) The Board: The Chairman of the Company is Non-Executive (b) Shareholder Rights: Half-yearly and other quarterly financial results are published in newspapers and uploaded on Company's website (www.jkagri.com). At present, the half yearly financial performance and the summary of the significant events in last six months are not sent to each household of shareholders; (c) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements; (d) Separate posts of Chairperson and CEO: Shri Bharat Hari Singhania, Non-executive Director, is the Chairman of the Company. (e) Reporting of Internal Auditor: The Internal Auditor of the Company submits his Internal Audit report to the Audit Committee on quarterly basis.

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

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

As on 1st April 2017, the Company had 8,099 Equity Shares, which were unclaimed by 1,297 Equity Shareholders. These were lying in dematerialised mode in the suspense account. Out of the above, the Company received 3 requests for 15 Equity Shares for despatch, during the year. These have since been despatched.

As on 31st March 2018, the Company has 8,084 Equity Shares which remain unclaimed by 1294 Equity Shareholders.

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

15. DECLARATION:

This is to confirm that for the financial year ended 31st March 2018, all the members of the Board and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct for Members of the Board and Senior Management adopted by the Board.

S.K. Gupta
President & Director

16. 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 31st March 2018, 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 10, 2017.

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 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
ICAI Firm Registration No.003304N

Place : New Delhi
Date : May 7, 2018

Darshan Chhajer
Partner
Membership No. 088308

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

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of JK Agri Genetics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Ind AS of the state of affairs (financial position) of the Company as at 31st March, 2018, its profit (financial performance including other comprehensive income) its cash flows and changes in equity for the year ended on that date.

Emphasis of Matters

We draw attention to the following matter in the note no. 50.2c(ii) to the Ind AS financial statements:

Regarding overdue trade receivables Rs 1823.61 lakhs & security deposit Rs 121.68 lakhs from Rajasthan government, where petition filed by the company for arbitration has been allowed by Hon'ble High Court of Rajasthan, Jaipur. The Court has appointed a retired Supreme Court judge as arbitrator. Considering the above facts the management is confident about the realizability/recovery hence no provision is made.

Our opinion is not modified in respect of this matter.

Other Matter

Incoming auditor to audit comparative information for adjustments to transition to Ind AS

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended 31st March 2017 and 31st March 2016 dated 10th May, 2017 and 12th May, 2016 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. (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 Ind AS financial statements read with Note 1 to 60 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, 2018, and taken on record by the Board of

Directors, none of the directors is disqualified as on March 31, 2018 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 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 Ind AS financial statements – Refer Note no. 34 on Contingent Liabilities to the Ind AS 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
ICAI Firm Registration No.003304N

Darshan Chhajjar
Partner

Place: New Delhi
Date: May 07, 2018

Membership No. 088308

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, 2018]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified

by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

- (c) 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, has been 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 and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph (iii) (a), (b) and (c) of the Order are not applicable to the Company.
- (iv) 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. Further, as informed, 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, GST, income tax, sales tax,

service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

AND

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, GST, 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 to us, there are no dues in respect of Income Tax, GST, sales tax, service tax, value added tax, customs duty or excise duty that have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution(s), bank(s), government(s) or dues to debenture holder(s).
- (ix) The Company has not raised the money by way of initial public issue offer / further public offer. 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) 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) 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 not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) According to the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For BGJC and Associates LLP
Chartered Accountants
ICAI Firm Registration No. 003304N

Darshan Chhajjer

Place: New Delhi

Partner

Date: May 07, 2018

Membership No. 088308

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, 2018]

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, 2018** 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing 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, 2018, 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
ICAI Firm Registration No.003304N

Place: New Delhi
Date: May 07, 2018

Darshan Chhajera
Partner
Membership No. 088308

BALANCE SHEET (As at 31st MARCH, 2018)

(₹ In Lacs)

Sl. No.	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
A	ASSETS				
1	NON-CURRENT ASSETS				
(a)	Property, Plant and Equipment	2	2,610.45	2,744.75	2,865.69
(b)	Intangible Assets	3	985.68	1,030.92	819.32
(c)	Financial Assets				
(i)	Loans	4	42.83	41.00	39.09
(ii)	Other Financial Assets	5	0.17	0.16	0.15
(d)	Deferred Tax Asset (Net)	6	993.40	1,135.53	1,190.72
(e)	Other Non-Current Assets	7	10.70	2.59	2.90
			<u>4,643.23</u>	<u>4,954.95</u>	<u>4,917.87</u>
2	CURRENT ASSETS				
(a)	Inventories	8	13,417.90	11,249.82	9,767.98
(b)	Financial Assets				
(i)	Trade Receivables	9	10,819.61	9,096.28	7,151.09
(ii)	Cash and Cash Equivalents	10	27.64	67.66	95.82
(iii)	Bank Balances other than (ii) above	11	440.87	462.77	309.81
(iv)	Loans	12	258.90	248.46	1,238.73
(v)	Other Financial Assets	13	59.05	10.70	21.47
(c)	Current Tax Assets (Net)	14	314.27	273.16	291.72
(d)	Other Current Assets	15	229.29	983.58	769.76
			<u>25,567.53</u>	<u>22,392.43</u>	<u>19,646.38</u>
			<u>30,210.76</u>	<u>27,347.38</u>	<u>24,564.25</u>
B	EQUITY AND LIABILITIES				
	EQUITY				
(a)	Equity Share Capital	16	360.39	360.39	360.39
(b)	Other Equity		8,277.15	7,254.66	6,178.83
			<u>8,637.54</u>	<u>7,615.05</u>	<u>6,539.22</u>
	LIABILITIES				
1	NON-CURRENT LIABILITIES				
(a)	Financial Liabilities				
(i)	Borrowings	17	254.89	777.04	2,457.49
(ii)	Other Financial Liabilities	18	6.75	8.25	7.53
(b)	Provisions	19	141.14	273.25	311.82
(c)	Other Non-Current Liabilities	20	79.95	96.97	18.14
			<u>482.73</u>	<u>1,155.51</u>	<u>2,794.98</u>
2	CURRENT LIABILITIES				
(a)	Financial Liabilities				
(i)	Borrowings	21	3,827.65	2,196.45	2,648.62
(ii)	Trade Payables	22	9,323.88	8,453.82	6,021.42
(iii)	Other Financial Liabilities	23	816.64	826.51	951.83
(b)	Other Current Liabilities	24	7,009.53	6,972.63	5,544.13
(c)	Provisions	25	112.79	127.41	64.05
			<u>21,090.49</u>	<u>18,576.82</u>	<u>15,230.05</u>
			<u>30,210.76</u>	<u>27,347.38</u>	<u>24,564.25</u>

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

As per our report of even date.

For BGJC & Associates LLP

Chartered Accountants

ICAI Firm Registraion No. 003304N

Darshan Chhajer
Partner

Membership No. 088308

AMIT AGARWAL
New Delhi, the 7th May 2018 Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

DR. RAGHUPATI SINGHANIA
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
AJAY SRIVASTAVA
AMAR SINGH MEHTA
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Directors

Managing Director
President & Director

STATEMENT OF PROFIT AND LOSS (FOR THE YEAR ENDED 31ST MARCH, 2018)

(₹ In Lacs)

Sl. No.	Particulars	Note No.	2017-18	2016-17
I	Revenue from operations	26	20,233.94	19,054.10
II	Other income	27	54.64	80.33
III	Total Income (I + II)		20,288.58	19,134.43
IV	Expenses:			
	Cost of materials consumed	28	10,910.89	9,743.10
	(Increase) / decrease in inventories of finished goods work-in-progress and Stock-in-Trade	29	(1,914.68)	(1,357.50)
	Employee benefits expense	30	2,992.52	2,725.82
	Finance costs	31	809.18	807.50
	Depreciation and amortization expense	32	275.32	256.53
	Other expenses	33	5,561.36	5,341.26
	Total expenses (IV)		18,634.59	17,516.71
V	Profit before Exceptional Items and Tax (III-IV)		1,653.99	1,617.72
VI	Exceptional items		-	-
VII	Profit Before tax (V+VI)		1,653.99	1,617.72
VIII	Tax expense:			
	(1) Current tax		409.84	337.30
	(2) MAT Credit Entitlement		-	(84.55)
	(3) Deferred tax Liability / (Asset)		45.54	146.41
IX	Profit for the Year (VII-VIII)		1,198.61	1,218.56
X	Other Comprehensive Income			
	Items that will not be reclassified to profit or Loss			
	- Re-measurement (Losses)/Gain on Defined Benefit Plans		(4.00)	(19.27)
	- Income tax effect		1.38	6.67
	Total Other Comprehensive income (X)		(2.62)	(12.60)
XI	Total Comprehensive income for the year (IX + X)		1,195.99	1,205.96
XII	Earnings per equity share: (₹)			
	Basic & Diluted (₹)	45	33.26	33.81

Significant accounting policies

1

The accompanying notes are an integral part of financial statements

As per our report of even date.

For BGJC & Associates LLP

Chartered Accountants

ICAI Firm Registraion No. 003304N

Darshan Chhajer

Partner

Membership No. 088308

New Delhi, the 7th May 2018

AMIT AGARWAL
Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

DR. RAGHUPATI SINGHANIA
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
AJAY SRIVASTAVA
AMAR SINGH MEHTA
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Directors

Managing Director
President & Director

(₹ In Lacs)

I Share Capital

Particulars	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
ISSUED, SUBSCRIBED AND PAID UP			
36,03,906 Equity Shares of ₹ 10/- each fully paid up			
Balance at the beginning of year	360.39	360.39	360.39
Changes in equity share capital during year	-	-	-
Balance at the end of reporting year	360.39	360.39	360.39

II Other Equity

Particulars	Reserve & Surplus		Other Comprehensive Income that will not be reclassified to P&L	Total
	General Reserve	Retained Earning	Re-measurement of Net Defined Benefit Plans	
Balance As at 1st April, 2016	4000.00	2,178.83	-	6,178.83
Profit for the year	-	1,218.56	-	1,218.56
Other Comprehensive income (Net of Taxes)	-	-	(12.60)	(12.60)
Dividends (Including Corporate Dividend Tax)	-	(130.13)	-	(130.13)
Balance As at 31st March, 2017	4,000.00	3,267.26	(12.60)	7,254.66
Profit for the year	-	1,198.61	-	1,198.61
Other Comprehensive income (Net of Taxes)	-	-	(2.62)	(2.62)
Dividends (Including Corporate Dividend Tax)	-	(173.50)	-	(173.50)
Balance As at 31st March, 2018	4,000.00	4,292.37	(15.22)	8,277.15

As per our report of even date.

For BGJC & Associates LLP
Chartered Accountants
ICAI Firm Registraion No. 003304N

Darshan Chhajer
Partner
Membership No. 088308

AMIT AGARWAL
Chief Financial Officer
New Delhi, the 7th May 2018

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AMAR SINGH MEHTA
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Directors

Managing Director
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, Fodder beet, Tomato, Okra, Chillies and other vegetable seeds. The company's manufacturing facilities are located at Survey no. 509/2, Village: Gundlapochampally, District: Ranga Reddy - 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 7th May, 2018.

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:

These financial statements have been prepared in accordance with Ind AS 101, "First Time Adoption of Ind AS", as these are the Company's first Ind AS compliant financial statements for the year ended 31st March, 2018. The financial statements correspond to the classification provisions contained in Ind AS-1 (Presentation of Financial Statements). The transition to Ind AS has been carried out from the accounting principles generally accepted in India (Indian GAAP), which is considered as the "Previous GAAP", for purposes of Ind AS - 1.

The preparation of these financial statements resulted in changes to the Company's accounting policies as compared to the most recent annual financial statements prepared under Previous GAAP, wherever necessary. All accounting policies and applicable Ind AS have been applied consistently and retrospectively to all periods, including the previous financial year presented and the Ind AS opening Balance Sheet as at 1st April, 2016 (Transition Date). The resulting difference between the carrying amounts under Ind AS and Previous GAAP as on the Transition Date has been recognised directly in Retained Earnings. An explanation of the effect of the transition from Previous GAAP to Ind AS on the Company's equity and profit is provided in Note No.58

(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:

On transition to Ind AS, the company has exercised the option under Ind AS 101 to measure Property, Plant and Equipment at fair value. Consequently the fair value has been assumed to be deemed cost of Property, Plant and Equipment on the date of transition. Subsequently Property, Plant and Equipment are carried at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenditure that is directly attributable to the acquisition of the items.

Property, plant and equipment acquired after the transition date 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:

On transition to Ind AS, the Company has elected to measure its intangible assets at the Previous GAAP carrying amount as its deemed cost on the date of transition.

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:

Lease is classified as Operating Lease, when substantial risks and rewards of ownership are not transferred - rentals thereon are recognised as expense over the lease term. Leases under which, the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalised at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability, so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss.

(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 Remeasurement 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 assets 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 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:

Revenue is recognized based on the nature of activity when consideration can be reasonable measured and there exists reasonable certainty of its recovery. Revenues from sale of goods are recognized on dispatch which coincides with transfer of significant risks & rewards to customer and is net of sales returns and 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)

Particulars	Freehold Land	Leasehold Land	Buildings @	Plant and Equipment #	Furniture & Fixtures	Office Equipments	Vehicles	Total
Gross Block								
As at 1st April'2016	1,018.76	492.00	137.70	999.13	14.96	37.01	166.13	2,865.69
Additions/Adjustments	-	-	45.66	17.51	4.24	77.97	-	145.38
Disposals/Adjustments	-	-	-	0.03	-	1.86	12.50	14.39
As at 31st March'2017	1,018.76	492.00	183.36	1,016.61	19.20	113.12	153.63	2,996.68
Additions/Adjustments	-	-	0.67	19.71	0.92	47.02	42.10	110.42
Disposals/Adjustments	-	-	-	1.27	0.19	1.61	14.77	17.84
As at 31st March'2018	1,018.76	492.00	184.03	1,035.05	19.93	158.53	180.96	3,089.26
Accumulated Depreciation								
As at 1st April'2016	-	-	-	-	-	-	-	-
Charged For the Year	-	8.01	23.37	173.33	2.74	17.86	27.03	252.34
Disposal	-	-	-	-	-	0.41	-	0.41
As at 31st March'2017	-	8.01	23.37	173.33	2.74	17.45	27.03	251.93
Charged For the Year	-	8.01	19.24	141.26	2.21	32.68	26.68	230.08
Disposal	-	-	-	0.19	0.08	0.35	2.58	3.20
As at 31st March'2018	-	16.02	42.61	314.40	4.87	49.78	51.13	478.81
Net Carrying Amount								
As at 1st April'2016	1,018.76	492.00	137.70	999.13	14.96	37.01	166.13	2,865.69
As at 31st March'2017	1,018.76	483.99	159.99	843.28	16.46	95.67	126.60	2,744.75
As at 31st March'2018	1,018.76	475.98	141.42	720.65	15.06	108.75	129.83	2,610.45

Note:

The Company has elected to measure the items of Property, Plant and Equipments at their fair value at the date of transition.

(Refer Note No.58)

On Lease hold premises

@ Net carrying Amount of ₹ 99.64 lacs as at 31.03.2018 (Previous year ₹ 105.21 lacs).

Net carrying Amount of ₹ 624.89 lacs as at 31.03.2018 (Previous year ₹ 742.83 lacs).

Note-3

Intangible Assets

(₹ In Lacs)

Particulars	Brand @	Software #	Total
Gross Block			
As at 1st April'2016	810.00	9.32	819.32
Additions/Adjustments	-	215.79	215.79
Disposals/Adjustments	-	-	-
As at 31st March'2017	810.00	225.11	1,035.11
Additions/Adjustments	-	-	-
Disposals/Adjustments	-	-	-
As at 31st March'2018	810.00	225.11	1,035.11
Accumulated Amortization			
As at 1st April'2016	-	-	-
Charged For the Year	-	4.19	4.19
Disposal	-	-	-
As at 31st March'2017	-	4.19	4.19
Charged For the Year	-	45.24	45.24
Disposal	-	-	-
As at 31st March'2018	-	49.43	49.43
Net Carrying Amount			
As at 1st April'2016	810.00	9.32	819.32
As at 31st March'2017	810.00	220.92	1,030.92
As at 31st March'2018	810.00	175.68	985.68

Note:

The Company has elected to measure the items of Other Intangible Assets at their Previous GAAP carrying value at the date of transition to IND AS.

@ The indefinite life intangible assets (J.K. SEEDS - Brand), no indication of impairment noticed (Refer Note no. 58)

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

Note No. 4

	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Non Current Financial Assets - Loans (Unsecured, considered good)			
Deposit with Government & Others	39.38	39.65	35.92
Other Loans and Advances to Employees	3.45	1.35	3.17
	42.83	41.00	39.09

Note No. 5
Non Current Financial assets - Others

Bank Balance in Deposit Account (Ref Note no.11)	0.17	0.16	0.15
	0.17	0.16	0.15

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

1. Deferred Tax Liabilities			
Related to Property, Plant and Equipments and Intangibles	468.30	605.54	576.17
2. Deferred Tax Assets			
Expenses / Provisions Allowable	416.35	597.75	549.13
Unabsorbed Depreciation & Brought forward			
Business Losses	-	-	158.99
Deferred Tax (Liability) / Asset (Net)	(51.95)	(7.79)	131.95
MAT Credit Entitlement	1,045.35	1,143.32	1,058.77
Deferred Tax (Liability) / Asset (Net)	993.40	1,135.53	1,190.72

Note No. 7
Other Non Current Assets

Capital Advances	8.43	0.89	0.88
Prepaid Expenses	2.27	1.70	2.02
	10.70	2.59	2.90

Note No. 8
Inventories

Stores, Processing & Packing Material	909.53	656.13	531.79
Semi Finished Goods	7,206.37	5,613.01	4,158.22
Finished Goods*	5,302.00	4,980.68	5,077.97
	13,417.90	11,249.82	9,767.98

* Includes Stock in Transit ₹ 66.56 lacs (Previous year ₹ 10.61 lacs)

Note No. 9
Trade Receivables (Unsecured)

Considered Good	10,819.61	9,096.28	7,151.09
Considered Doubtful	1,066.69	1,248.40	1,132.70
	11,886.30	10,344.68	8,283.79
Less: Allowance for Doubtful Debts	1,066.69	1,248.40	1,132.70
	10,819.61	9,096.28	7,151.09

Note No. 10

	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Cash & Cash Equivalents			
Cash on hand	0.47	0.46	2.09
Cheques on hand	0.65	-	5.00
Balances with Scheduled Banks :			
On Current Accounts	26.52	67.20	88.73
	27.64	67.66	95.82

Note No. 11
Bank Balance other than Cash and Cash Equivalents

On Deposit Accounts maturing after 3 months but before 12 months*	437.93	460.77	308.47
On Deposit Accounts maturing after 12 months*	0.17	0.16	0.15
Unclaimed dividend accounts	2.94	2.00	1.34
Fractional shares Balance Account (₹ 1.87) (Previous year ₹ 1.87)			
	441.04	462.93	309.96
Less: Amount disclosed under Other Non Current Financial Assets (Note No.5)	0.17	0.16	0.15
	440.87	462.77	309.81

* Includes ₹ 139.23 lacs (Previous year ₹ 182.55 lacs) Pledged

Note No. 12
Financial Assets - Loans

(Unsecured, considered good unless otherwise stated)

Intercompany Deposit	-	-	1,000.00
Others			
Loans and Advance to Employees	39.48	43.35	39.31
Deposit with Government Authorities#	219.42	205.11	199.42
# Net of Doubtful Advances of ₹52.34 lacs (PY ₹ 52.34 lacs)			
	258.90	248.46	1,238.73

Note No. 13
Other Financial Assets

Interest Accrued	3.25	10.70	21.47
Other Income Receivables	55.80	-	-
	59.05	10.70	21.47

Note No. 14
Current Tax Assets (Net)

Advance payment of Income Tax	314.27	273.16	291.72
Net of provisions incl. interest ₹ 2061.21 Lacs (Previous year ₹ 1749.33 Lacs)			
	314.27	273.16	291.72

Note No. 15

	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Other Current Assets			
Trade Advances	184.63	906.24	688.31
Prepaid Expenses	43.80	42.76	62.55
Others	0.86	34.58	18.90
	229.29	983.58	769.76

Note No. 16
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	1,400.00
	1,400.00	1,400.00	1,400.00

Issued, Subscribed and Paid up:

Equity Shares - 36,03,906 shares (Previous Year 36,03,906 shares) of ₹ 10/- each fully paid up	360.39	360.39	360.39
	360.39	360.39	360.39

**16.1. Reconciliation of number of share outstanding
- Equity Share**

Shares outstanding as at the beginning of the year	3,603,906	3,603,906	3,603,906
Add: Shares issued during the year	-	-	-
Less: Bought back during the year	-	-	-
Shares outstanding as at the end of the year	3,603,906	3,603,906	3,603,906

16.2 Details of Shareholder who held more than 5% of Equity Share

	No. of Shares held	No. of Shares held	No. of Shares held
Bengal & Assam Co. Ltd	799,533	799,533	799,533
Florence Investech Ltd.	1,500,000	1,500,000	1,500,000
Edgefield Securities Ltd.	217,749	217,749	217,749

16.3 Terms/right attached to equity shares:

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

Note No. 17
Financial Borrowings

(₹ In Lacs)

	As at 31.03.2018		As at 31.03.2017		As at 01.04.2016	
	Non Current	Current*	Non Current	Current*	Non Current	Current*
Non Current Borrowings						
SECURED LOANS						
Term Loans:						
Banks	-	450.00	450.00	500.00	950.00	400.00
Others	79.33	27.82	98.49	13.91	139.09	-
	79.33	477.82	548.49	513.91	1,089.09	400.00
UNSECURED LOANS						
Council of Scientific & Industrial Research (CSIR)	175.56	73.68	228.55	73.68	368.40	73.68
Bengal & Assam Company Ltd.	-	-	-	-	1,000.00	250.00
	175.56	73.68	228.55	73.68	1,368.40	323.68
	254.89	551.50	777.04	587.59	2,457.49	723.68

*Amount disclosed under Note No.23

Notes:

1. Term loan from Bank of ₹ 450 lacs taken from bank is secured by second charge on the entire current assets of the company viz., stocks & book debts, etc., both present and future, first charge on the entire Property, Plant and Equipments of the Company including land at Dundigal village, Telangana and Land at Ranpur, Kota Rajasthan, excluding certain specified assets. It is further secured by Hypothecation of entire intangible assets of the Company including the Brand and Patents. Repayable in 3 Equal quarterly Installments during FY 2018-19.
2. Term loan others of ₹ 107.15 lacs (net of ₹ 18.03 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 9 equal half yearly installments by 2022-23.
3. Unsecured Loan of ₹ 249.24 lacs (Net of ₹ 45.48 lacs for deferred Government Grants) taken from CSIR is repayable in 4 equal yearly installments by 2021-22.

Note No. 18

(₹ In Lacs)

	As at 31.03.2018	As at 31.03.2017	As at 01.04.2016
Other Financial Liabilities			
Interest accrued but not due	6.75	8.25	7.53
	6.75	8.25	7.53

Note No. 19

LONG-TERM PROVISIONS

Provision for employee benefits

Gratuity (Refer Note no.43)	-	142.68	149.96
Leave encashment	141.14	130.57	161.86
	141.14	273.25	311.82

Note No. 20

	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Other Non Current Liabilities			
Government Grants	60.79	82.10	-
Others	19.16	14.87	18.14
	79.95	96.97	18.14

Note No. 21
Financial Liabilities - Borrowings
SECURED LOANS

Repayable on Demand from Banks #	1,710.47	2,196.45	2,648.62
Buyer's Credit #	117.18	-	-

UNSECURED LOANS

Short Term loan from Bank	2,000.00	-	-
	3,827.65	2,196.45	2,648.62

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. 22
Trade Payables

a) Micro Enterprises & Small Enterprises	0.21	20.12	-
b) Others	9,323.67	8,433.70	6,021.42
	9,323.88	8,453.82	6,021.42

Note No. 23
Other Financial Liabilities

Current Maturities of Long Term Borrowings	551.50	587.59	723.68
Interest Accrued but not due on loan	239.93	217.68	207.56
Security Deposits	22.27	19.24	19.25
Unclaimed Dividend	2.94	2.00	1.34
Unpaid Fractional Shares Balance (₹ 1.87) (Previous year ₹ 1.87)			
	816.64	826.51	951.83

Note No. 24
Other Current Liabilities

Advance from Customers	4,835.02	5,091.14	4,356.64
Capital Creditors	-	64.03	7.49

Other Liabilities

Government and Other dues	88.57	103.23	76.45
Government Grants	21.32	21.32	-
Others	2,064.62	1,692.91	1,103.55
	7,009.53	6,972.63	5,544.13

Note No. 25

	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Provisions			
Provision for Retirement Benefits			
Gratuity	42.65	52.54	18.13
Leave Encashment	41.07	48.56	22.12
Others	29.07	26.31	23.80
	112.79	127.41	64.05

Note No. 26

	2017-18	(₹ In Lacs) 2016-17
Revenue from Operations		
1. Sales : Seeds	19,713.86	18,472.51
Others	374.77	346.33
2. Other Operating Revenues		
Liabilities no longer required written back	54.41	76.74
Insurance Claims	48.81	8.39
Miscellaneous Income	42.09	150.13
	20,233.94	19,054.10

Note No. 27
Other Income

Interest on Deposit with Banks & others	54.51	72.55
Profit on Sales of Assets (Net)	-	1.74
Foreign Exchange Fluctuation	0.13	6.04
	54.64	80.33

Note No. 28
Cost of Material Consumed

Purchase of Seeds	9,972.35	8,813.07
Purchase of Other Agri Products	209.75	193.83
Consumption of Packing Materials & Others	728.79	736.20
	10,910.89	9,743.10

Note No. 29
**Changes in Inventories of Finished Goods
work-in-progress and Stock-in-Trade**
Opening Stock

- Semi Finished Goods		
Seeds	5,613.01	4,158.22
- Finished Goods	4,980.68	5,077.97
	10,593.69	9,236.19

Closing Stock

- Semi Finished Goods		
Seeds	7,206.37	5,613.01
- Finished Goods	5,302.00	4,980.68
	12,508.37	10,593.69
(Increase)/Decrease in Stocks	(1,914.68)	(1,357.50)

	2017-18	(₹ In Lacs) 2016-17
Note No. 30		
Employee Benefit Expenses		
Salaries, Wages, Allowance, etc.	2,672.90	2,395.75
Contribution to Provident and other Funds	128.83	116.61
Employees' Welfare and other Benefits	190.79	213.46
	<u>2,992.52</u>	<u>2,725.82</u>

Note No. 31		
Finance Cost		
Interest Expenses	780.48	772.93
Other Borrowing costs	28.70	34.57
	<u>809.18</u>	<u>807.50</u>

Note No. 32		
Depreciation and Amortization Expense		
Depreciation on Property, Plant and Equipments	230.08	252.34
Amortization of Intangible Assets	45.24	4.19
	<u>275.32</u>	<u>256.53</u>

	2017-18	(₹ In Lacs) 2016-17
Note No. 33		
Other Expenses		
Processing Charges	262.35	239.96
Power & Fuel	48.20	42.62
Repair & Maintenance- Machinery	13.94	10.19
Labour expenses	243.73	198.43
Rent	294.34	288.06
Rates & Taxes	0.43	3.43
Insurance	58.40	54.17
Freight & Transportation	787.91	694.08
Advertisement	1,146.54	1,037.43
Royalty	260.02	174.00
Directors' Fees	17.81	16.96
Farming Expenses	482.13	411.81
Travelling	739.85	629.82
Commission	374.74	272.58
Loss on Sales/Discard of Assets (Net)	2.33	-
Provisions/Allowances for Doubtful Debts	19.32	140.95
Bad Debts and Advances Written off	218.78	529.40
Less : Withdrawal from Provision/allowances for doubtful debts	<u>211.97</u>	<u>41.32</u>
Debtors and Advances Writtenoff (Net)	6.81	488.08
Printing & Stationery, Postage, Telephone and other	802.51	638.69
Miscellaneous Expenses etc.	<u>5,561.36</u>	<u>5,341.26</u>

Note No. 34
Contingent liabilities, not provided for in respect of :

- (i) Claims by certain parties against the company not accepted and not provided for ₹ 239.11 lacs (Net of ₹ 99.94 lacs indemnified by another party) (Previous Year ₹134.42 lacs (Net of ₹99.00 lacs indemnified by another party)).
- (ii) Income Tax (matters in appeals) of ₹ 221.43 lacs (Previous year ₹ 560.71 lacs). In respect of certain disallowances and additions made by the Income Tax authorities, appeals are pending before the Appellate Authorities and adjustment, if any, will be made after the same are finally determined.

Note No. 35

Company acted as a facilitator and has extended guarantees to Yes Bank Limited ₹ 3707.95 lacs (Previous year ₹ 3097.36 lacs) for loans provided to the farmers, grouped under trade payables / trade advances.

Note No. 36

Pursuant to the Scheme of Arrangement and Demerger transfer of authorized Capital of ₹ 4250 lacs divided into 50,00,000 preference share capital of ₹ 85/- each is pending for transfer from Florence Investech Limited to the Company as authorized capital divided into 4,25,00,000 unclassified shares of ₹ 10 each as per the Scheme. In the absence of receipt of requisite approvals, it is been decided not to pursue this matter any further.

Note No. 37

Estimated amount of contracts net of advances amounting to ₹ 6.18 lacs (Previous year ₹ Nil) 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)	
	2017-18	2016-17
Recurring Expenses*		
Employees Cost	570.24	521.88
Farming Expenses	482.13	411.81
Other Expenses	377.11	323.00
Total Recurring Expenses	1,429.48	1,256.69
Total Capital Expenditure	5.33	52.99
Total R & D Expenses (incl. Capital Expenditure)	1,434.81	1,309.68

*Included in respective account

Note No. 40
Amount paid to Auditors:
Statutory Auditors

Audit Fee	2.75	2.75
Taxation	0.75	0.75
Certification & Other Charges	0.60	1.56
Reimbursement of expenses	0.08	0.15
Total	4.18	5.21

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 17th February, 2014. The above revised returns were filed by the Company with the Department pursuant to the Scheme of Arrangement and Demerger (the Scheme) approved by Hon'ble High court of Calcutta on 17th October, 2012, giving impact of the Scheme from 1st April, 2005, during the financial year 2012-13.

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 31st March 2018 ₹ 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 31st March 2018- Nil (previous year - Nil).

Note No. 42a

Foreign Currency exposure not hedged as at Balance sheet Date:

Net receivable ₹687.77 lacs – US \$ 216712 & AED 3082800 (Previous year ₹113.73 lacs – US \$ 175400), Net payable ₹ 0.01 lacs – Euro 20 (₹0.01 lacs – Euro 20) and Buyers Credit of ₹ 117.18 lacs - US \$ 180170 (Previous year Nil)

Note No. 43
Retirement benefit obligations:
A Expenses Recognised for Defined Contribution Plan

Particulars	(₹ In Lacs)	
	2017-18	2016-17
Company's contribution to PF	128.83	115.96
Company's Contribution to ESI	15.78	9.78

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, 2017 and March 31, 2016, being the respective measurement dates:

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

Particulars	Gratuity (Funded)	(₹ In Lacs) Leave Encashment (Unfunded)
Present Value of obligation as on 1st April'16	168.10	139.45
Current Service Cost	26.65	20.01
Interest Cost	13.10	10.86
Benefits Paid	(31.89)	(24.27)
Remeasurement - actuarial loss / (gain) arising from		

-Change in demographic assumptions	10.87	14.23
-Change in financial assumptions	13.51	10.51
-Experience Variance	(5.11)	(19.20)
Present Value of obligation as on 31st March'17	195.23	151.59
Present Value of obligation as on 1st April'17	195.23	151.59
Current Service Cost	28.86	18.38
Interest Cost	13.40	10.41
Benefits Paid	(23.11)	(23.98)
Remeasurement - actuarial loss / (gain) arising from	-	-
-Change in demographic assumptions	0.40	(0.52)
-Change in financial assumptions	9.20	6.42
-Experience Variance	(5.61)	(7.40)
Present Value of obligation as on 31st March'18	218.37	154.90

II. Change in Fair Value Plan Assets - Gratuity

Particulars	2017-18	2016-17
Fair Value of Plan Assets at the beginning of year	-	-
Acquisition / Transfer in / Transfer out	-	-
Expected Return on Plan Assets	2.71	-
Employer Contribution	195.23	-
Benefit Paid	(22.22)	-
Actuarial gain / (Loss)	-	-
Fair Value of Plan Assets at the end of year	175.72	-
Present Value of Obligation	218.37	-
Net funded status of plan	(42.65)	-
Actual Returns on Plan Assets	2.71	-

III. Expenses recognised in Statement of Profit and Loss

Particulars	Gratuity (Funded)	(₹ In Lacs) Leave Encashment (Unfunded)
Current Service Cost	26.65	20.01
Net Interest cost/ (income) on the net defined benefit liability/ (assets)	13.10	10.86
Past service cost	-	-
Re – measurement (or Actuarial) (gain)/ loss arising from:	-	-
-Change in demographic assumptions	10.87	14.23
-Change in financial assumptions	13.51	10.51
-Experience variance (i.e actual experience vs assumptions	(5.11)	(19.20)
Less: Recognised in Other Comprehensive Income (OCI)	(19.27)	-
Expenses recognised in P&L For the year ended 31st March'17	39.75	36.41
Current Service Cost	28.86	18.38
Net Interest cost/ (income) on the net defined benefit liability/ (assets)	13.40	10.41
Past service cost	-	-
Expected Returns on Plan Assets	(2.71)	-
Re – measurement (or Actuarial) (gain)/ loss arising from:	-	-
-Change in demographic assumptions	0.40	(0.52)
-Change in financial assumptions	9.20	6.42
-Experience variance (i.e actual experience vs assumptions	(5.61)	(7.40)
Less: Recognised in Other Comprehensive Income (OCI)	(4.00)	-
Expenses recognised in P&L For the year ended 31st March'18	39.54	27.29

IV. Recognised in Other Comprehensive Income

Particulars	(₹ In Lacs) Gratuity
Remeasurement - Actuarial loss / (gain) For the year ended 31st March, 2017	19.27
Remeasurement - Actuarial loss / (gain) For the year ended 31st March, 2018	4.00

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

Financial Assumptions

Particulars	31.03.2018	31.03.2017
Attrition / Withdrawal rate (per Annum)	19.50%	22.00%
Discount rate (per annum)	7.30%	6.87%
Salary growth rate (per annum)	6.50%	5.00%
Mortality Rate (% of IALM 06-08)	100%	
Withdrawal rates, based on age: (per annum)	19.50%	22.00%

VI. Sensitivity analysis

Gratuity :-

Particulars	Change in assumption	(₹ In Lacs) Effect on obligation
For the year ended 31st March'17		
Discount Rate	1.00%	7.73
	-1.00%	(7.19)
Salary Growth Rate	1.00%	7.80
	-1.00%	(7.38)
For the year ended 31st March'18		
Discount Rate	1.00%	10.03
	-1.00%	(9.25)
Salary Growth Rate	1.00%	10.01
	-1.00%	(9.40)
Leave Encashment :-		
For the year ended 31st March'17		
Discount Rate	1.00%	6.01
	-1.00%	(5.58)
Salary Growth Rate	1.00%	6.06
	-1.00%	(5.73)
For the year ended 31st March'18		
Discount Rate	1.00%	7.00
	-1.00%	(6.46)
Salary Growth Rate	1.00%	7.00
	-1.00%	(6.56)

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):	Gratuity	(₹ In Lacs)
		Leave encashment
1 Year	44.02	33.76
2 to 5 years	136.72	95.96
6 to 10 years	84.71	57.50
More than 10 Years	51.39	36.91

VII. Statement of Employee benefit provision

Particulars	2017-18	2016-17
Gratuity	42.65	195.23
Leave encashment	154.90	151.59

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	Gratuity	Leave encashment (unfunded)
For the year ended 31st March'2017	195.23	151.59
Current	52.54	39.94
Non current	142.69	111.65
For the year ended 31st March'2018	42.65	154.90
Current	42.65	33.76
Non current	-	121.14

IX. Employee benefit expense.

Particulars	2017-18	2016-17
Salary and Wages	2,606.28	2,336.57
Costs-defined benefit	66.62	59.18
Costs-defined contribution plan	128.83	116.61
Employees Welfare Expenses	190.79	213.46
Total	2,992.52	2,725.82

Note No. 44

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. 45

Earning Per Share:

	2017-18	2016-17
Weighted average shares outstanding	3,603,906	3,603,906
Profit after tax (in Lacs)	1,198.61	1,218.56
Basic Earnings per equity share (₹): (Face value of ₹ 10 each)	33.26	33.81
Diluted Earnings per equity share (₹): (Face value of ₹ 10 each)	33.26	33.81

Note No. 46
Dividends

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

	2017-18	(₹ In Lacs) 2016-17
For the year ended March 31, 2017: ₹4 per equity share, (31st March, 2016: ₹3 per equity share.)	<u>144.16</u>	<u>108.12</u>
Dividend Distribution Tax thereon	<u>29.34</u>	<u>22.01</u>
Total	<u>173.50</u>	<u>130.13</u>

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. Dividend would attract dividend distribution tax when declared or paid.

	2017-18	2016-17
For the year ended 31st March, 2018: 40% i.e. ₹4 per equity share, (31st March, 2017: 40% i.e. ₹4 per equity share)	<u>144.16</u>	<u>144.16</u>
Total	<u>144.16</u>	<u>144.16</u>

Note No. 47

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

Note No. 48
Lease
Operating Lease

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

The lease rentals charged during the year for cancellable and non cancellable operating lease are as follows

Particulars

	2017-18	2016-17
Lease Rental Expenses	<u>163.83</u>	<u>155.90</u>

(b) The company does not have any non-cancellable agreements.

Note No. 49

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

Particulars

	2017-18	2016-17
Gross amount required to be spent by the company during the year	<u>28.27</u>	<u>27.57</u>
Amount spent during the year	<u>28.57</u>	<u>27.70</u>
Promotion of Education	<u>13.61</u>	<u>23.50</u>
Health Care	<u>4.20</u>	<u>1.60</u>
Others	<u>10.76</u>	<u>2.60</u>

Note No. 50

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.

50.1 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 31.03.2018	As at 31.03.2017	As at 01.04.2016
Change in USD	2%	2%	2%
Effect on profit / (loss)before tax	11.41	2.27	3.65
Change in USD	-2%	-2%	-2%
Effect on profit / (loss)before tax	-11.41	-2.27	-3.65

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	As at 31.03.2018	As at 31.03.2017	(₹ In Lacs) As at 01.04.2016
Loans in Rupees			
- Fixed Rate	2,473.56	414.63	1,831.17
- Floating Rate	2,160.47	3,146.45	3,998.62
Total	4,634.03	3,561.08	5,829.79

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 31.03.2018	As at 31.03.2017	As at 01.04.2016
Change in Basis Points	25	25	25
Effect on profit before tax	(5.40)	(7.87)	(10.00)
Change in Basis Points	-25	-25	-25
Effect on profit before tax	5.40	7.87	10.00

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.

50.2 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.

50.2a. 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
As at 31st March 2018					
Secured	-	-	-	-	-
Unsecured	6,317.64	1,562.47	586.18	3,420.01	11,886.30
Total	6,317.64	1,562.47	586.18	3,420.01	11,886.30
Provision/ Allowances for doubtful Debts				(1,066.69)	(1,066.69)
Net total	6,317.64	1,562.47	586.18	2,353.32	10,819.61
As at 31st March 2017					
Secured	-	-	-	-	-
Unsecured	4,492.88	1,501.13	1,209.98	3,140.69	10,344.68
Total	4,492.88	1,501.13	1,209.98	3,140.69	10,344.68
Provision/Allowances for doubtful Debts				(1,248.40)	(1,248.40)
Net total	4,492.88	1,501.13	1,209.98	1,892.29	9,096.28
As at 1st April 2016					
Secured	-	-	-	-	-
Unsecured	2,693.35	1,510.13	387.98	3,692.33	8,283.79
Total	2,693.35	1,510.13	387.98	3,692.33	8,283.79
Provision/Allowances for doubtful Debts				(1,132.70)	(1,132.70)
Net total	2,693.35	1,510.13	387.98	2,559.63	7,151.09

50.2b. Advance to suppliers are net of provision/loss allowances made for Doubtful advances of ₹13.52 lacs (Previous year ₹ 24.45 lacs).

50.2c. 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 Government. In view of the fact that the materials supplied met all the quality specifications and was accepted by the government, the receivable is considered good and recoverable. During the year the Hon'ble High Court of Rajasthan, Jaipur, allowed our petition file under sec 11 of the Arbitration and Conciliation Act, 1996 and appointed Retired Supreme Court Judge as arbitrator.
- iii) During the year company also has initiated legal proceedings on Uttar Pradesh Seed Development Corporation (UPSDC) for recovery of the overdue outstanding of ₹ 952 lacs for which we have also made expected credit loss allowance in the books of accounts. Company filed an application in Hon'ble High Court of Uttar Pradesh to appoint an arbitrator and thereby notices have been issued to UPSDC.

50.2d. Some of the balances of debtors, loans & advances and current liabilities are in the process of confirmation/ reconciliation.

50.3 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	As on 31st March 2018					
	Borrowings	4,634.03	4,379.14	254.89	-	4,634.03
	Trade payables	9,323.88	9,323.88	-	-	9,323.88
	Other liabilities	271.90	265.15	6.75	-	271.90
	Total	14,229.81	13,968.17	261.64	-	14,229.81
2	As on 31st March 2017					
	Borrowings	3,561.08	2,784.04	777.04	-	3,561.08
	Trade payables	8,453.82	8,453.82	-	-	8,453.82
	Other liabilities	247.17	238.92	8.25	-	247.17
	Total	12,262.07	11,476.78	785.29	-	12,262.07
3	As on 1st April 2016					
	Borrowings	5,829.79	3,372.30	2,457.49	-	5,829.79
	Trade payables	6,021.42	6,021.42	-	-	6,021.42
	Other liabilities	235.68	228.15	7.53	-	235.68
	Total	12,086.89	9,621.87	2,465.02	-	12,086.89

Note No. 51
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 31.03.2018	As at 31.03.2017	As at 01.04.2016
Borrowings	4,634.03	3,561.08	5,829.79
Less: Cash and Cash equivalents (Incl. Bank Balances)	468.51	530.43	405.63
Net debt	4,165.52	3,030.65	5,424.16
Equity Share Capital	360.39	360.39	360.39
Other Equity	8,277.15	7,254.66	6,178.83
Total Capital	8,637.54	7,615.05	6,539.22
Capital and net debt	12,803.06	10,645.70	11,963.38
Gearing ratio	33%	28%	45%

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. 52
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 2018		As at 31st March 2017		As at 1st April 2016	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying amount	Fair Value
Financial Assets at Amortized cost						
Trade Receivable	10,819.61	10,819.61	9,096.28	9,096.28	7,151.09	7,151.09
Others	829.46	829.46	830.75	830.75	1,705.07	1,705.07
Total	11,649.07	11,649.07	9,927.03	9,927.03	8,856.16	8,856.16
Financial Liabilities at Amortized Costs						
Borrowings	4,634.03	4,634.03	3,561.08	3,561.08	5,829.79	5,829.79
Trade payables	9,323.88	9,323.88	8,453.82	8,453.82	6,021.42	6,021.42
Others	271.90	271.90	247.17	247.17	235.68	235.68
Total	14,229.81	14,229.81	12,262.07	12,262.07	12,086.89	12,086.89

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.

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. 53

Related Party Disclosure

List of Related Parties :

a) Key Management Personnel (KMP)- as per Companies Act ,2013 :

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

Additional KMP's (Pursuant to Ind AS 24)

	:	<u>Non Executive Director</u>
Shri Bharat Hari Singhania	:	Chairman
Dr. Raghupati Singhania	:	Non Independent
Shri Sanjay Kumar Khaitan	:	Independent
Shri Sanjeev Kumar Jhunjhunwala	:	Independent
Smt. Swati Singhania	:	Non Independent
Shri Abhimanyu Jhaver	:	Independent
Shri J.R.C. Bhandari #	:	Independent
Shri Swaroop Chand Sethi \$:	Independent
Shri Amar Singh Mehta	:	Independent
Shri Ajay Srivastava	:	Independent
Shri Vikrampati Singhania	:	Non Independent

Resigned from Directorship w.e.f 14.11.2017

\$ Resigned from Directorship w.e.f. 27.03.2018

b) Post-Employment Benefit Plan Entities:

JK Agri Genetics Limited - Employees Gratuity Fund.

c) Other Related Parties, Enterprises which hold more than 20% shares in the Company

Florence Investech Ltd (FIL)

Bengal & Assam Company Ltd (BACL)

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

Particulars	(₹ In Lacs)	
	2017-18	2016-17
Loans Repaid to BACL	-	1,250.00
Interest Paid to BACL	-	22.31
Contribution to PSRI	-	50.00
Amount Paid to Employees Gratuity Fund	195.23	-

ii. Remuneration Paid to KMPs

Particulars	2017-18	(₹ In Lacs) 2016-17
Short Term Employee benefits	291.37	260.87
Post Employment benefits*	-	-
Other Payments	-	-

* 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. 54
Income Tax Expense.
i. Amount recognized in statement of profit and loss :-

Particulars	2017-18	(₹ In Lacs) 2016-17
Current Tax	409.84	337.30
Deferred tax (relating to origination and reversal of temporary difference)	45.54	146.41
MAT		
MAT Credit Entitlement	-	84.55
MAT Credit Utilisation	97.97	-

ii. Income Tax recognized in other Comprehensive Income :-

Deferred Tax (Gain)/Loss on defined benefit	1.38	6.67
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iii. Reconciliation of effective tax rate

Accounting Profit/(Loss) before income tax	1,653.99	1,617.72
At applicable Statutory Income tax rate	34.608%	34.608%
Computed Income Tax Expense/(Income)	572.41	559.86
Increase / (Reduction) in taxes on account of :		
In House R&D Expenses u/s 35(2AB)	(103.43)	(175.78)
Contribution u/s 35 1 (ii)	-	(12.98)
Other deductions as per IT Act	(13.60)	28.06
Income Tax Expenses / (Income) reported in Profit & Loss	455.38	399.16
Effective Tax Rate	27.53%	24.67%

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

Opening Balance	7.79	(131.95)
Deferred Tax Expense recognised in Statement of Profit and Loss	45.54	146.41
Other comprehensive income	(1.38)	(6.67)
Total	51.95	7.79

v. Deferred Tax:

Deferred Tax relates to the followings:

Book base and tax base of Property Plant and Equipments	416.35	597.75
Disallowance / Allowance (net) under Income Tax & Others	(468.30)	(605.54)
Closing Balance	(51.95)	(7.79)

Note No. 55

During the year the Company has received a grant of ₹ 14.80 lacs (Previous year ₹ 11.10 lacs) from BIRAC, the same is netted from other expenses.

Note No. 56

Previous year's figures have been re-grouped/re-classified/recast wherever necessary and figures less than ₹ 500 have been shown as actuals in bracket.

Note No. 57
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. 58
RECONCILIATION

These financial statements, for the year ended 31 March 2018, have been prepared in accordance with Ind AS, for the purposes of transition to Ind AS, the company has followed the guidance prescribed in Ind AS 101- First time adoption of Indian Accounting Standards, with April 01, 2016 as the transition date and IGAAP as the previous GAAP.

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2018, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at 1 April 2016, the date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its Indian GAAP financial statements, including the balance sheet as at 1 April 2016 and the financial statements as at and for the year ended 31 March 2017.

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:

- Equity as at 1st April, 2016;
- Equity as at 31st March, 2017;
- Balance Sheet as at 1st April, 2016
- Balance Sheet as at 31st March, 2017
- Total comprehensive income for the year ended 31st March, 2017.

(i) Reconciliation of Balance Sheet as at 1st April, 2016

Particulars	Reference	Previous GAAP As at 01.04.2016#	Ind AS Impact	(₹ In Lacs) Ind As As at 01.04.2016
(1) Non-current Assets				
(a) Property, Plant and Equipment	A	1,887.05	978.64	2,865.69
(b) Intangible Assets		819.32	-	819.32
(c) Financial Assets				-
- Loans	C	49.57	(10.48)	39.09
- Other Financial Assets		0.15	-	0.15
(d) Deferred Tax Assets (net)	H	1,140.45	50.27	1,190.72
(e) Other Non-current Assets		2.90	-	2.90
		3,899.44	1,018.43	4,917.87

Particulars	Reference	Previous GAAP As at 01.04.2016#	Ind AS Impact	(₹ In Lacs) Ind As As at 01.04.2016
(2) Current Assets				
(a) Inventories		9,767.98	-	9,767.98
(b) Financial Assets				
- Trade Receivables	G	8,152.59	(1,001.50)	7,151.09
- Cash and Cash Equivalents		95.82	-	95.82
- Bank Balances other than above		309.81	-	309.81
- Loans	G	1,291.07	(52.34)	1,238.73
- Other Financial Assets		21.47	-	21.47
(c) Current Tax Assets (Net)		291.72	-	291.72
(d) Other Current Assets	C	761.94	7.82	769.76
		20,692.40	(1,046.02)	19,646.38
TOTAL ASSETS		24,591.84	(27.59)	24,564.25
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		360.39	-	360.39
(b) Other Equity		6,100.09	78.74	6,178.83
		6,460.48	78.74	6,539.22
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
- Borrowings		2,457.49	-	2,457.49
- Other Financial Liabilities		7.53	-	7.53
(b) Provisions		311.82	-	311.82
(c) Other Non-current Liabilities		18.14	-	18.14
		2,794.98	-	2,794.98
(2) Current Liabilities				
(a) Financial Liabilities				
- Borrowings		2,648.62	-	2,648.62
- Trade Payables		6,021.42	-	6,021.42
- Other Financial Liabilities		951.83	-	951.83
(b) Other Current Liabilities		5,544.13	-	5,544.13
(c) Provisions	A & E	170.38	(106.33)	64.05
		15,336.38	(106.33)	15,230.05
TOTAL EQUITY AND LIABILITIES		24,591.84	(27.59)	24,564.25

#The Previous GAAP figures have been reclassified to conform to Ind AS preparation requirement for the purpose of this note.

(ii) Equity Reconciliation as at 1st April, 2016

Equity Under Previous GAAP

	Reference	(₹ In Lacs) 6,460.48
Impact of Fair Valuation of Property, Plant & Equipment	A	978.64
Dismantling Cost	E	(23.80)
Impact of Expected Credit Loss	G	(1,053.84)
Security deposit as per amortised cost/ fair value	C	(2.66)
Proposed Dividend and Dividend Distribution Tax thereon	E	130.13
Deferred tax Liability impact on above	H	50.27
Net Impact Of Ind AS		78.74
Balance as per Ind AS		6,539.22

(iii) Reconciliation of Balance Sheet as at 31st March, 2017

	Reference Number	Previous GAAP As at 31.03.2017#	Ind AS Impact	(₹ In Lacs) Ind As As at 31.03.2017
(1) Non-current Assets				
(a) Property, Plant and Equipment	A	1,799.89	944.86	2,744.75
(b) Intangible Assets	B	895.92	135.00	1,030.92
(c) Financial Assets		-	-	-
- Loans	C	48.78	(7.78)	41.00
- Other Financial Assets		0.16	-	0.16
(d) Deferred Tax Asset (Net)	H	1,143.32	(7.79)	1,135.53
(e) Other Non-current Assets		2.59	-	2.59
		3,890.66	1,064.29	4,954.95
(2) Current Assets				
(a) Inventories		11,249.82	-	11,249.82
(b) Financial Assets				-
- Trade Receivables	G	10,219.72	(1,123.44)	9,096.28
- Cash and Cash Equivalents		67.66	-	67.66
- Bank Balances other than above		462.77	-	462.77
- Loans	G	300.80	(52.34)	248.46
- Other Financial Assets		10.70	-	10.70
(c) Current Tax Assets (Net)		273.16	-	273.16
(d) Other Current Assets	C	978.03	5.55	983.58
		23,562.66	(1,170.23)	22,392.43
TOTAL ASSETS		27,453.32	(105.94)	27,347.38
EQUITY AND LIABILITIES				
Equity				
(a) Equity Share Capital		360.39	-	360.39
(b) Other Equity		7,308.89	(54.23)	7,254.66
		7,669.28	(54.23)	7,615.05
LIABILITIES				
(1) Non-current Liabilities				
(a) Financial Liabilities				
- Borrowings	D	869.90	(92.86)	777.04
- Other Financial Liabilities		8.25	-	8.25
(b) Provisions		273.25	-	273.25
(c) Deferred Tax Liabilities (Net)	H	59.56	(59.56)	-
(d) Other Non-current Liabilities	D	14.87	82.10	96.97
		1,225.83	(70.32)	1,155.51
(2) Current Liabilities				
(a) Financial Liabilities				
- Borrowings		2,196.45	-	2,196.45
- Trade Payables		8,453.82	-	8,453.82
- Other Financial Liabilities		826.51	-	826.51
(b) Other Current Liabilities	D	6,980.33	(7.70)	6,972.63
(c) Provisions	A	101.10	26.31	127.41
		18,558.21	18.61	18,576.82
TOTAL EQUITY AND LIABILITIES		27,453.32	(105.94)	27,347.38

#The Previous GAAP figures have been reclassified to conform to Ind AS preparation requirement for the purpose of this note.

(iv) Equity Reconciliation at 31st March, 2017

Particulars	Reference	(₹ In Lacs) 31-03-17
Equity Under Previous GAAP		7,669.28
Ind AS Impact of:		
Impact of Fair Valuation of Property, Plant & Equipment	A	944.86
Dismantling Cost	A	(26.31)
Reversal of Amortization cost of Intangible Asset	B	135.00
Impact of Expected Credit Loss	G	(1,175.78)
Others	C & D	16.23
Deferred tax Liability impact on above	H	51.77
Net Impact Of Ind AS		(54.23)
Balance as per Ind AS		7,615.05

(v) Reconciliation of Profit & Loss during year 2016-17

	Reference Number	Previous GAAP As at 2016-17	Ind AS Impact	(₹ In Lacs) Ind As 2016-17
Revenue from operation	I	19,297.92	(243.82)	19,054.10
Other income	D	56.32	24.01	80.33
Total income		19,354.24	(219.81)	19,134.43
Expenses				
Cost of material consumed		9,743.10	-	9,743.10
(increase) / decrease in inventories of finished goods, stock in trade and work in progress		(1,357.50)	-	(1,357.50)
Employee benefit expenses	F	2,745.09	(19.27)	2,725.82
Finance cost	D	775.82	31.68	807.50
Depreciation and amortisation expenses	A & B	384.06	(127.53)	256.53
Other expenses	G & I	5,460.88	(119.62)	5,341.26
Total expenses		17,751.45	(234.74)	17,516.71
Profit/ (loss) before exceptional items and tax		1,602.79	14.93	1,617.72
Exceptional Items		-	-	-
Profit/(loss) before tax		1,602.79	14.93	1,617.72
Tax expenses				
-Current tax		337.30	-	337.30
-MAT credit entitlement		(84.55)	-	(84.55)
-Deferred tax	H	141.24	5.17	146.41
Profit/(loss) after tax		1,208.80	9.76	1,218.56
Other comprehensive income				
(a) Items that will not be reclassified to profit or Loss	F	-	(12.60)	(12.60)
Total comprehensive income for the period		1,208.80	(2.84)	1,205.96

In preparing these financial statements, the Company has availed certain exemptions and exceptions from retrospective application of certain requirements under Ind AS, as explained below:

a) Exemptions from retrospective application:

Property, Plant & Equipment: The Company has elected to measure items of PPE at the date of transition to Ind AS at their fair value. Company has used the fair value of assets, which is considered as deemed cost on

transition. The impact on fair valuation of Property, Plant and Equipment on transition from previous GAAP is ₹ 869.95 lacs and accordingly impact (net of deferred tax) been given in other equity.

Intangibles Assets: The Company has opted to continue with the carrying value for all its intangible assets as recognised in the previous GAAP financial statements as their deemed cost on the date of transition i.e. 1st April, 2016.

Leases: For arrangements entered into prior to 1st April, 2015, the Company has assessed all arrangements for Embedded Lease based on conditions prevailing as at the date of transition (i.e. 1st April, 2016)

(b) Exceptions from full retrospective application:

Government loans: The Company has adopted previous GAAP regarding book values of Unsecured & secured Loan at the date of transition to Ind AS as the carrying amount of the loan in the Opening Ind AS Balance sheet and applied Ind AS 109 (Financial Instruments) and Ind AS 20 (Accounting for Government Grants and Disclosure of Government Assistance) prospectively.

Estimates: Upon an assessment of the estimates made under Previous GAAP, the Company has concluded that there was no necessity to revise such estimates under Ind AS, except where revision in estimates was necessitated as required by Ind AS. The estimates used by the Company to present the amounts in accordance with Ind AS reflect conditions existing as at 1st April, 2016, the date of transition to Ind AS and as at 31st March, 2017 and 31st March, 2018.

Explanations for reconciliation of Balance Sheet and Total Comprehensive Income as previously reported under Previous GAAP to Ind AS

A.(i) Fair value as deemed cost - Property Plant and Equipment : The company has opted the option of fair value as deemed cost for Property Plant and Equipments as on the date of transition to Ind AS. This has resulted in the increase of ₹ 975.25 lacs in the value Property Plant and Equipment with corresponding increase in retained earning of ₹ 869.65 and deferred tax liability of ₹ 105.60 lacs. Fair value as deemed cost on the transition date for respective category of PPE is as under.

(₹ In Lacs)

Category	Carrying Amount under I GAAP	Fair Value adjustment	Carrying value under Ind AS
	As at 01.04.2016		
Land - Freehold	401.61	617.15	1,018.76
Land - Leasehold	119.44	372.56	492.00
Building	171.11	(33.41)	137.70
Plant and Equipments#	976.79	22.34	999.13
Furniture & Fixture	14.96	-	14.96
Office Equipments	37.01	-	37.01
Vehicles	166.13	-	166.13
Total	1,887.05	978.64	2,865.69

includes ₹ 3.39 lacs towards Dismantling Cost.

The above has resulted in additional depreciation charged to Profit or Loss Account by ₹ 9.77 lacs during the Financial Year Ended 31st March, 2017.

A. (ii) Dismantling Provision : The Company has availed the exemption for dismantling liability as at the date of transition and accordingly measured the liability as at the date of transition, the liability prior to transition is adjusted in opening retained earnings.

B. Brand - The company has adopted to use its previous GAAP carrying value as deemed cost on the date of

transition to Ind AS. The life of the intangible asset have been considered indefinite as per Ind AS 38, vis-a-vis previous GAAP wherein intangible assets which have only finite life.

- C. Security Deposit :** Under Ind AS 109- financial instruments, security deposit are required to be valued at fair value and difference between cost and fair value is to be amortised over the period of security as rental expenses and consequently interest income to be booked using effective interest method in statement of Profit & loss.
- D. Government Grants :** The company has received loans from DBT and BIRAC at concessional rate. The loans are recognised at fair value using prevailing market interest of loan. The difference between the gross proceeds and fair value of the loan is the benefit derived from lower rate of interest and is recognised as deferred income. Loan as at 1st April 2015 was carried at historical cost (Exemption availed).
- E. Dividend :** Under Indian GAAP, Proposed Dividend was recognised as liability in the period to which it was related. Under Ind AS Proposed Dividend is recognised as liability in the period in which it is approved by shareholders.
- F. Actuarial Gain/Loss -** The impact of change in actuarial assumption and experience adjustments for defined benefit obligation towards gratuity liability is accounted in the Statement of Other Comprehensive Income (net of tax impact). Due to this, for the period ended March 31, 2016, tax credit there on is shown in OCI and reversal in Statement of Profit and loss.
- G. Expected Credit Loss :** Under I GAAP, the Company has created provision for impairment of trade receivables in respect of specific amounts. Under Ind AS, impairment losses of ₹ 654.90 lacs have been determined on the expected credit loss model (ECL) with corresponding impact to retained earnings (net of deferred Tax) and ₹ 52.34 lacs under Current Loans. The Company has made a loss allowance based on ECL policy which has been recognised in retained earning on the date of transition to Ind AS. The loss allowance (ECL) of ₹ 79.73 lacs (Net of deferred Tax) for the year ended 31st March, 2017 has been recognized in the statement of Profit or Loss Account.
- H. Deferred Tax -** The additional Deferred Tax liability / Asset has also been recognised due to different accounting treatment in respect of certain items as per Ind AS at the tax rate at which they are expected to be reversed. on transition to Ind AS, the MAT Credit Entitlement being in the nature of deferred tax assets, has been netted from deferred tax liabilities/assets.
- I.** Under Ind As revenues is recognised at the fair value of the consideration received or receivable. As a result, discounts are required to be reduced from sales. Therefore a sum of ₹ 243.82 has been reduced from sales with corresponding decrease in other expenses.

Note No. 59

Changes in liabilities arising from financing activities:

(₹ In Lacs)

Particulars	2016-17	Cash Flows	Non Cash Items	2017-18
			Fair Value Changes	
Long Term Borrowings	1364.63	(558.24)	(29.35)	806.39
Short Term Borrowings	2196.45	1631.20	-	3827.65
Interest Paid	225.93	(788.43)	-	246.68
Total	3787.01	284.52	(29.35)	4880.71

Note No. 60

Standards issued but not yet effective

Ind AS 115 revenue from Contracts with Customers

Amended Ind AS 115 was notified on 28th March 2018 and establishes a five step model to account for revenue arising from contracts with customers. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. This standard will come into force from accounting period commencing on or after 1st April, 2018. the Company is evaluating the requirements of the amendments and the effect on the financial statements is being evaluated.

As per our report of even date.

For BGJC & Associates LLP

Chartered Accountants

ICAI Firm Registraion No. 003304N

Darshan Chhajer

Partner

Membership No. 088308

New Delhi, the 7th May 2018

AMIT AGARWAL
Chief Financial Officer

ANOOP SINGH GUSAIN
Company Secretary

DR. RAGHUPATI SINGHANIA
SANJEEV KUMAR JHUNJHUNWALA
SWATI SINGHANIA
ABHIMANYU JHAVER
AJAY SRIVASTAVA
AMAR SINGH MEHTA
VIKRAMPATI SINGHANIA
SANJAY KUMAR GUPTA

Directors

Managing Director
President & Director

CASH FLOW STATEMENT (FOR THE PERIOD ENDED 31ST MARCH, 2018)

	2017-18	(₹ In Lacs) 2016-17
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and extraordinary items	1,653.99	1,617.72
Adjustment for :		
Depreciation / Amortisation	275.32	256.53
Interest Expenses	809.18	807.50
(Profit)/Loss on sale of Assets	2.33	(1.74)
Foreign Exchange Fluctuation	2.32	2.36
Interest Income	(54.51)	(72.55)
Provision for Doubtful Debts/Advances	19.32	140.95
Bad Debts and Advances Written off	6.81	488.08
Liabilities no longer required written back	(54.41)	(76.74)
Operating Profit before working capital changes	2,660.35	3,162.11
(Increase)/ Decrease in Trade and Other Receivables	(1,065.50)	(1,799.38)
(Increase)/ Decrease in Inventories	(2,168.08)	(1,481.83)
Increase/ (Decrease) in Trade and Other Payables	881.90	3,870.21
Cash generated from Operations	308.67	3,751.11
Direct taxes Net	(352.99)	(318.74)
Net Cash from Operating Activities	(44.32)	3,432.37
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(174.50)	(304.63)
Sale of Fixed Assets	12.31	15.72
Interest Received	61.97	83.32
Net Cash from / (used in) Investing activities	(100.22)	(205.59)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of Long Term borrowings	(587.59)	(1,723.68)
Proceeds/ (Repayments) from Short Term borrowings (Net)	1,631.20	(452.17)
Interest Paid	(788.43)	(796.66)
Dividend Paid (Including Dividend Distribution Tax)	(173.50)	(130.13)
Net cash from / (Used in) financing activities	81.68	(3,102.64)
Net Increase / (Decrease) in Cash and Cash equivalents	(62.86)	124.14
Cash and Cash equivalents as at the beginning of the year	528.43	404.29
Cash and Cash equivalents as at the end of the year	465.57	528.43

Notes:

- Cash and Bank Balances Include:

- Cash, Cheques in hand and Remittances in transit	27.64	67.66
- Balances with Scheduled Banks including deposits#	437.93	460.77
Cash and Bank Balances	465.57	528.43

Excludes earmarked balance in Unclaimed Dividend Account ₹ 2.94 lacs (Previous year ₹ 2.00 lacs)
Refer Note no. 11

As per our report of even date.

For BGJC & Associates LLP

Chartered Accountants

ICAI Firm Registraion No. 003304N

Darshan Chhajer

Partner

Membership No. 088308

New Delhi, the 7th May 2018

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Directors

Managing Director
President & Director

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