

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 1 Corporate Information

Kaveri Seed Company Limited ("the Company") has been incorporated on August 27, 1986, as private limited company and converted into public limited company on November 07, 2006. The company has been listed on 04.10.2007 on the Bombay Stock Exchange and the National Stock Exchange in India.

The company is into research, production, processing and marketing of various high quality hybrid seeds.

The financial statements reflect the results of its operations carried on by the company.

The standalone financial statements have been authorised for issue by the board of directors of the company on 29th May 2021.

## 2 Summary of significant accounting policies

### 2.1 Statement of Compliance:

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant amendment rules issued thereafter, guidelines issued by Securities and Exchange Board of India (SEBI), relevant provisions of the Act and other Accounting principles generally accepted in india

### 2.2 Basis for preparation of financial statements:

These financial statements have been prepared in accordance with the Generally Accepted Accounting Principles in India on accrual basis under the historical cost convention, except for certain financial instruments which are measured at fairvalue. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purpose in these standalone financial statements is determined on such a basis, except for leasing transactions that are within the scope of

Ind AS 116, and measurements that have some similarities to fair value but are not fairvalue, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

All assets and liabilities have been classified as current or non current as per the Company's normal operating cycle and other criteria as set out in the Division II of Schedule III of Companies Act 2013. Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

### 2.3 Use of Estimates:

The preparation of financial statements requires the management of the company to make estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of income and expenses during the reported period. Changes in estimates are reflected in the financial statements in the period in which changes are made and if material their effects are disclosed in the financial statements.

### 2.4 Property, Plant & Equipment and Other Intangible assets:

Property, plant and equipment is stated at acquisition cost net of accumulated depreciation and accumulated impairment losses if any. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset as appropriate only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Statement of Profit and Loss during the period in which they are incurred. Gains or losses arising on retirement or disposal of property, plant and equipment are recognised in the Statement of Profit and Loss. Property, plant and equipment which are not ready for intended use as on the date of Balance Sheet are disclosed as "Capital work-in-progress". Depreciation is provided using WDV method over the estimated useful life prescribed under Schedule II to the Companies Act, 2013.

#### Freehold land is not depreciated.

Separately purchased intangible assets are initially measured at cost. Intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses if any. Intangible assets are amortized over their respective individual estimated useful lives on a WDV basis, from the date that they are available for use.

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## 2.5 Biological Asset:

### Recognition and measurement

"The company recognises the biological asset (agricultural produce) when:

- (a) the company controls the asset as a result of past events;
- (b) it is probable that future economic benefits associated with the asset will flow to the company; and
- (c) the fair value or cost of the asset can be measured reliably.

The biological asset are measured at the end of each reporting period at its fair value less costs to sell.

## 2.6 Leases:

The Company's lease asset classes primarily consist of leases for Land and Buildings and Plant & Machinery. The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted

using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

## 2.7 Borrowing Costs:

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale are added to the cost of those assets until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in Statement of profit or loss in the period in which they are incurred.

## 2.8 Government Grants:

Government Grants are recognised in profit or loss on a systematic basis over the periods in which the company recognises as expenses the related cost for which the grants are intended to compensate. Specifically government grants whose primary condition is that the company purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognised in profit or loss in the period in which they become receivable.

## 2.9 Impairment of Assets:

### i) Financial assets

Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

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Impairment loss on financial assets carried at amortised cost is measured at the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. In a subsequent period if the amount of impairment loss decreases and the decreases can be related objectively to an event the previously recognised impairment is reversed through profit or loss.

### ii) Non-financial assets

#### Property, Plant & Equipment and Other Intangible assets

Property, Plant and Equipment and Other intangible assets with definite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognised in the profit or loss

#### 2.10 Revenue recognition:

The Company adopted IndAS115 "Revenue from Contracts with Customers" using the modified retrospective approach.

Revenue is recognized upon transfer of control of promised products to customers in an amount that reflects the consideration the company expects to receive in exchange for those products or services.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts, returns and indirect taxes. Transaction price is recognised based on the price specified in the contract, net of the estimated sales incentives/ discounts.

The Company recognises provision for sales return, based on the historical results, measured on net basis of the margin of the sale. Therefore, a refund liability, included in other current liabilities, are recognized for the products expected to be returned.

The company classifies the right to consideration in exchange for goods as a receivable and is presented net of impairment in the Balance Sheet

Income from export incentives such as duty drawback and premium on sale of import licenses and lease license fee are recognised on accrual basis.

#### 2.11 Dividend and Interest Income:

Dividend income from investments is recognised when the shareholders right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis by reference to the principal outstanding and at the effective interest rate applicable which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

#### 2.12 Foreign currency transactions:

The functional currency of the Company is Indian Rupees (INR).

Foreign currency transactions are recorded at exchange rates prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currency at the exchange rate at that date. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Gains and losses arising on settlement and translating monetary items at reporting date are included in the profit or loss.

#### 2.13 Financial Instruments:

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial assets and liabilities are measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on financial asset or financial liability.

Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised in profit or loss.

### i) Non-derivative financial instruments

#### Cash and cash equivalents

The company considers all highly liquid financial instruments which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase to be cash equivalents. Cash and cash equivalents

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consist of balances with banks which are unrestricted for withdrawal and usage.

## Financial assets at amortised cost

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cashflows and the contractual terms of the financial asset give rise on specified dates to cashflows that are solely payments of principal and interest on the principal amount outstanding.

## Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows on specified dates that are solely payments of principal and interest on the principal amount outstanding and selling financial assets.

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

## Financial assets at fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless they are measured at cost or at fair value through other comprehensive income. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in statement of profit or loss.

## Financial assets at cost

Investment in subsidiaries are measured at cost.

## Financial liabilities

Financial liabilities at fair value through profit and loss are stated at fair value, with any gains or losses arising on remeasurement recognised in profit and loss.

For trade and other payables maturing within one year from the Balance Sheet date the carrying amounts approximate fair value due to the short maturity of these instruments.

## Derecognition of financial instruments

The Company derecognizes a financial asset when the contractual rights to the cashflows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

The Company derecognises financial liabilities when, and only when, the Company's obligation are discharged, cancelled or have expired.

## 2.14 Non current assets held for sale:

Non-Current Assets are classified as Held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and sale is considered highly probable.

A Sale is considered as highly probable when decision has been made to sell, assets are available for immediate sale in its present condition, assets are being actively marketed and sale has been agreed or is expected to be concluded within 12 months of the date of classification. Non-current assets held for sale are neither depreciated nor amortised.

Assets and liabilities classified as Held for Sale are measured at the lower of their carrying amount and fair value less cost of sell and are presented separately in the Balance Sheet

## 2.15 Employee Benefits:

### a) Gratuity:

The company accounts for its gratuity liability a defined retirement benefit plan covering eligible employees. The gratuity plan provides for a lump sum payment to employees at retirement, death, incapacitation or termination of the employment based on the respective employee's salary and the tenure of the employment. Liabilities with regard to a Gratuity plan are determined based on the actuarial valuation carried out by an independent actuary as at the Balance Sheet date using the Projected Unit Credit method for the Company.

Actuarial gains and losses are recognised in full in other comprehensive income and accumulated in equity in the period in which they occur.

### b) Provident fund:

The eligible employees of the Company are entitled to receive the benefits of Provident fund a defined contribution plan in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary which are charged to the Statement of Profit and Loss on accrual basis. The provident fund contributions are paid to the Regional Provident Fund Commissioner by the Company.

The Company has no further obligations for future provident fund and superannuation fund benefits other than its annual contributions.

## Notes to the financial statements for the year ended 31 March, 2021

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### c) Compensated absences:

The company provides for the encashment of leave subject to certain company's rules. The employees are entitled to accumulate leave subject to certain limits for future encashment or availment. The liability is provided based on the number of days of unavailed leave at each Balance Sheet date on the basis of an independent actuarial valuation using the Projected Unit Credit method for the Company.

The liability which is not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised based on actuarial valuation as at the Balance Sheet date.

Actuarial gains and losses are recognised in full in the Statement of Profit and Loss in the period in which they occur.

The company also offers a short term benefit in the form of encashment of unavailed accumulated compensated absence above certain limit for all of its employees and same is being provided for in the books at actual cost.

### d) Other short term employee benefits:

Other short-term employee benefits such as performance incentives expected to be paid in exchange for the services rendered by employees, are recognised during the period when the employee renders the service.

### 2.16 Share Based Payment Arrangements:

Employees of the Company receive remuneration in the form of sharebased payments in consideration of the services rendered.

#### a) Equity settled share-based payment transactions

The grant date fair value of options granted to employees is recognised as an employee expense in the statement of profit and loss, with a corresponding increase in equity, over the period that the employees become unconditionally entitled to the options. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and performance conditions at the vesting date. The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share-based payment transaction is presented as a separate component in equity under "share-based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest.

#### b) Cash settled share-based payment transactions

The fair value of the amount payable to employees in respect of share-based payment transactions which are settled in cash is recognised as an expense, with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment.

The liability is re-measured at each reporting date and at the settlement date based on the fair value of the share-based payment transaction. Any changes in the liability are recognised in the statement of profit and loss.

### 2.17 Inventories:

Inventories comprise of Raw and Packing Materials, Work in Progress, Finished Goods(Manufactured and Traded). Inventories are valued at the lower of cost or the net realisable value after providing for obsolescence and other losses where considered necessary. Cost is determined on FIFO basis. Cost includes all charges in bringing the goods to their present location and condition including octroi and other levies, transit insurance and receiving charges. The cost of work-in-progress and finished goods comprises of materials, direct labour, other direct costs and related production overheads. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

### 2.18 Trade Receivables:

Trade receivables are stated at net of advances. Ageing of receivable are considered as tool to determine the degree of liquidity. Receivable due for more than two years and balance considered doubtful, referred for recovery through legal proceeding are considered for provision.

### 2.19 Taxation:

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid to / recovered from the tax authorities based on estimated tax liability computed after taking credit for allowances and exemption in accordance with the tax laws applicable in India.

Minimum Alternative Tax (MAT) paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability is considered as an asset if there is convincing evidence that the company will pay normal tax in future periods. Accordingly it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the company and the asset can be measured reliably.

# Notes to the financial statements for the year ended 31 March, 2021

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## Deferred income taxes

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount.

Deferred income tax asset are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilised.

Deferred income tax liabilities are recognised for all taxable temporary differences except in respect of taxable temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilised.

Deferred tax assets and liabilities are measured using substantively enacted tax rates expected to apply to taxable income in the years in which the temporary differences are expected to be received or settled.

The Company recognises interest levied and penalties related to income tax assessments in income tax expenses.

## 2.20 Earnings per Share:

Basic earnings/ (loss) per share are calculated by dividing the net profit / (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the year and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors.

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

The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable,

had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period unless issued at a later date.

## 2.21 Provision, Contingent Liabilities and Contingent Assets:

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects when appropriate the risks specific to the liability. When discounting is used the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of amount cannot be made.

Contingent Liabilities and Contingent Assets are not recognized in the financial statements.

## 2.22 Critical accounting estimates and judgements:

In preparing these financial statements, Management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about significant areas of estimation uncertainty and judgements in applying accounting policies that have the most significant effect on standalone financial statements are as follows.

- a) Provision for doubtful debts - Refer note no.12
- b) Provision for schemes - Refer note no.27
- c) Provision for returns - Refer note no.27
- d) Biological assets - Refer note no.11
- e) Measurement of useful life and residual values of property, plant and equipments and useful life of intangible assets - Refer note no.3

## Notes to the financial statements for the year ended 31 March, 2021

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### 3 Property, Plant and Equipment

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
<b>Gross Carrying Amount</b>								
Balance as at 01.04.2020	11,656.36	9,645.51	18,081.35	861.53	1,052.71	205.38	264.02	41,766.86
Additions	1,416.75	75.46	475.05	17.55	40.15	10.50	44.55	2,080.00
Deletions	231.78	-	91.68	89.18	125.32	41.99	47.08	627.03
<b>Balance as at 31.03.2021</b>	<b>12,841.33</b>	<b>9,720.97</b>	<b>18,464.71</b>	<b>789.90</b>	<b>967.53</b>	<b>173.89</b>	<b>261.49</b>	<b>43,219.83</b>
<b>Accumulated Depreciation/ Amortisation</b>								
Balance as at 01.04.2020	-	4,140.53	11,710.21	508.18	788.57	129.56	212.51	17,489.56
Additions	-	501.46	1,317.14	91.44	83.31	33.77	36.92	2,064.06
Deletions	-	-	71.49	84.72	118.06	39.89	44.73	358.89
<b>Balance as at 31.03.2021</b>	<b>-</b>	<b>4,642.00</b>	<b>12,955.87</b>	<b>514.90</b>	<b>753.82</b>	<b>123.45</b>	<b>204.71</b>	<b>19,194.73</b>
<b>Net Carrying Amount</b>								
<b>Balance as at 31.03.2021</b>	<b>12,841.33</b>	<b>5,078.97</b>	<b>5,508.85</b>	<b>275.00</b>	<b>213.71</b>	<b>50.44</b>	<b>56.78</b>	<b>24,025.10</b>

<b>Gross Carrying Amount</b>								
Balance as at 01.04.2019	9,915.18	9,330.48	17,311.75	598.84	1,075.26	173.49	245.04	38,650.04
Additions	1,780.25	315.03	1,025.77	273.11	69.96	70.95	42.95	3,578.02
Deletions	39.07	-	256.17	10.42	92.51	39.06	23.97	461.20
<b>Balance as at 31.03.2020</b>	<b>11,656.36</b>	<b>9,645.51</b>	<b>18,081.35</b>	<b>861.53</b>	<b>1,052.71</b>	<b>205.38</b>	<b>264.02</b>	<b>41,766.86</b>
<b>Accumulated Depreciation/ Amortisation</b>								
Balance upto 01.04.2019	-	3,615.45	10,372.59	443.42	771.53	135.58	199.88	15,538.45
Additions	-	525.08	1,556.94	74.44	98.24	30.84	34.82	2,320.36
Deletions	-	-	219.32	9.68	81.20	36.86	22.19	369.25
<b>Balance upto 31.03.2020</b>	<b>-</b>	<b>4,140.53</b>	<b>11,710.21</b>	<b>508.18</b>	<b>788.57</b>	<b>129.56</b>	<b>212.51</b>	<b>17,489.56</b>
<b>Net Carrying Amount</b>								
<b>Balance as at 31.03.2020</b>	<b>11,656.36</b>	<b>5,504.98</b>	<b>6,371.14</b>	<b>353.35</b>	<b>264.14</b>	<b>75.82</b>	<b>51.51</b>	<b>24,277.30</b>

### 4 Capital work-in-progress

Particulars	Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipments	Computers	Total
<b>Carrying Amount</b>								
Balance as at 01.04.2020	-	1,295.84	0.36	2.20	-	-	-	1,298.40
Additions	-	1,143.76	277.51	6.70	-	-	37.00	1,464.97
Deletions	-	77.91	117.82	8.91	-	-	-	204.64
<b>Balance as at 31.03.2021</b>	<b>-</b>	<b>2,361.69</b>	<b>160.04</b>	<b>0.00</b>	<b>-</b>	<b>-</b>	<b>37.00</b>	<b>2,558.73</b>
<b>Carrying Amount</b>								
Balance as at 01.04.2019	-	2,764.62	517.98	1.15	-	8.49	-	3,292.24
Additions	-	1,469.77	229.27	262.73	-	-	16.84	1,978.61
Deletions	-	307.39	746.90	261.68	-	8.49	16.84	1,341.30
Transferred to Assets held for sale	-	2,631.15	-	-	-	-	-	2,631.15
<b>Balance as at 31.03.2020</b>	<b>-</b>	<b>1,295.84</b>	<b>0.36</b>	<b>2.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,298.40</b>

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## 5 Other Intangible assets

Particulars	Software	Total
<b>Gross Carrying Amount</b>		
Balance as at 01.04.2020	555.71	555.71
Additions	10.01	10.01
Deletions	192.12	192.12
<b>Balance as at 31.03.2021</b>	<b>373.60</b>	<b>373.60</b>
<b>Accumulated Depreciation/Amortisation</b>		
Balance as at 01.04.2020	399.88	399.88
Additions	67.94	67.94
Deletions	182.51	182.51
<b>Balance as at 31.03.2021</b>	<b>285.31</b>	<b>285.31</b>
<b>Net Carrying Amount</b>		
<b>Balance as at 31.03.2021</b>	<b>88.29</b>	<b>88.29</b>
<b>Gross Carrying Amount</b>		
Balance as at 01.04.2019	531.48	531.48
Additions	24.23	24.23
Deletions	-	-
<b>Balance as at 31.03.2020</b>	<b>555.71</b>	<b>555.71</b>
<b>Accumulated Depreciation/Amortisation</b>		
Balance upto 01.04.2019	289.53	289.53
Additions	110.36	110.36
Deletions	-	-
<b>Balance upto 31.03.2020</b>	<b>399.88</b>	<b>399.88</b>
<b>Net Carrying Amount</b>		
<b>Balance as at 31.03.2020</b>	<b>155.83</b>	<b>155.83</b>



## 6 Investments

Particulars	As at 31 March 2021		As at 31 March 2020	
<b>Non Current Investments</b>				
Equity Investments of Subsidiaries	2,985.93		2,985.93	
Less: Provision for impairment	30.29	2,955.64	-	2,985.93
Equity Investments in Other Entities		1.00		1.02
Investment in Real Estate Portfolio Management Fund		3,769.85		3,192.81
Equity Investments - Others		87.63		74.72
		<b>6,814.12</b>		<b>6,254.48</b>
<b>Current Investments</b>				
Liquid Mutual Fund Units		3,625.01		504.24
Fixed Maturity Plan Mutual Fund Units		8,133.16		18,008.34
Other Debt Mutual Fund Units		44,112.90		16,604.85
		<b>55,871.07</b>		<b>35,117.43</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 6 Investments (Contd..)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Qty Nos	Amount	Qty Nos	Amount
<b>Non Current Investments</b>				
<b>Un-Quoted</b>				
<b>Equity Investment in Subsidiaries (Investments Carried at Cost)</b>				
Equity shares of ₹10 each fully paid up in Aditya Agri Tech Pvt Ltd	7,70,000	77.00	7,70,000	77.00
Equity shares of ₹10 each fully paid up in Kaveri Microteck Pvt Ltd	1,65,57,789	2,868.64	1,65,57,789	2,868.64
Equity shares of ₹10 each fully paid up in Genome Agritech Pvt Ltd	91,800	30.29	91,800	30.29
Equity shares of ₹10 each fully paid up in Genomix Agri Genetics Pvt Ltd	99,999	10.00	99,999	10.00
		<b>2,985.93</b>		<b>2,985.93</b>
<b>Equity Investments in Other Entities (Investments Carried at Fair Value through Other Comprehensive Income)</b>				
Equity Shares of ₹100 each in Swarna Bharat Biotechnics Pvt Ltd - fully paid up	3,600	-	3,600	-
Equity Shares of ₹10 each in Swadeshi Biotechnics Ltd -fully paid up	7,000	1.00	7,000	1.02
		<b>1.00</b>		<b>1.02</b>
<b>Investment in Real Estate Portfolio Management Fund (Investments Carried at Fair Value through Profit &amp; Loss Statement )</b>				
ASK Real Estate Special Situations Mutual Fund	375	371.11	375	371.11
ASK PMS Real Estate Special Opportunities Portfolio - III	-	3,275.04	-	2,698.00
		<b>3,646.15</b>		<b>3,069.11</b>
<b>(Investments Carried at Fair Value through Other Comprehensive Income)</b>				
ASK Real Estate Special Situations Mutual Fund	125	123.70	125	123.70
		<b>123.70</b>		<b>123.70</b>
		<b>3,769.85</b>		<b>3,192.81</b>
<b>Quoted</b>				
<b>Equity Investments - Others (Other than trade) (Investments Carried at Fair Value through Other Comprehensive Income)</b>				
Equity Shares of ₹10 each in Vijay Textiles Ltd - fully paid up	32,642	11.95	1,99,425	31.51
Equity shares of ₹10 each in Bank of Maharashtra - fully paid up	1,900	0.40	1,900	0.17
Equity shares of ₹10 each in Indian Overseas Bank - fully paid up	9,700	1.55	9,700	0.68
Equity Shares of ₹1 each in Tata Consultancy Services Ltd - full paid up	2,320	73.73	2,320	42.37
		<b>87.63</b>		<b>74.72</b>
<b>Current Investments</b>				
<b>Unquoted (Other than trade)</b>				
<b>Liquid Mutual Fund Units (Investments Carried at Fair Value through Profit &amp; Loss Statement)</b>				
HDFC Liquid Fund -Direct Plan - Growth Option	37,084	1,500.23	-	-
Mirae Asset Cash Management Fund - Direct Plan Growth	-	-	24,073	504.24
Tata Treasury Advantage Fund direct Plan - Growth	68,128	2,124.78	-	-
		<b>3,625.01</b>		<b>504.24</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 6 Investments (Contd..)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Qty Nos	Amount	Qty Nos	Amount
<b>Fixed Maturated Plan Mutual Fund Units (Investments Carried at Fair Value through Other Comprehensive Income)</b>				
Aditya Birla Sun Life Fixed Term Plan - Series PB (1190 Days) - Direct Growth	30,00,000	378.80	30,00,000	356.49
Aditya Birla Sun Life Fixed Term Plan - Series PE (1159 Days) - Direct Growth	30,00,000	377.73	30,00,000	355.22
Aditya Birla Sun Life Fixed Term Plan - Series QJ (1098 Days) - Direct Growth	1,50,00,000	1,863.09	1,50,00,000	1,758.96
Franklin India Fixed Maturity Plans - Series 3 - Plan F 1098 days - Direct - Growth	50,00,000	630.50	50,00,000	589.40
HDFC FMP 1178D Feb,2017 Direct Growth -Series 37	-	-	2,40,48,573	3,095.39
ICICI Prudential Fixed Maturity Plan Series 80-1150 Days Plan N Direct Plan Cumulative	-	-	78,04,662	1,000.58
ICICI Prudential Fixed Maturity Plan Series 83-1113 Days Plan E Direct Plan Cumulative	1,70,00,000	2,141.27	1,70,00,000	1,970.35
ICICI Prudential Fixed Maturity Plan Series 83-1105 Days Plan M Direct Plan Cumulative	51,04,334	638.36	51,04,334	585.08
Kotak FMP Series 235 Direct - Growth	50,00,000	627.94	50,00,000	587.72
HDFC FMP 1302 D SEPTEMBER 2016 (1) - SERIES 37 REG - G	-	-	2,42,73,023	3,213.75
Nippon Fixed Horizon Fund -XXXVIII -Series 03 - Direct Growth Plan	60,00,000	751.72	60,00,000	702.45
UTI Fixed Term Income Fund Series XXIX - XI (1112 Days)-Direct Growth Plan	64,78,435	723.75	64,78,435	674.68
IIFL Wealth Finance Limited SR-IFGPD - II BR NCD	-	-	2,700	3,118.27
		<b>8,133.16</b>		<b>18,008.34</b>

Particulars	As at 31 March 2021		As at 31 March 2020	
	Qty Nos	Amount	Qty Nos	Amount
<b>Other Debt Mutual Fund Units (Investments Carried at Fair Value through Other Comprehensive Income)</b>				
IDFC Credit Risk fund Direct Plan Growth	-	-	5,89,183	75.00
Aditya Birla Sun Life Medium Term Plan-Growth-Direct Plan	60,30,081	1,620.25	60,30,081	1,388.71
HDFC Credit Rist Debt Fund - Direct Growth	2,85,10,870	5,466.56	2,85,10,870	4,973.21
		<b>7,086.81</b>		<b>6,436.92</b>
<b>(Investments Carried at Fair Value through Profit &amp; Loss Statement )</b>				
Tata Money Market Fund Direct Plan - Growth	68,520	2,514.60	29,418	1,019.68
Axis Money Market Fund - Direct Growth (MMDGG)	1,96,016	2,169.67	-	-
HDFC Money Market Fund - Direct Plan - Growth Option	6,705	299.98	-	-
ICICI Prudential Money Market Fund - Direct Plan - Growth	-	-	10,82,153	3,022.07
ICICI Prudential Ultra Short Term Fund - Direct Plan Growth-8123	1,76,00,293	4,026.47	-	-
ICICI Prudential Short Term Fund - Direct Plan - Growth Option	69,16,614	3,362.80	-	-
IDFC Ultra Short Term Fund Direct Plan - Growth	1,72,54,440	2,065.55	1,32,33,585	1,509.48
Invesco India Money Market Fund - Direct Plan Growth	82,232	2,010.50	-	-
Invesco India Ultra Short Term Fund - Direct Plan Growth	45,287	1,006.46	-	-
Kotak Savings Fund - Direct Plan - Growth	90,13,558	3,126.15	-	-
Nippon India Money Market Fund - Direct Growth Plan Growth Option	71,784	2,311.97	-	-
SBI Savings Fund - Direct Plan - Growth	60,66,252	2,073.92	-	-
UTI Money Market Fund - Direct Growth Plan	86,498	2,071.76	-	-
Aditya Birla Sun Life Low Duration Fund- Growth - Direct Plan	1,30,099	718.24	-	-
Kotak Banking and PSU Debt Fund Direct Growth	31,53,640	1,624.87	31,53,640	1,502.61

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 6 Investments (Contd..)

Particulars	As at 31 March 2021		As at 31 March 2020	
	Qty Nos	Amount	Qty Nos	Amount
Kotak Low Duration Fund Direct Growth	23,356	647.80	23,356	602.87
Nippon India Low Duration Fund - Direct Growth Plan Growth Option	88,960	2,686.78	88,960	2,511.21
Nippon India Floating Rate Fund - Direct Growth Plan (FRAGG)	61,88,835	2,227.24	-	-
Sundaram Banking and PSU Debt Fund - Direct Growth (BDDG)	60,89,291	2,081.33	-	-
		<b>37,026.09</b>		<b>10,167.93</b>
		<b>44,112.90</b>		<b>16,604.85</b>
Market Value of Quoted Investments		87.63		74.72
Aggregate amount of Quoted Investments		37.81		204.27
Aggregate amount of Unquoted Investments		56,300.31		35,910.59
Aggregate amount of impairment in value of investments		30.29		-
Investments Carried at Cost		2,985.93		2,985.93
Investments Carried at Fair Value through Other Comprehensive Income		15,432.30		24,644.70
Investments Carried at Fair Value through Profit & Loss		44,297.25		13,741.27
Investments Carried at amortised Cost		-		-

#### Investments in Mutual Funds

Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI) or Profit & loss. Accordingly Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI) or Statement of Profit & loss for the year ended as the case may be.

#### Investments in Subsidiaries

The Company has designated these investments at cost.

#### Investments in Equity Instruments of Other Entities (Quoted and Unquoted)

Under Ind AS, the Company has designated these investments at fair value through Other Comprehensive Income (OCI). Accordingly, these investments are required to be measured at fair value. Fair value changes are recognised in the Statement of Other Comprehensive Income (OCI).

Equity Investment in Subsidiaries	Nature of Business	Proportion (%) of equity interest	
		31 March 2021	31 March 2020
Equity shares of ₹10 each fully paid up in Aditya Agri Tech Pvt Ltd	Seeds	70	70
Equity shares of ₹10 each fully paid up in Kaveri Microtech Pvt Ltd	Micronutrients	100	100
Equity shares of ₹10 each fully paid up in Genome Agritech Pvt Ltd	Seeds	51	51
Equity shares of ₹10 each fully paid up in Genomix Agri Genetics Pvt Ltd	Seeds	100	100

### 7 Loans

Particulars	As at	As at
	31 March 2021	31 March 2020
<b>Unsecured and considered good</b>		
Loan to Kaveri Employees Trust	2,860.87	2,673.71
	<b>2,860.87</b>	<b>2,673.71</b>

### 8 Non-current Tax Assets (Net)

Particulars	As at	As at
	31 March 2021	31 March 2020
Advance Income Tax and Tax Deducted at Source (Net of Provision ₹3,222.35 Lakhs (31 March 2020: ₹ 2764.97 Lakhs))	752.36	471.81
	<b>752.36</b>	<b>471.81</b>

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 9 Other non-current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured and considered good</b>		
Security deposits	322.68	242.58
Advances for Capital Expenses	1,648.36	1,045.48
	<b>1,971.04</b>	<b>1,288.06</b>

## 10 Inventories

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Measured at lower of cost or net realisable value</b>		
Raw Materials	7,491.89	6,888.43
Work in Process	11,054.21	8,645.93
Finished Goods	52,867.39	47,750.18
	<b>71,413.49</b>	<b>63,284.54</b>

## 11 Biological Asset

Particulars	As at 31 March 2021	As at 31 March 2020
Standing Crop	16,422.24	8,916.23
	<b>16,422.24</b>	<b>8,916.23</b>



## Reconciliation of Biological Asset

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Balance at the beginning of the year	8,916.23	5,308.98
Add : Cost incurred during the year	42,377.19	40,525.29
Less: Changes in fair value	2,986.54	1,398.71
Less: Transfer of Biological assets to Inventories	31,884.64	35,519.33
Balance at the end of the year	<b>16,422.24</b>	<b>8,916.23</b>

## 12 Trade receivables

Particulars	As at 31 March 2021	As at 31 March 2020
Considered good - Unsecured	7,378.89	8,967.95
Receivables- Credit impaired	3,630.80	3,327.38
Less: Loss Allowance	(3,630.80)	(3,327.38)
	<b>7,378.89</b>	<b>8,967.95</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 12 Trade receivables (Contd..)

Trade receivables from related parties are disclosed in note no. 45

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

The Company maintains a provision for doubtful debts based on ageing of receivable as tool to determine the degree of liquidity. Receivable due for more than two years along with those referred for recovery through legal proceeding are considered for provision.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Movement in the Loss Allowance</b>		
Balance at the beginning of the year	3,327.38	2,831.19
Movement during the year based on ageing	303.42	496.19
Balance at the end of the year	<b>3,630.80</b>	<b>3,327.38</b>

### 13 Cash and cash equivalents

Particulars	As at 31 March 2021	As at 31 March 2020
Cash on hand	3.63	2.75
Balances with Banks - Current Accounts	686.17	406.45
	<b>689.80</b>	<b>409.20</b>

### 14 Other Bank Balances

Particulars	As at 31 March 2021	As at 31 March 2020
Earmarked balances with banks		
- Unclaimed Dividend	13.98	12.75
	<b>13.98</b>	<b>12.75</b>

### 15 Other Financial Assets

Particulars	As at 31 March 2021	As at 31 March 2020
Interest Receivable	22.11	35.44
	<b>22.11</b>	<b>35.44</b>

### 16 Other current assets

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Unsecured and considered good</b>		
Advance to suppliers	2,052.04	2,302.72
Advance to Related Parties (Refer Note no.45)	62.47	71.20
Advance to Staff	120.67	110.57
Prepaid expenses	221.32	119.87
Others	22.43	42.27
	<b>2,478.93</b>	<b>2,646.63</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 17 Assets classified as held for sale

Particulars	As at	As at
	31 March 2021	31 March 2020
Assets held for sale	2,862.93	2,631.15
	<b>2,862.93</b>	<b>2,631.15</b>

During the year 2019-20, the Company had decided to dispose off one immovable property which was under Capital work in progress. Due to the ongoing Covid-19 Pandemic, the Company was not able to dispose off the same during the financial year 2020-21 and expects to dispose of the asset in the year 2021-22. Further, during the year company has classified 42.02 acres of land as asset held for sale.

### 18 Equity Share Capital

Particulars	As at	As at
	31 March 2021	31 March 2020
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
10,00,00,000 (10,00,00,000) Equity shares of ₹2/- each	2,000.00	2,000.00
<b>Issued, Subscribed &amp; Paid up</b>		
6,03,29,133 (6,03,29,133) Equity shares of ₹2/- each	1,206.58	1,206.58
	<b>1,206.58</b>	<b>1,206.58</b>

#### a) Reconciliation of number of Shares at the beginning and at the end of the reporting period.

Equity Shares of ₹2/- each

Particulars	As at 31 March 2021		As at 31 March 2020	
	No of shares	₹ in Lakhs	No of shares	₹ in Lakhs
At the beginning of the year	6,03,29,133	1,206.58	6,31,29,133	1,262.58
Add: Issued during the year	-	-	-	-
Less: Shares Cancelled during the year	-	-	28,00,000	56.00
At the end of the year	6,03,29,133	1,206.58	6,03,29,133	1,206.58

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

Particulars	As at 31 March 2021		As at 31 March 2020	
	No of shares	% of holding	No of shares	% of holding
G Vanaja Devi	1,40,90,157	23.36%	1,40,90,157	23.36%
G V Bhaskar Rao - HUF	99,85,649	16.55%	99,85,649	16.55%
G V Bhaskar Rao	53,58,530	8.88%	53,58,530	8.88%

#### c) Rights, preferences and restrictions attached to equity shares

The Company has only one class of shares referred to as equity shares having a par value of ₹2 per share. Each shareholder is eligible for one vote per share held and carry a right to dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts in proportion to their shareholding.

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 18 Equity Share Capital (Contd..)

#### d) Buy back of Equity Shares

Aggregate number of shares bought back by the company during the period of five years immediately preceding the reporting date.

Particulars	Year ended 31 March				
	2021	2020	2019	2018	2017
Equity Shares of ₹ 2 each	-	2,800,000	2,963,000	2,962,962	-

#### e) Employee Stock Option Scheme

As per Kaveri ESOP 2018 Scheme during the current period the company has granted 249,975(6,29,516) options through Kaveri Employee Trust (ESOP Trust). The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years. Liability recognised at 31 March 2021 and cost recognised is disclosed in notes ( Refer Note 47)

### 19 Other Equity

Particulars	As at 31 March 2021		As at 31 March 2020	
<b>a) General Reserve</b>				
Opening Balance	1,000.00		1,000.00	
Less: Utilized for Buyback	-		(1,000.00)	
Add: Transfer from Retained Earnings	1,000.00	<b>2,000.00</b>	1,000.00	<b>1,000.00</b>
<b>b) Retained Earnings</b>				
Opening Balance	93,265.96		95,681.44	
<b>Add:</b>				
Profit for the year	30,531.00		25,126.69	
<b>Less:</b>				
Transferred to General Reserve	(1,000.00)		(1,000.00)	
Payment of Dividend & Dividend Tax	(2,413.17)		(2,283.17)	
Utilized for Buyback	-		(22,986.77)	
Transfer from OCI towards sale of equity investments	69.63		-	
Interest on loan to Employee Trust	-		(1,216.23)	
Transferred to Capital Redemption Reserve	-	<b>1,20,453.42</b>	(56.00)	<b>93,265.96</b>
<b>c) Capital Redemption Reserve</b>				
Opening Balance	174.52		118.52	
<b>Add:</b>				
Transfer from Retained Earnings	-	<b>174.52</b>	56.00	<b>174.52</b>
<b>d) Other Comprehensive Income - Fair Value Gain on Investments</b>				
Opening Balance	2,946.65		3,552.87	
<b>Add:</b>				
Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	24.55		(27.74)	
Fair value of Investments through OCI will be reclassified to Profit & Loss	(776.10)		(904.04)	
<b>Less:</b>				
Tax on Fair value of Equity Investments through OCI will not be reclassified to Profit & Loss	58.12		(9.69)	
Tax on Fair value of Investments through OCI will be reclassified to Profit & Loss	(626.91)		(315.87)	
		<b>2,763.90</b>		<b>2,946.65</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 19 Other Equity (Contd..)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>e) Other Comprehensive Income - Actuarial Gain/(Loss) on Employee Benefits</b>		
Opening Balance	(408.67)	(319.46)
<b>Add:</b>		
Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit or loss	17.77	(90.16)
<b>Less:</b>		
Tax on Actuarial Gain/(Loss) on employee benefits through OCI will not be reclassified to Profit & Loss	0.36	(0.95)
	<b>(391.26)</b>	<b>(408.67)</b>
	<b>1,25,000.58</b>	<b>96,978.46</b>

**General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provisions of Companies Act 1956. Mandatory transfer to general reserve is not required under the Companies Act 2013.

**Retained Earnings:** Retained earnings are the profits that the Company has earned till date less any transfers to general reserve, dividends, utilisations or other distributions paid to shareholders.

**Other Comprehensive Income:** The fair value change of the investments measured at fair value through other comprehensive income recognised through Other Comprehensive Income. Upon derecognition the cumulative fair value changes on the said investments except equity investments are reclassified to the Statement of Profit and Loss. Accumulated gain or loss on employee benefits also recognised through other comprehensive income.

**Capital Redemption Reserve:** Face value of the No. of Shares cancelled through buyback is transferred to Capital Redemption Reserve.

### 20 Borrowings

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Secured</b>		
Term Loan from Department of Biotechnology, Ministry of Science & Technology	108.18	155.76
	<b>108.18</b>	<b>155.76</b>

Two Term Loans from Department of Biotechnology, Ministry of Science & Technology with 2% p.a interest is secured by all equipment, Plant & Machinery and other movable assets of the company acquired for the project and is repayable in ten equal half yearly instalments starting from June,2019.

### 21 Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for Gratuity (Refer note 46.3)	47.27	193.36
Provision for Compensated absences (Refer note 46.2)	396.20	281.03
Provision for ESOP Liability (Refer note 47)	530.69	2.77
	<b>974.16</b>	<b>477.16</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 22 Deferred tax liabilities (net)

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Deferred Tax Liability/(Asset) on account of differences in depreciation</b> as per tax books and financial books.	7.44	16.57
<b>Deferred Tax Liability/(Asset) arising on account of timing differences relating to:</b>		
Provision for Bad and doubtful trade receivables	(27.41)	(34.88)
Employee Benefits	(5.49)	(7.74)
Employee Benefits recognised through Other Comprehensive Income	(0.44)	(0.79)
<b>Deferred Tax Liability arising on account of timing differences relating to:</b>		
Impairment of investments	(7.62)	-
Fair value gain on investments through Profit & Loss Statement	677.12	340.09
Fair value gain on investments through Other Comprehensive Income	927.93	1,496.72
	<b>1,571.53</b>	<b>1,809.97</b>

### 23 Other Non current Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Security deposits from customers	872.54	774.79
Grant/Subsidy	23.20	26.33
	<b>895.74</b>	<b>801.12</b>

#### 23.1 Grant/subsidy Reconciliation:

Particulars	As at 31 March 2021	As at 31 March 2020
Opening balance	26.33	29.47
Add: Received during year	-	4.52
Less: Amortised during year	3.13	7.66
<b>Closing balance</b>	<b>23.20</b>	<b>26.33</b>

### 24 Trade payables

Particulars	As at 31 March 2021	As at 31 March 2020
Creditors for Expenses	20,825.74	13,016.82
Sundry Creditors	14,834.89	13,524.49
	<b>35,660.63</b>	<b>26,541.31</b>
Total Outstanding dues of Micro and Small Enterprises	432.15	290.78
Total Outstanding dues other than Micro and Small Enterprises	35,228.48	26,250.53
	<b>35,660.63</b>	<b>26,541.31</b>

Trade payables to related parties are disclosed in note no.45

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 25 Other financial liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Unclaimed Dividend	13.98	12.75
Interest Accrued but not due	5.94	13.13
Current Maturities of Long term debt	47.58	47.58
Capital Payables	119.18	92.61
	<b>186.68</b>	<b>166.07</b>

There are no amounts due for payment to the Investor Education and Protection Fund under section 125 of the companies Act, 2013 as at 31st March 2021 and 31st March 2020.

### 26 Provisions

Particulars	As at 31 March 2021	As at 31 March 2020
Provision for Compensated absences (Refer note 46.2)	103.32	97.15
	<b>103.32</b>	<b>97.15</b>

### 27 Other Current Liabilities

Particulars	As at 31 March 2021	As at 31 March 2020
Advances from customers for sales	24,551.27	22,700.33
Payable to staff	891.85	745.67
Statutory Payables	188.29	137.66
Advance for sale of assets	252.30	252.30
Provision for returns	1,312.15	3,623.93
Provision for schemes	3,318.37	2,747.44
Others	2.30	-
	<b>30,516.55</b>	<b>30,207.33</b>

### 28 Revenue from Operations

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
Sale of Seeds (net)				
- Domestic	97,118.49		86,343.88	
- Exports	1,579.58	98,698.07	1,981.72	88,325.60
		<b>98,698.07</b>		<b>88,325.60</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 29 Other Income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Profit on sale of assets (Net)	(10.71)	41.74
Dividend Income	0.67	1.97
Profit on sale of Investments	2,676.18	3,935.90
Interest Income		
Interest on financial asset measured at amortised cost	187.16	139.93
Interest on others	67.32	56.53
Others	160.87	165.58
Grant/Subsidy amortisation	3.13	7.66
Fair value gain on Investments (Net)	1,717.06	291.85
Foreign exchange gain (Net)	-	14.67
	<b>4,801.68</b>	<b>4,655.83</b>

### 30 Cost of Material Consumed

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Raw Material Consumed/Production Expenses</b>		
Opening Stock	6,888.43	5,185.98
Add : Purchases/Production Expenses including processing Charges**	68,389.69	58,475.11
	75,278.12	63,661.09
Less : Closing Stock	7,491.89	6,888.43
	<b>67,786.23</b>	<b>56,772.66</b>
<b>**Processing Charges</b>		
Freight Inward	1,696.95	1,155.84
Repairs & Maintenance		
Plant & Machinery	342.60	343.45
Buildings & Godowns	59.22	63.11
Cold Storage	126.77	119.34
Factory Maintenance	1,710.26	1,145.26
Seed Certification charges	0.87	0.92
Power & Fuel	766.76	774.45
Godown Rent	166.04	137.75
Expense on processing	1,073.67	934.04
Other Farm & Cultivation expenses	181.10	52.15
R&D Expenses ***	2,869.16	2,368.04
	<b>8,993.40</b>	<b>7,094.35</b>
<b>***R&amp;D Farm Expenses</b>		
Salaries and allowances	1,316.36	1,045.96
Cultivation Expenses	81.63	85.99
Fertilizers & Pesticides	62.91	57.91
Electricity charges	17.63	14.08
Electrical Maintenance	4.90	3.33
Farm Maintenance	128.16	126.50
Labour charges	655.53	430.45
Postage & telephones	8.64	9.13
Printing & Stationery	5.80	4.41
Security charges	46.11	48.22

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 30 Cost of Material Consumed (Contd..)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Staff Welfare	9.09	13.24
Travelling expenses	29.52	21.72
Vehicle Maintenance	18.99	13.86
Land Lease	139.84	118.17
Research Expenses	124.77	121.98
Testing Expenses	199.28	232.76
Professional Expenses	20.00	20.33
	<b>2,869.16</b>	<b>2,368.04</b>

### 31 Changes in Inventories of Finished Goods and Work in Progress

Particulars	Year ended 31 March 2021		Year ended 31 March 2020	
(Increase)/Decrease in Finished goods				
Opening Stock	47,750.18		40,761.65	
Closing Stock	52,867.39	(5,117.21)	47,750.18	(6,988.53)
(Increase)/Decrease in Work in Process				
Opening Stock	8,645.93		9,216.26	
Closing Stock	11,054.21	(2,408.28)	8,645.93	570.33
(Increase)/Decrease in Biological Assets				
Opening Stock	8,916.23		5,308.98	
Closing Stock	16,422.24	(7,506.01)	8,916.23	(3,607.25)
	<b>(15,031.50)</b>		<b>(10,025.45)</b>	

### 32 Employee Benefits Expense

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Salaries and allowances	5,990.02	5,239.23
Employee Stock option Expense	527.92	2.77
Contribution to Provident and other funds	473.66	395.32
Staff Welfare Expenses	109.27	93.31
	<b>7,100.87</b>	<b>5,730.64</b>

### 33 Finance Costs

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Interest on Termloans	3.60	4.40
Interest on Others	24.55	8.25
Bank Charges	10.37	9.16
	<b>38.52</b>	<b>21.81</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 34 Depreciation and Amortisation

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation on Property, Plant & Equipment	2,064.05	2,320.36
Depreciation on Intangible Assets	67.94	110.35
	<b>2,131.99</b>	<b>2,430.71</b>

### 35 Other Expenses

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Establishment Expenses</b>		
Travelling Expenses	1,435.31	1,487.81
Postage & Telephone	81.88	106.21
Payment to Auditors (Refer Note No.35.1)	22.17	23.73
Vehicle Maintenance	137.75	132.57
Rent	60.37	49.92
Printing & Stationery	55.98	54.20
Insurance	172.37	130.84
Books & Periodicals	0.56	1.24
Rates & Taxes	151.95	75.27
Office Maintenance	78.19	78.12
General Expenses	69.76	67.80
Conveyance	4.26	2.46
Donations & Subscriptions	21.25	37.59
Legal Expenses	108.60	177.88
Professional Charges	222.07	243.90
Professional Tax	0.34	0.56
GST Expense	293.65	135.74
CSR Expenditure (Refer Note No.53)	462.14	346.10
Market Cess	27.68	30.47
Security Charges	138.44	137.53
Computer Maintenance	166.05	110.82
Directors Sitting Fees	10.10	10.30
Foreign Exchange Loss	6.03	-
Buyback Expenses	0.24	191.92
Provision for impairment loss on investments and other receivables	103.94	-
<b>(a) Total</b>	<b>3,831.08</b>	<b>3,632.98</b>
<b>Selling &amp; Distribution Expenses</b>		
Sales promotion expenses	3,021.62	3,500.67
Advertisement	8.82	7.37
Freight & Forwarding	2,533.24	2,082.85
Farmers Meeting Expenses	306.90	430.60
Staff & Dealers Meeting Expenses	50.67	188.75
Royalty	-	1,445.67
Bad debts Write Off	8.05	109.77
Provision for Bad debts	394.88	496.19
<b>(b) Total</b>	<b>6,324.18</b>	<b>8,261.87</b>
<b>Total of (a) &amp; (b)</b>	<b>10,155.26</b>	<b>11,894.85</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 35 Other Expenses (Contd..)

#### 35.1 Audit Fees (including Goods & Service Tax)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
a) For statutory audit	21.83	21.83
b) For other services	0.18	1.27
c) For reimbursement of expenses	0.16	0.63
	<b>22.17</b>	<b>23.73</b>

### 36 Commitments and Contingencies

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>A. Claims against the company not acknowledged as debts. This comprises of</b>		
i) Tax demands disputed by the company relating to disallowances / additions of fiscal benefits, pending before various judicial forums and tax authorities	324.46	324.46
ii) Other matters not related to tax	10.75	10.75
	<b>335.21</b>	<b>335.21</b>

Consequent to the search proceedings on the Company, during the year 2017-18, the Company had submitted returns for the block assessment years from FY 2011-12 to FY 2017-18 in response to notice u/s 153A disclosing the same income as was disclosed in the returns filed earlier. Assessments upto the date of search have been completed by the Income Tax Department.

Aggrieved by the departments basis for initiating search proceedings, the Company filed a writ petition before the Hon'ble High Court of Telangana, Hyderabad, challenging the validity of the search proceedings. The Hon'ble High Court granted interim stay against assessment proceedings pending disposal of the writ. The assessment of income as per returns submitted in response to notice u/s 153A, for said block period is kept in abeyance by the Income Tax Department in view of the interim stay granted by the Hon'ble High Court. Additional tax liability, if any, is dependent on the outcome of the writ petition and consequent completion of the assessment.

Particulars	As at 31 March 2021	As at 31 March 2020
<b>B. Commitments</b>		
Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for	1,882.20	692.59

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 37 Income Taxes:

The reconciliation between the statutory income tax rate applicable to the company and the effective income tax rate of the company is as follows:

#### Income Tax Recognised in profit or loss

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Statutory Income tax rate</b>	<b>25.17%</b>	<b>34.94%</b>
<b>Differences due to:</b>		
Income exempt from tax	-23.04%	-28.69%
Effect of expenses that are not deductible in determining taxable profit (permanent disallowances)	0.01%	0.47%
Taxable income at different rates	-0.28%	-2.76%
Others	0.02%	-0.63%
<b>Effective tax rate</b>	<b>1.88%</b>	<b>3.32%</b>

The company has adopted lower rate of income tax from the current year by opting for 115BAA of Income Tax Act.

### 38 Movement in Deferred Tax (Assets)/Liabilities

Movement during the year ended March 31, 2021

Deferred Tax (Asset)/Liabilities	As at 01 April, 2020	(Credit)/charge in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2021
Provision for employee benefits	(8.53)	2.25	0.36	(5.93)
Provision for bad and doubtful trade receivables	(34.88)	7.47	-	(27.41)
Depreciation	16.57	(9.13)	-	7.44
Provision for impairment of investments	-	(7.62)	-	(7.62)
Fair value gain on investments through Profit & Loss Statement	340.09	337.03	-	677.12
Fair value gain on investments through Other Comprehensive Income	1,496.72	-	(568.79)	927.93
	<b>1,809.97</b>	<b>330.00</b>	<b>(568.43)</b>	<b>1,571.53</b>

Movement during the year ended March 31, 2020

Deferred Tax (Asset)/Liabilities	As at 01 April, 2019	(Credit)/charge in the statement of Profit and Loss	Recognised in OCI	As at 31 March, 2020
Provision for employee benefits	(5.12)	(2.46)	(0.95)	(8.53)
Provision for bad and doubtful trade receivables	(29.68)	(5.20)	-	(34.88)
Depreciation	(10.25)	26.82	-	16.57
Fair value gain on investments through Profit & Loss Statement	238.12	101.97	-	340.09
Fair value gain on investments through Other Comprehensive Income	1,822.29	-	(325.57)	1,496.72
	<b>2,015.36</b>	<b>121.12</b>	<b>(326.51)</b>	<b>1,809.97</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 39 Capital Management:

Equity share capital and other equity are considered for the purpose of Company's capital management. The Company manages its capital so as to safeguard its ability to continue as a going concern and to optimise returns to shareholders. The capital structure of the Company is based on management's judgement of its strategic and day-to-day needs with a focus on total equity so as to maintain investor, creditors and market confidence. The management and the Board of Directors monitors the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain or if necessary adjust its capital structure.

### 40 Earning Per Equity Share :

Earnings per share is computed as under:

Particulars	As at 31 March 2021	As at 31 March 2020
Profit for the year	30,531.00	25,126.69
Weighted average Equity Shares outstanding (in no.s)	6,03,29,133	6,26,01,264
Earnings Per Share (Face Value of ₹2/- each) - Basic and Diluted	50.61	40.14

### 41 Dividend on Equity Share

Dividend on Equity Shares paid during the year

Particulars	As at 31 March 2021	As at 31 March 2020
Interim Dividend ₹4 Per share for FY 2020-21 (₹3 per share for FY 2019-20)	2,413.17	1,893.88
Dividend Distribution Tax on Interim Dividend	-	389.29
	<b>2,413.17</b>	<b>2,283.17</b>

### 42. Financial Instruments

Refer Note 2.13 for accounting policy on Financial Instruments.

#### A. Accounting Classification and Fair Values

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

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Financial Assets</b>		
<b>Financial assets measured at fair value</b>		
Investments measured at		
i. Fair value through other comprehensive income	15,432.30	24,644.70
ii. Fair value through Profit & Loss Statement	44,297.25	13,741.27
<b>Financial assets measured at amortised cost</b>		
i. Interest free loan to employee trust	2,860.87	2,673.71
	<b>62,590.42</b>	<b>41,059.68</b>
<b>Financial Liabilities</b>		
i. ESOP Liability	<b>530.69</b>	<b>2.77</b>

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

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 42. Financial Instruments (Contd..)

#### B. Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit or Loss and Other Comprehensive Income are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Financial assets measured at fair value through other comprehensive income</b>		
Investment in equity & debt instruments	(751.55)	(931.78)
<b>Financial assets measured at fair value through Profit &amp; Loss Statement</b>		
Investment in equity & debt instruments	1,717.06	291.85

#### C. Fair Value Hierarchy

The fair value of financial instruments have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

Level 1 : Quoted Prices for identical Instruments in an active Market

Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs, and

Level 3: Inputs which are not based on observable market data

For assets and liabilities which are measured at fair value as at Balance Sheet date, the classification of fair value calculations by category is summarized below:

Particulars	Level 1	Level 2	Level 3	Total
<b>As at 31 March, 2021 Assets at fair value</b>				
Investments measured at:				
i. Fair Value through OCI	87.63	15,343.66	1.00	15,432.30
ii. Fair Value through Profit or Loss	-	44,297.25	-	44,297.25
<b>As at 31 March, 2021 Liabilities at fair value</b>				
i. Esop liability	-	530.69	-	530.69
<b>As at 31 March, 2020 Assets at fair value</b>				
Investments measured at:				
i. Fair Value through OCI	74.72	24,568.95	1.02	24,644.70
ii. Fair Value through Profit or Loss	-	13,741.27	-	13,741.27

#### Calculation of Fair Values

The fair values of the financial assets and liabilities are defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Financial assets and liabilities measured at fair value as at Balance Sheet date:

- The fair values of investment quoted investment in equity shares is based on the current bid price of respective investment as at the Balance Sheet date.
- The fair values of investments in mutual fund units is based on the net asset value ('NAV') as stated by the issuers of these mutual fund units in the published statements as at Balance Sheet date. NAV represents the price at which the issuer will issue further units of mutual fund and the price at which issuers will redeem such units from the investors.

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 42. Financial Instruments (Contd..)

### C. Fair Value Hierachy (Contd..)

#### Other financial assets and liabilities

Cash and cash equivalents (except for investments in mutual funds), trade receivables, investments in term deposits, other financial assets, trade payables, and other financial liabilities have fair values that approximate to their carrying amounts due to their short-term nature.

- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

## 43. Financial Risk Management

The Company's business activities are exposed to a variety of financial risks namely liquidity risk, market risks and credit risk. The Company's senior management has the overall responsibility for establishing and governing the Company's risk management framework. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review the changes in market conditions and reflect the changes in the policy accordingly.

### A. Management of Liquidity Risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities when due without incurring unacceptable losses. In doing this management considers both normal and stressed conditions.

The Company maintained a cautious liquidity strategy with a positive cash balance throughout the year ended 31 March, 2021 and 31 March, 2020. Cash flow from operating activities provides the funds to service the financial liabilities on a day-to-day basis.

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short term surplus cash generated over and above the amount required for working capital management and other operational requirements is retained as cash and cash equivalents (to the extent required) and any excess is invested in highly marketable debt investments with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance Sheet date.

Particulars	Carrying amount	Payable within 1 year	More than 1 years	Total
<b>As at 31 March, 2021</b>				
<b>Financial liabilities</b>				
Trade payables (including acceptances)	35,660.63	35,660.63	-	35,660.63
Borrowings	155.76	47.58	108.18	155.76
Unpaid dividend	13.98	13.98	-	13.98
Other Payables	5.94	5.94	-	5.94
Capital Payables	119.18	119.18	-	119.18

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 43. Financial Risk Management (Contd..)

#### A. Management of Liquidity Risk (Contd..)

Particulars	Carrying amount	Payable within 1 year	More than 1 years	Total
<b>As at 31 March, 2020</b>				
<b>Financial liabilities</b>				
Trade payables (including acceptances)	26,541.31	26,541.31	-	26,541.31
Borrowings	203.34	47.58	155.76	203.34
Unpaid dividend	12.75	12.75	-	12.75
Other Payables	13.13	13.13	-	13.13
Capital Payables	92.61	92.61	-	92.61

#### B. Management of Market Risk

The Company's size and operations result in it being exposed to the following market risks that arise from its use of financial instruments:

Currency Risk

Price Risk

Interest Rate Risk

The above risks may affect the Company's income and expenses, or the value of its financial instruments. The Company's exposure to and management of these risks are explained below.

##### a Currency Risk

#### Potential Impact of Risk

The impact of risk due to change in foreign currency value is very minute on the company as the company's exposure to foreign currency is very low.

As at 31 March, 2021, the net unhedged exposure to the Company on holding financial assets (trade receivables and capital advances) and liabilities (trade payables and capital creditors) other than in their functional currency amounted to ₹438.89 Lakhs (31 March, 2020 ₹ 15.96 Lakhs).

#### Management Policy

The Company is not majorly exposed to foreign currency exchange risk because of its low volume foreign currency transactions, even though management exercises proper precautions to minimize the currency risk in foreign exchange transactions. The company deals with US Dollar and Euro for its foreign currency transactions.

The Company makes its exports against advance irrevocable LC to mitigate the risk of currency exchange due to delay in remittances. The company does not opt for forward exchange contracts. Foreign exchange transactions are closely monitored to reduce the risk.

The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

#### Sensitivity to Risk

A 5% strengthening of the INR against key currencies to which the Company is exposed (net of hedge) would have led to approximately an additional ₹21.94 Lakhs gain in the Statement of Profit and Loss (2019-20: ₹ 0.80 Lakhs). A 5% weakening of the INR against these currencies would have led to an equal but opposite effect.

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## b Price Risk

### Potential Impact of Risk

The Company is exposed to the price risk due to its investment in debt mutual funds. The price risk arises due to uncertainties about the future market values of these investments.

At 31st March 2021, the investments in debt mutual funds amounts to ₹51017.17 Lakhs (31st March, 2020 ₹ 30627.44 Lakhs). These are exposed to price risk.

### Management Policy

The Company takes all the precautions to minimise price risk arising from investments in debt mutual funds. The company is investing mainly in debt mutual funds through leading mutual fund companies and in best mutual funds where price risk is very low. The company examine fund performance, rating, liquidity and risk aspects before investing.

### Sensitivity to Risk

A 0.5% increase in prices would have led to approximately an additional gain of ₹ 255.09 Lakhs in the Statement of Profit and Loss or Other Comprehensive Income (2019-20: gain of ₹ 153.14 Lakhs). A 0.5 % decrease in prices would have led to an equal but opposite effect.

## c Interest Rate Risk

### Potential Impact of Risk

The impact of interest rate risk is very minute on the company as the company does not have exposure to any interest rate sensitive investments or securities.

The company does not have any investment in interest sensitive securities/bonds as on 31st March 2021 and 2020.

### Management Policy

The Company makes maximum of the investments in non interest sensitive sectors to mitigate interest rate risk.

### Sensitivity to Risk

A 0.25% or 0.50% increase/decrease in interest rates will not make any difference to the company profit or loss as there are no interest rate sensitive investments.

## d Management of Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligations.

### Trade receivables

Concentration of credit risk with respect to trade receivables is moderate due to the Company's customer base being large and diverse and also company receives good amount of receipts towards advances. All trade receivables are reviewed and assessed for default on a quarterly basis based on collections and ageing.

Our historical experience of collecting receivables is that credit risk is moderate . Hence trade receivables are considered to be a single class of financial assets.

### Other financial assets

The Company maintains exposure in cash and cash equivalents, term deposits with banks, investments money market liquid mutual funds and derivative instrument with financial institutions. The Company has set counter-parties limits based on multiple factors including financial position, credit rating, etc. The Company has given inter-corporate deposits (ICD) only to its subsidiaries amounting ₹62.47 Lakhs (31st March, 2020 ₹ 71.20 Lakhs).

The Company's maximum exposure to credit risk as at 31st March, 2021 and 2020 is the carrying value of each class of financial assets.

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 44 Disclosures Pursuant to Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015 and Section 186 of The Companies Act, 2013

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Advances to subsidiaries</b>		
<b>Kaveri Microteck Pvt Ltd</b>		
Balance as at the year end	62.47	71.20
Maximum amount outstanding at any time during the year	175.69	154.34

### 45 Related Party Transactions

45.1 Following is the list of related parties and their relationships

#### A. Key managerial persons and their relatives

- 1 Mr. G.V.Bhaskar Rao
- 2 Mrs. G. Vanaja Devi
- 3 Mr. C. Vamsheedhar
- 4 Mr. C. Mithun Chand
- 5 Mr. G.Pawan
- 6 G.V.Bhaskar Rao - HUF
- 7 Mrs. Ch. Madhavi
- 8 Mr. K.V.Chalapathi Reddy
- 9 Mr. V.R.S. Murti



#### B. Subsidiary Companies

- 1 M/s. Aditya Agri Tech Pvt Ltd
- 2 M/s. Genome Agritech Pvt Ltd
- 3 M/s. Kaveri Microteck Pvt Ltd
- 4 M/s. Genomix Agri Genetics Pvt Ltd

#### C. Other related firms & Associates

- 1 M/s. Kaveri Infra
- 2 M/s. Bhaskara Investments
- 3 M/s. Kaveri Bhaskarrao Charitable Foundation
- 4 M/s. Kaveri Employees Trust

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 45 Related Party Transactions (Contd..)

45.2 Related party transactions for the year are as follows:

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Remuneration paid</b>		
Mr. G.V.Bhaskar Rao	373.63	311.36
Mrs. G. Vanaja Devi	231.05	192.54
Mr. C. Vamsheedhar	112.31	116.79
Mr. C. Mithun Chand	93.11	77.78
Mr. K.V.Chalapathi Reddy	89.62	74.56
Mr. V.R.S. Murti	4.00	4.00
	<b>903.72</b>	<b>777.02</b>
<b>Land and godown lease paid</b>		
Mr. G.V.Bhaskar Rao	0.63	0.63
Mrs. G. Vanaja Devi	8.92	8.92
Mr. G.Pawan	9.93	9.93
G.V.Bhaskar Rao - HUF	47.67	45.66
M/s. Kaveri Infra	11.41	11.41
M/s. Bhaskara Investments	3.05	3.05
M/s. Kaveri Microteck Pvt Ltd	36.00	36.00
	<b>117.61</b>	<b>115.60</b>
<b>Dividend paid</b>		
Mr. G.V.Bhaskar Rao	214.34	167.29
Mrs. G. Vanaja Devi	563.61	437.51
Mr. C. Vamsheedhar	39.06	30.49
Mr. C. Mithun Chand	34.29	26.77
Mr. G.Pawan	89.16	69.59
G.V.Bhaskar Rao - HUF	399.43	311.75
Mr. K.V.Chalapathi Reddy	0.48	0.36
M/s. Kaveri Employees Trust	35.18	-
	<b>1,375.55</b>	<b>1,043.75</b>
<b>Advances Paid during the year</b>		
M/s. Kaveri Microteck Pvt Ltd	(8.73)	(83.14)
M/s. Kaveri Employee Trust	-	750.00
	<b>(8.73)</b>	<b>666.86</b>
<b>Land Lease Received</b>		
M/s. Kaveri Microteck Pvt Ltd	75.93	75.93
	<b>75.93</b>	<b>75.93</b>
<b>Sales made during the year</b>		
M/s. Aditya Agri Tech Pvt Ltd	8,349.79	7,153.86
M/s. Genomix Agri Genetics Pvt Ltd	1,409.09	1,164.68
	<b>9,758.88</b>	<b>8,318.53</b>



## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 45 Related Party Transactions (Contd..)

#### 45.2 Related party transactions for the year are as follows: (Contd..)

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Interest Received</b>		
M/s. Kaveri Employee Trust	-	0.59
	-	<b>0.59</b>
<b>CSR Expenditure</b>		
M/s. Kaveri Bhaskarrao Charitable Foundation	412.14	276.04
	<b>412.14</b>	<b>276.04</b>
<b>Provision for Baddebts</b>		
M/s. Genome Agritech Pvt Ltd	172.94	354.55
	<b>172.94</b>	<b>354.55</b>
<b>Provision for Impairment of Investments</b>		
M/s. Genome Agritech Pvt Ltd	30.29	-
	<b>30.29</b>	-

Particulars	As at 31 March 2021	As at 31 March 2020
<b>Credit balances outstanding</b>		
Outstanding Land lease to KMP and relatives	3.30	9.29
Outstanding Land lease to Associates	-	3.62
Outstanding remunerations to KMP	39.91	42.27
Advance received from M/s. Aditya Agri Tech Pvt Ltd	4,521.57	4,865.42
Advance received from M/s. Genomix Agri Genetics Pvt Ltd	446.55	91.26
Advances received from KMP for Sale of Land	252.30	252.30
<b>Debit balances outstanding</b>		
Outstanding advance paid to M/s. Kaveri Microteck Pvt Ltd	62.47	71.20
Outstanding loan paid to M/s. Kaveri Employee Trust	3,759.37	3,759.37
Trade receivable balance from M/s. Genome Agritech Pvt Ltd	527.50	527.50
Provision for receivable balance from M/s. Genome Agritech Pvt Ltd	527.50	-
Provision for impairment of investments in M/s. Genome Agritech Pvt Ltd	30.29	-

### 46 Employee Benefit plans

#### 46.1 Defined Contribution Plan:

The company has certain defined contribution plans. Contributions are made to provident fund in India for qualifying employees at the specified percentage of salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognized during the period towards defined contribution plan is ₹ 473.66 Lakhs (31 March 2020 : 395.32 Lakhs)

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 46 Employee Benefit plans (Contd..)

### 46.2 Compensated Absences:

The company provides for accumulation of compensated absences. These employees can carry forward portion of unutilised compensated absences and utilise it in future period or receive cash in lieu there of as per the company's policy. The company records a liability for compensated absences in the period in which the employee renders the services that increases this entitlement. The total liability recorded by the company towards its obligation was ₹499.52 Lakhs (31 March 2020 : ₹378.18 Lakhs)

### 46.3 Gratuity:

The gratuity scheme is a final salary Defined Benefit Plan that provides for a lump sum payment made on exit either by way of retirement, death, disability or voluntary withdrawal. The benefits are defined on the basis of final salary and the period of service and paid as lump sum at exit. The plan design mitigate the risks commonly affecting the liabilities and the financial results.

- a) **Interest rate risk** : the defined benefit obligation calculated uses a discount rate based on government bonds. If bond yields fall, the defined benefit obligation will tend to increase.
- b) **Salary inflation risk** : Higher than expected increases in salary will increase the defined benefit obligation
- c) **Demographic risk** : For example, as plan is open to new entrants an increase in membership will increase the defined benefit obligation. Also the plan only provides benefits upon completion of a vesting criteria. Therefore if turnover rates increase then the liability will tend to fall as fewer employees reach vesting period.

### Reconciliation of Defined Benefit Obligation

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening of defined benefit obligation	735.52	555.77
Current service cost	133.04	100.47
Past service cost	-	-
Interest on defined benefit obligation	50.03	42.68
<b>Remeasurements due to:</b>		
Actuarial loss / (gain) arising from change in financial assumptions	-	78.24
Actuarial loss / (gain) arising from change in demographic assumptions	-	-
Actuarial loss / (gain) arising on account of experience changes	(16.79)	4.57
Benefits paid	(18.92)	(46.21)
<b>Closing of defined benefit obligation</b>	<b>882.88</b>	<b>735.52</b>

### Reconciliation of Plan Assets

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening fair value of plan assets	542.16	471.73
Employer contributions	271.26	83.96
Interest on plan assets	40.14	40.02
Administration expenses	-	-
<b>Remeasurements due to:</b>		
Actual return on plan assets less interest on plan assets	0.97	(7.34)
Benefits paid	(18.92)	(46.21)
<b>Closing fair value of plan assets</b>	<b>835.62</b>	<b>542.16</b>

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 46 Employee Benefit plans (Contd..)

#### 46.3 Gratuity: (Contd..)

##### Amount recognized in Balance Sheet

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Present value of funded defined benefit obligation	882.88	735.52
Fair value of plan assets	835.62	542.16
Net funded obligation	47.27	193.36
<b>Net defined benefit liability / (asset) recognized in balance sheet</b>	<b>47.27</b>	<b>193.36</b>
Net defined benefit liability / (asset) is bifurcated as follows:		
Current	-	-
Non-current	47.27	193.36

##### Current Year Expense Charged to Profit & Loss Account

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	133.04	100.47
Past service cost	-	-
Administration expenses.	-	-
Interest on net defined benefit liability / (asset)	9.89	2.66
<b>Total expense charged to profit and loss account</b>	<b>142.93</b>	<b>103.12</b>

##### Amount Recorded as Other Comprehensive Income

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Opening amount recognized in OCI outside profit and loss account	409.47	319.31
<b>Remeasurements during the period due to</b>		
<i>Changes in financial assumptions</i>	-	78.24
<i>Changes in demographic assumptions</i>	-	-
<i>Experience adjustments</i>	(16.79)	4.57
<i>Actual return on plan assets less interest on plan assets</i>	(0.97)	7.34
<b>Closing amount recognized in OCI outside profit and loss account</b>	<b>391.70</b>	<b>409.47</b>

##### Disaggregation of Assets

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
<b>Category of Assets</b>		
<b>Non Quoted Value</b>		
Insurer managed funds.	835.62	542.16
Others.	-	-
<b>Grand Total</b>	<b>835.62</b>	<b>542.16</b>

# Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

## 46 Employee Benefit plans (Contd..)

### 46.3 Gratuity: (Contd..)

#### Results of Sensitivity Analysis

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate		
Impact of increase in 50 bps on DBO.	-5.96%	-6.11%
Impact of decrease in 50 bps on DBO.	6.50%	6.68%
Salary escalation rate		
Impact of increase in 50 bps on DBO	5.75%	6.60%
Impact of decrease in 50 bps on DBO	-5.32%	-6.10%

#### Summary of Actuarial Assumptions Adopted

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Discount rate (p.a.)	6.90%	6.90%
Salary escalation rate (p.a.)	10.00% until year 2 inclusive, then 7.00%	10.00% until year 3 inclusive, then 7.00%

#### Maturity Profile

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Expected benefits for year 1	28.43	20.84
Expected benefits for year 2	26.68	24.40
Expected benefits for year 3	52.74	23.85
Expected benefits for year 4	42.55	47.53
Expected benefits for year 5	33.05	35.08
Expected benefits for year 6	55.79	28.85

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

Method used for sensitivity analysis: The sensitivity results above determine their individual impact on the Plan's end of year Defined Benefit Obligation. In reality the Plan is subject to multiple external experience items which may move the Defined Benefit Obligation in similar or opposite directions while the Plan's sensitivity to such changes can vary over time.

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 47. Share Based Payments

- a) The Company implemented the Kaveri ESOP 2018 Scheme for all eligible employees pursuant to the special resolution approved by the shareholders through postal ballot on 19th July 2018. The Kaveri ESOP 2018 Scheme covers all employees and directors (excluding independent and promoter directors, promoter group) of the parent company and its subsidiaries (collectively, "eligible employees"). Upon the exercise of options granted under the Kaveri ESOP 2018 Scheme, the applicable equity shares will be transferred from the Kaveri Employees Trust ("ESOP Trust") to the eligible employee. The ESOP Trust will acquire such equity shares by way of secondary market acquisitions funded through loans from the Company. The Nomination and Remuneration Committee of the Board of the parent company (the "Compensation Committee") administers the Kaveri ESOP 2018 Scheme and grants stock options to eligible employees, it has delegated functions and powers relating to the administration of the Kaveri ESOP 2018 Scheme to the ESOP Trust. The Compensation Committee determines which eligible employees will receive the options, the number of options to be granted, the exercise price, the vesting period and the exercise period. The vesting period is determined for all options issued on the date of grant. The options issued under the Kaveri ESOP 2018 Scheme vest in periods ranging between the end of one and five years, and generally have a maximum contractual term of five years.

As at 31 March 2021, The ESOP trust has purchased Nil (31 March 2020: 8,79,491 shares) from secondary market for an aggregate consideration of Nil (₹3,683.20 Lakhs)

#### b) The nature and extent of share-based payment arrangements that existed during the period.

Summary of options granted under plan:

Particulars	As at	As at
	31 March 2021	31 March 2020
	Nos	Nos
Opening balance	6,29,516	-
Granted during the year	2,49,975	6,29,516
Exercised during the year	-	-
Forfeited during the year	-	-
<b>Closing balance</b>	<b>8,79,491</b>	<b>6,29,516</b>
Vested and exercisable	1,25,903	-

#### c) Share options outstanding at the end of the year have the following expiry date:

Grant Date	Expiry Date	Share Options	Share Options
		31 March 2021	31 March 2020
31-03-2020	30-03-2025	-	6,29,516
25-03-2021	24-03-2026	2,49,975	-

- d) The effect of expenses arising from share-based payment transactions on the entity's profit or loss for the period is ₹527.92 Lakhs (2019-2020: ₹ 2.77 Lakhs).

#### e) Fair value of Options granted

The fair value of options granted during the year as at 31 March 2021 is ₹ 83.49 and the fairvalue of options granted during the financial year 2019-20 as at 31 March 2021 is ₹ 178.50. The fair value options as at reporting date is determined using the Black Scholes Model which takes into account the exercise price, the term of the option, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 47. Share Based Payments (Contd..)

#### e) Fair value of Options granted (Contd..)

The model inputs for the options fairvalue as at 31 March 2021 included:

Grant Date	Grant II Nos	Grant I Nos
Option Grant Price	450	315
Vesting Period	4 years	4 years
Exercise Period	5 years	5 years
Grant Date	25-03-2021	31-03-2020
Expiry Date	24-03-2026	30-03-2025
Share Price at Grant Date	488.85	341.90
Expected Price Volatility	11.44%	11.44%
Expected Dividend Yield	0.55%	0.55%
Risk Free Interest Rate	6.90%	6.90%

The expected price volatility is based on the historic volatility (based on remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

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

Particulars	As at 31 March 2021	As at 31 March 2020
Principle amount due to suppliers registered under the MSMED Act and Remaining unpaid as at year end	432.15	290.78
Interest due to supplies registered under the MSMED Act and remaining unpaid as at year end	-	-
Principal amount paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest paid, under section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year.	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further Interest remaining due and payable for earlier years	-	-

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 48 Disclosures as required by the Micro, Small and Medium Enterprises Development Act, 2006 are as under: (Contd..)

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

### 49 Operating Leases

The Company's significant leasing arrangements are in respect of operating leases for lands and premises (Agricultural lands, office, stores, godown etc.). These leasing arrangements which are cancellable range between 11 months and 10 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. The aggregate lease rentals payable are charged as rent in the Statement of Profit and Loss in respect of short term and low value leases where company has availed exemption under IndAS 116.

### 50 Disaggregated Revenue

The company deals in variety of hybrid seeds which are sold directly to dealers or distributors with similar characteristics in terms of revenue recognition, nature, timing, cashflows etc. The operations of company are primarily located in India. Thus, the quantitative disclosure in respect of disaggregation of revenue is not required.

### 51 Contract Liabilities

Contract liabilities resulting from advance payments by customers for delivery of goods and schemes/discounts are predominantly recognized as sales within one year. The aggregate amount of transaction price allocated to the performance obligations that are unsatisfied as on 31 March 2021 is ₹24,551.27/- (31 March 2020 is ₹ 22,700.33/-) resulting from advance payments and shown under other current liabilities.

### 52 Segment Information

- a) The Company has only one business segment i.e, Sale of Seeds and there are no other reportable segments under Ind AS 108 "Operating Segments.
- b) **Geographical information**
- The Company operates in single principal geographical area i.e., India. Though the Company has operations across various geographies within India, the same are considered as a single operating segment considering the following factors
- These operating segments have similar long term gross profit margins.
  - The nature of the products and production processes are similar and the methods used to distribute the products to the customers are the same.
- c) In view of the above mentioned classification of business and geographical segments the particulars relating to Segment revenue and results, Segment assets and liabilities, Other segment information, revenue from major products and services, geographical information are not furnished herewith.

## Notes to the financial statements for the year ended 31 March, 2021

All amounts are Rupees in lakhs unless otherwise stated

### 53 Expenditure incurred for corporate social responsibility

The Company spent ₹462.14 Lakhs and ₹ 346.10 Lakhs towards CSR Expenditure for the year ended 31st March 2021 and 31st March 2020. The details are as follows.

Particulars	Year ended 31 March 2021	Year ended 31 March 2020
Average net profit of the Company for last three financial years	23,107.19	17,304.30
Prescribed CSR expenditure 2% of the above amount	462.14	346.09
Amount unspent at the Starting of the year	-	0.01
<b>Total Amount to be spent for the year</b>	<b>462.14</b>	<b>346.10</b>
<b>Direct Expenses made by company</b>		
<b>Education development activities</b>		
Farmer Education and Training programme at Gadwal, Telangana	-	0.06
<b>Rural Development</b>		
Contribution made towards development of Minor Irrigation system in Wanaparthy District through The District Collector, Wanaparthy, Telangana	-	20.00
Contribution to "Community Cattle Shed" construction through Bala Vikasa Social Service Society, Warangal, Telangana	50.00	50.00
<b>Donation made towards CSR Activites</b>		
Contribution made to Kaveri Bhaskar Rao Charitable Foundation	412.14	276.04
<b>Total Amount Spent during the year</b>	<b>462.14</b>	<b>346.10</b>
<b>Unspent amount at the end of the year</b>	<b>-</b>	<b>-</b>

### 54 Covid Impact:

The outbreak of corona virus (COVID-19) pandemic globally and in India is causing significant disturbance and slowdown of economic activity. The government has classified seed business as "Essential Commodity" and granted certain relaxations and guidelines so that production, processing and distribution of the seeds will not be effected. The impact of Covid-19 on the Company is minimal at this point of time. The Company has assessed the recoverability of receivables, inventories, certain investments and other financial assets considering the available internal and external information up to the date of approval of these financial statements. Considering the nature of these assets, the Company expects to recover the carrying amount of these assets.

**55** Previous year figures are regrouped wherever considered necessary to confirm to current year classification.

As per our report of even date attached

For and on behalf of the Board

for **M. Bhaskara Rao & Co.**

Firm Registration No.0004595

Chartered Accountants

Sd/-

**M.V. Ramana Murthy**

Partner

Membership No. 206439

Sd/-

**K.V.Chalapathi Reddy**

Chief Financial Officer

Sd/-

**G.V.Bhaskar Rao**

Managing Director

DIN: 00892232

Sd/-

**V.R.S.Murti**

Company Secretary

Sd/-

**G.Vanaja Devi**

Wholetime Director

DIN: 00328947

Place: Secunderabad

Date: 29 May 2021