

BOARD'S REPORT

particular. Due to outbreak of pandemic and consequent lockdowns imposed by the government, Turnover is low. Your Company has introduced SOPs like social distancing, provision of masks and sanitising facilities to workers in line with the guidelines in force.

4. Dividend:

Keeping the Company's growth plans in mind, your Directors have decided not to recommend dividend for the year.

5. Transfer to reserves:

Pursuant to provisions of Section 134 (3) (j) of the Companies Act, 2013, the company has not proposed to transfer any amount to general reserves account of the company during the year under review.

6. Material changes & commitment affecting the financial position of the company:

There have been no material changes and commitments affecting the financial position of the Company which have occurred during the end of the Financial Year of the Company to which the financial statements relate and the date of the report.

7. Significant & material orders passed by the regulators or courts or tribunals:

No significant or material orders have been passed against the Company by the Regulators, Courts or Tribunals, which impacts the going concern status and company's operations in future.

8. Transfer of un-claimed dividend to Investor Education and Protection:

There is no such amount of Un-paid or Unclaimed Dividend be transferred to Investor and Education and Protection Fund for the financial year ended 31st March 2020.

9. Details of utilization of funds:

During the year under review, the Bank has not raised any funds through Preferential Allotment or Qualified Institutions Placement as specified under Regulation 32(7A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

10. Details of Nodal Officer :

The Company has designated Mr. M. Rajesh Naidu as a Nodal Officer for the purpose of IEPF.

11. Revision of financial statements:

There was no revision of the financial statements for the year under review.

12. Change in the nature of business, if any:

During the period under review and the date of Board's Report there was no change in the nature of Business.

13. Deposits from public:

The Company has not accepted any public deposits during the Financial Year ended March 31, 2020 and as such, no amount of principal or interest on public deposits was outstanding as on the date of the balance sheet.

Since the Company has not accepted any deposits during the Financial Year ended March 31, 2020, there has been no non-compliance with the requirements of the Act.

14. Depository System:

SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 mandate that the transfer, except transmission and transposition, of securities shall be carried out in dematerialized form only with effect from 1st April 2019. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories. The Company has, directly as well as through its RTA, sent intimation to shareholders who are holding shares in physical form, advising them to get the shares dematerialized.

**BOARD'S REPORT****15. Performance highlights of key operating subsidiaries:**

- a. Genera Agri Tanzania Limited
- b. Genera Agri Global Limited

16. Independent director's familiarization programmes:

Independent Directors are familiarized about the Company's operations and businesses and financial performance of the Company, significant development so as to enable them to take well-informed decisions in timely manner. Interaction with the Business heads and key executives of the Company is also facilitated. Detailed presentations on important policies of the Company are also made to the directors. Direct meetings with the Chairman is further facilitated to familiarize the incumbent Director about the Company/its businesses and the group practices.

The details of familiarisation programme held in FY 2019-20 are also disclosed on the Company's website and its web link is <http://www.genera.in>

17. Board Evaluation

The Board of Directors of the Company carried out annual evaluation of its own performance, Committees of the Board and individual Directors pursuant to various provisions under the Act, Regulation 17, 19 and Schedule II of the Listing Regulations, the SEBI circular dated January 5, 2017, circular dated January 10, 2019, which provides further clarity on the process of Board Evaluation ("SEBI Guidance Note") and SEBI circular dated February 5, 2019.

The Company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual Directors on the basis of a structured questionnaire which comprises evaluation criteria taking into consideration various performance related aspects.

The procedure followed for the performance evaluation of the Board, Committees and individual Directors is enumerated in the Corporate Governance Report.

18. Number of Board the Meetings:

During the year, Fourteen meetings of the Board of Directors of the Company were convened and held in accordance with the provisions of the Act. The date(s) of the Board Meeting, attendance by the directors are given in the Corporate Governance Report forming an integral part of this report.

19. Committees of the Board

There are various Board constituted Committees as stipulated under the Act and Listing Regulations namely Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee. Brief details pertaining to composition, terms of reference, meetings held and attendance thereat of these Committees during the year has been enumerated in Corporate Governance report.

20. Audit Committee Recommendations:

During the year, all recommendations of Audit Committee were approved by the Board of Directors.

21. Directors and key managerial personnel:

As on date of this report, the Company has Four Directors, out of those Two are Independent Directors.

a) Appointment of Directors of the Company:

- (i) appointment of Mrs. M. Kalpana Raj (holding Director Identification Number 02792601) Appointed as Executive Director of the Company with effect from 15th October 2019.
- (ii) appointment of Mrs. Donepudi Dhanalaxmi (holding Director Identification Number 05150005) as Independent director of the company with effect from 23rd November, 2020.



BOARD'S REPORT

| | | |
|--|---|---|
| Name of the Director | M. Kalpana Raj | Donepudi Dhanalaxmi |
| Date of Birth | 19.06.1975 | 15.04.1977 |
| Qualification | Bachelor of Commerce | Bachelor of Arts |
| Brief Resume | She has more than a decade of experience in the Agri Marketing. | She has well experience person in BIOTECHNOLOGY. Specializing in Tissue culture Commercial Production of Banana Plantses. |
| Expertise in specific functional areas | Agriculture and Marketing Activities | Agricultural and Horticultural activities |
| Names of Listed entities in which the person also holds the directorship and the membership of Committees of the board | ----- | ----- |
| No. of Equity Shares held in the Company | 1061919 | ---- |
| Inter se relationship with any Director | Wife of Mr. M. Rajesh Naidu Chairman & Managing Director | ---- |

b) Key Managerial Personnel:

Key Managerial Personnel for the financial year 2019-20

- Mr. Satyanarayana Murthy Duggirala Appointed as Chief Financial officer of the company with effect from 24th May, 2019

22. Statutory audit and auditors report:

In Pursuance to the provisions of Section 139 of the Companies act, 2013, N G Rao and Associates, Chartered Accountants bearing Firm Registration No.009399S as Statutory Auditors of the company for a peiod of five years in the AGM held on 30th September, 2019 to hold office until the Conclusion of 32nd Annual General Meeting and to authorize Board to fix their remuneration.

However, pursuant to notification from the MCA dated 07.05.2018, ratification of appointment of statutory auditors at every Annual General Meeting has been dispensed with.

23. Secretarial Auditor & Audit Report:

In terms of section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, based upon the recommendations of the Audit Committee, the Board of Directors had appointed M/s Bhargavi Medisetty, Practicing Company Secretaries (CP No. 14806) as the Secretarial Auditor of the Company, for conducting the Secretarial Audit for financial year ended March 31, 2020

The Secretarial Audit was carried out by M/s. M/s Bhargavi Medisetty, Practicing Company Secretaries (CP No. 14806)

BOARD'S REPORT

for the financial year ended March 31, 2020. The Report given by the Secretarial Auditor is annexed herewith as Annexure-I and forms integral part of this Report.

24. Cost records and cost audit:

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act, are not applicable for the business activities carried out by the Company.

25. No Frauds reported by statutory auditors

During the Financial Year 2019-20, the Auditors have not reported any matter under section 143(12) of the Companies Act, 2013, therefore no detail is required to be disclosed under section 134(3) (ca) of the Companies Act, 2013.

26. Declaration by the Company

The Company has issued a certificate to its Directors, confirming that it has not made any default under Section 164(2) of the Act, as on March 31, 2020.

27. Conservation of energy, technology absorption and foreign exchange outgo:

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder and Rule 8 of Companies (Accounts) Rules, 2014:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: Nil
2. Foreign Exchange Outgo: Nil

28. Management discussion and analysis report:

Management discussion and analysis report for the year under review as stipulated under Regulation 34 (e) read with schedule V, Part B of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 with the stock exchange in India is annexed herewith as Annexure- II to this report.

29. Corporate governance:

Your Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the Listing Regulations. A separate section on Corporate Governance, forming a part of this Report and the requisite certificate from the Company's Auditors confirming compliance with the conditions of Corporate Governance is attached to the report on Corporate Governance as Annexure VI.

30. Extract of Annual Return:

Pursuant to Sections 92 & 134(3) of the Act and Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return in Form MGT-9 is provided in Annexure -III to this Report and is also available on the Company's website URL: <https://www.genera.in>

31. Share capital of the company:

The Paid-up Share Capital of your Company stands at Rs. 8,99,61,000/- (Eight crores ninety nine lakhs sixty one thousand only) as on 31st March, 2020. There were no allotments during the financial year 2019-20.

BOARD'S REPORT**32. Declaration of independence:**

The Company has received declarations from Mr.N.S. Sastry, Mr. K.Sandeep Kumar, Independent Directors of the Company to the effect that they are meeting the criteria of independence as provided in Sub-Section(6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company has also received declarations from the independent directors to the effect that they have complied with the Code of Conduct of Independent Directors as prescribed in Schedule IV of the Companies Act, 2013.

33. Director's Responsibility Statement:

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external agencies including audit of internal financial controls over financial reporting by the statutory auditors and the reviews performed by the management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and operating effectively during the financial year 2019-20.

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that for the financial year ended March 31, 2020:

- a) in the preparation of the annual accounts for the financial year ended 31 March 2020, the applicable accounting standards and schedule III of the Companies Act, 2013 have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on 31 March 2020 and of the profit and loss of the Company for the financial year ended 31 March 2020 ;
- c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws were followed and that such systems were adequate and operating effectively.

34. Vigil Mechanism/Whistle Blower Policy:

The Board of Directors have formulated a Whistle Blower Policy which is in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The Company promotes ethical behaviour and has put in place a mechanism for reporting illegal or unethical behaviour. The Company has a Vigil Mechanism and Whistle-blower policy under which the employees are free to report violations of applicable laws and regulations and the Code of Conduct. Employees may report their genuine concerns to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

The policy provides for adequate safeguards against the victimisation of the employees who use the vigil mechanism. The details of establishment of such mechanism has been disclosed on the website www.genera.in.

35. Corporate social responsibility policy:

Since your Company does not have net worth of Rs. 500 Crore or more or turnover of Rs. 1000 Crore or more or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

BOARD'S REPORT**36. Secretarial Standards:**

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India and such systems are adequate and operating effectively. During the year under review, the Company was in compliance with the Secretarial Standards (SS) i.e., SS-1 and SS- 2, relating to "Meetings of the Board of Directors" and "General Meetings", respectively.

37. Insurance:

The properties and assets of your Company are adequately insured.

38. Particulars of Loans, Guarantees or Investments

During the year under review, the Company has not given any loans or corporate guarantee or provided any security during the year. Details of loans, guarantees and investments covered under the provisions of Section 186 of the Act are given in the notes to the financial statements.

39. Internal Financial Control Systems:

Your Company has well laid out policies on financial reporting, asset management, adherence to Management policies and also on promoting compliance of ethical and well-defined standards. The Company follows an exhaustive budgetary control and standard costing system. Moreover, the management team regularly meets to monitor goals and results and scrutinizes reasons for deviations in order to take necessary corrective steps. The Audit Committee which meets at regular intervals also reviews the internal control systems with the Management and the internal auditors.

The internal audit is conducted at the Company and covers all key areas. All audit observations and follow up actions are discussed with the Management as also the Statutory Auditors and the Audit Committee reviews them regularly.

40. Related Party Transactions:

During the financial year 2019-20, there were no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

In line with the provisions of Section 177 of the Act read with the Companies (Meetings of the Board and its Powers) Rules, 2014, omnibus approval for the estimated value of transactions with the related parties for the financial year is obtained from the Audit Committee. The transactions with the related parties are routine and repetitive in nature.

41. Particulars of Employees and related Disclosure:

Disclosure pertaining to remuneration and other details as required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in Annexure-IV to this Report.

42. Non-executive directors' compensation and disclosures:

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the Judgment of the Board may affect the independence of the Directors.

43. Industry based disclosures as mandated by the respective laws governing the company:

The Company is not a NBFC, Housing Companies etc., and hence Industry based disclosures is not required.

44. Failure to implement corporate actions:

During the year under review, no corporate actions were done by the Company.

45. Corporate insolvency resolution process initiated under the insolvency and bankruptcy code, 2016.

No corporate insolvency resolution processes were initiated against the Company under the Insolvency and Bankruptcy Code, 2016, during the year under review.



BOARD'S REPORT

46. Policies:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed companies. All the policies are available on our website ([https:// www.genera.in/investors/policies](https://www.genera.in/investors/policies)). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.

| Name of the policy | Brief Description | Website link |
|------------------------------------|--|---|
| Board Diversity Policy | At Genera Agri Corp Limited, we believe that a truly diverse board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will help us retain our competitive advantage. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. | https://www.genera.in |
| Nomination and Remuneration Policy | This policy formulates the criteria for determining qualifications, competencies, positive attributes and independence for the appointment of a director (executive / non-executive) and also the criteria for determining the remuneration of the Directors, key managerial personnel and other employees. | https://www.genera.in |
| Policy on Material Subsidiaries | The policy is used to determine the material subsidiaries and material non-listed Indian subsidiaries of the Company and to provide the governance framework for them. | https://www.genera.in |
| Related Party Transaction Policy | The policy regulates all transactions between the Company and its related parties | https://www.genera.in |

47. Statutory compliance:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

48. CEO/CFO Certification:

As required Regulation 17(8) read with Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the CEO/CFO certification is attached with the annual report as Annexure V.

49. Prevention of sexual harassment at workplace:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition, and Redressal of Sexual Harassment at workplace.

This is in line with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ('POSH Act') and the Rules made thereunder. With the objective of providing a safe working environment, all employees (permanent, contractual, temporary, trainees) are covered under this Policy. The policy is available on the website at www.palred.com.

**BOARD'S REPORT**

As per the requirement of the POSH Act and Rules made thereunder, the Company has constituted an Internal Committee at all its locations known as the Prevention of Sexual Harassment (POSH) Committees, to inquire and redress complaints received regarding sexual harassment. During the year under review, there were no Complaints pertaining to sexual harassment.

50. Event Based Disclosures

During the year under review, the Company has not taken up any of the following activities:

| | |
|---|----|
| 1. Issue of sweat equity share: | NA |
| 2. Issue of shares with differential rights: | NA |
| 3. Issue of shares under employee's stock option scheme: | NA |
| 4. Disclosure on purchase by Company or giving of loans by it for purchase of its shares: | NA |
| 5. Buy back shares: | NA |
| 6. Disclosure about revision: | NA |
| 7. Preferential Allotment of Shares: | NA |

51. Other Disclosures:

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company receive any remuneration or commission from any of its subsidiaries.

52. Appreciation & acknowledgement:

Your Directors place on record their appreciation for the overwhelming co-operation and assistance received from the investors, customers, business associates, bankers, vendors, as well as regulatory and governmental authorities. Your Directors also thanks the employees at all levels, who through their dedication, co-operation, support and smart work have enabled the company to achieve a moderate growth and is determined to poise a rapid and remarkable growth in the year to come.

Your Directors also wish to place on record their appreciation of business constituents, banks and other "financial institutions and shareholders of the Company like SEBI, BSE, NSDL, CDSL, Banks etc. for their continued support for the growth of the Company.

For and on behalf of the Board
Genera Agri Corp Limited

| | |
|---|---|
| M. Rajesh Naidu Managing Director (DIN- 01920908) | M. Kalpana Raj Director (DIN- 02792601) |
|---|---|

Place: Hyderabad
Date: 07.12.2020