



## BOARD'S REPORT

**Dear Members,**

Your Directors take immense pleasure in presenting their 7<sup>th</sup> Annual Report on the business and operations together with the Audited Financial Statements of the Company for the year ended March 31, 2020.

**Financial Results:**

(Amount in Lakhs)

Particulars	FY2019	FY2020
Net Sales	173.27	326.37
Profit before depreciation & taxation	(558.94)	(3497.66)
Less: Depreciation	45.79	48.97
Less: Provision for taxation	-	-
Add: Prior period adjustment (Taxation)	-	-
Profit after tax	(604.73)	(3,546.63)
Balance brought forward from last year	(4000.44)	(4605.17)
Transfer to General Reserve	-	-
Proposed Dividend and tax thereon	-	-

**General Information about the Company:**

Your Company was incorporated under the Companies Act, 1956 on July 4, 2013. It is engaged in the business of production, cultivation, Agri-inputs, processing or otherwise creation and supply of quality seeds for enhancing agriculture, floriculture, forestry, horticulture productivity and animal husbandry.

Your Company deploys the technique of Intragenic science (hybrid created among similar kingdom species), to develop the hybrid seed varieties. The use of Intragenic science has been considered safe in comparison to the other techniques of hybridization. The Company has a proven track record of hybrid vegetable seeds with range of over 60 hybrid varieties, catering majorly to vegetables and fruits. The Company's strength in the hybrid seeds business is backed by robust operational efficiency and strong R&D.

**Performance and Future Prospects :**

The overall performance of your Company for the financial year 2019-20 was largely impacted during the fourth quarter of the year due to Corona virus (Covid-19) pandemic and consequent country wide lockdown and complete stoppage of business activities from March 23, 2020.



This had a significant impact on the Company's order intake for the year. However, the Company has proactively reviewed its capacity and cost, to realign to the lower demand and undertaken measures to bring down cost of input materials, employee cost and other discretionary expenses. Focus on various lean initiatives were reinforced for improvement in productivity.

The Company has taken significant steps to ensure the safety of employees during the pandemic by implementing 'work from home' option during the lockdowns and provided continuous guidance in travels and related matters. Guidance were provided from the highest level of the Company, programs were conducted to provide assistance to all employees, create awareness, prevention and corrective action in regular intervals. Standard Operating Practices (SOP) in the offices and factories were implemented and strict adherence to the SOP was enforced. Business Continuity Plan (BCP) was prepared and updated at regular intervals to ensure the control on both business and employees' safety.

The Company's revenues during the year are 326.37 lakhs as compared to 173.27 lakhs in the previous year. The Company is focused to increase the sales of the products and engaged suitable marketing strategies in doing so.

Your Company continues to focus on technology and innovation with new product research and enhancement of existing products to make them more effective and efficient on the field. Your Board believes that this will further enhance the Company's leading market position.

**Financial and Operational Review:**

FY 2019-20 has seen an in the sales as compared to previous year. The Company registered an increase in Net Sales by 46.90 % compared to previous year. There is a downfall in revenue by 82.94% in comparison to the previous year as the Company had to devalued to the extent of Rs. 40.29 crores owing to working capital constraints, labour shortage, various businesses closed due to the Co-VID -19 pandemic, the Company was unable to store the seeds in ideal storage conditions & seeds having a shelf life loses its germination potential which compelled the management to write off/ devalue the inventory.

Your Company's focus on providing its customers with a wide range of products has resulted in the requirement of a strong marketing and distribution network. Your Company is focusing only on Super Distributors who will also act as C&F Agents to ensure requisite delivery volumes in a timely and cost efficient manner.

However, going forward, in light of the business optimization and improvement plan, the Company has



raised financial and operational benchmarks across divisions with a key focus on receivables timeline, marketing expenses and cash flow from operations.

**Dividend:**

In view of the losses incurred from last years, Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended March 31, 2020.

**General Reserve:**

The Company has not transferred any amount to the General Reserves.

**Share Capital:**

The paid up Equity Share Capital as on March 31, 2020 was 2999.98 Lacs. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares and does not have any scheme to fund its employees to purchase the shares of the Company.

**Deposits:**

Your Company has not accepted any deposits from the public during the year.

**Details of Subsidiary, Joint Venture or Associates:**

Companies which has become/ceased to be subsidiaries, JVs or Associates during the year: Not Applicable.

The provisions of the Rule 8(1) of the Chapter IX Rules are not applicable to the Company as the Company does not have any subsidiaries, associates and joint ventures.

**Extract of Annual Return:**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as "**Annexure A**".

**Material changes and Commitments affecting the Financial Position of the Company, Between the end of the Financial Year and the Date of the Report**

There were no material changes and commitments between the end of the financial year and the date of the report, which affects the financial position of the Company.



**Particulars of Loan, Guarantees and Investments**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

**Conservation of Energy, Technology absorption, Foreign exchange earnings and outgo:**

Your Company believes that Energy Conservation is an important parameter that indicates how efficiently a Company can conduct its operations. We strongly believe in the social welfare and environmental well-being. We always strive to put our best foot forward, to reduce the harmful emissions and are truly committed towards building an environment friendly organization.

As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.

The Company has an in-house know how and research facilities and no outside technology is being used. Therefore no technology absorption is required. The Company constantly strives for maintenance and improvement of the quality of its products and entire Research and Development activities are directed to achieve the aforesaid goal.

Camson is making marketing efforts in selected countries and exploring new markets. The Company regularly participates in prestigious international exhibitions and conducts market surveys. During the year, Foreign exchange earnings and outgo, if any, be disclosed in the Financial Statements.

**Human Resource and Industrial Relations:**

The Company places a high importance on the development and retention of its human resources as well as providing employees with safe and healthy work environment. The human resource department of the Company is focused on ensuring a right fit between the human resource policies and the overall strategic direction of the Company to enhance stakeholder value. **We have laid down HR policies and several best practices such as incentive policy to encourage the employee fraternity.** Your Company has recruited various industry professionals to meet the current and future needs of the organization. There are no financial or commercial transactions that resulted in a conflict of interest between senior management and the Company.

Your Company strictly believes that maintaining cordial industrial relations is the key to progress of the firm, individuals, management, industry and nation.

**Internal Control Systems and their Adequacy:**

Camson has an effective internal control and risk mitigation system, commensurate with the size, scale and complexity of its operations. The objective of the internal control system is to ensure that operations are conducted in adherence to the corporate policies, identify areas of improvement and ensure compliance with the applicable rules and regulations. The scope and authority of the Internal Audit function is defined in the Internal Audit Manual. To maintain its objectivity and independence, the Internal Audit function reports to the Audit Committee.



The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control system and makes suggestions to strengthen the same. The Internal Auditor monitors and evaluates the efficacy and adequacy of Internal Control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company. Based on the report of Internal Audit function, process owners undertake corrective actions in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board. The Company has adopted Standard Operating Procedures (SOP) and delegated roles and responsibilities to various Department heads for effective implementation of the same for further strengthening the Internal Control Systems. This is to ensure that the Company conducts its business with highest standards of statutory, legal and regulatory compliance.

#### **Corporate Social Responsibility:**

Since the Company does not meet the criteria for the applicability of Section 135 of the Companies Act read with the Companies (Accounts) Rules, 2015, this clause is not applicable.

#### **Public Issue:**

During the year under review, the Company has not issued any securities to the public.

#### **DIRECTOR AND KEY MANAGERIAL PERSONNEL:**

##### **A. Appointment, Change in designation and Resignation**

Details on appointments, changes in designation, and resignation of Directors, key managerial personnel, and Committees of Directors, as well as on Board and Committee Meetings of your Company, and the matters required to be specified pursuant to Section 134 of the Companies Act, 2013 and the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 are provided in the Corporate Governance Report that is annexed to, and forms part of this Annual Report.

Your Board is happy to note that both Independent Directors i.e., Mr. Sunil Yashpal Kohli and Mr. Rohit Satish Sareen have maintained highest standards of integrity in their dealings with the Company. They also possess the requisite expertise and experience (including Proficiency) necessary for acting as Independent Directors of the Company. As required by the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019, Mr. Sunil Yashpal Kohli and Mr. Rohit Satish Sareen have registered their names in the data bank of Independent Directors maintained by Indian Institute of Corporate Affairs. Annual Declarations received from both of them for the year 2019-20 contain affirmations regarding registrations in the data bank.

During the financial year, the Company has appointed Mr. Arundeo Prasad Singh and Mr. Virendra Kumar Singh as an Additional Director and Independent Director with effect from May 28, 2019 and August 12, 2019 respectively. Subsequently they resigned with effect from July 22, 2019 and February 12, 2020 respectively.



Mr. Anurudh Kumar Singh, Independent Director of the Company resigned with effect from October 31, 2019.

Mr. Peter Joseph Kennedy and Ms. Geok Lan Tay, Non-Executive Directors of the Company resigned with effect from October 29, 2019.

Mr. Dharendra Kumar, Managing Director; Mr. Karan Singh, Executive Director and Mr. Manoj Srivastava, Independent Director of the Company resigned with effect from March 19, 2020.

Mr. Anil Kshetry and Mr. Sunil Yashpal Kohli has been appointed as a Managing Director (Additional) and Independent Director (Additional) respectively with effect from March 19, 2020.

Mrs. Sasibala Singh has been appointed as a Non-Executive Director (Additional) with effect from February 5, 2020.

Mr. Ajeet Shukla has been appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from March 29, 2019 and subsequently resigned w.e.f. October 10, 2019. Further, Mr. Anil Kshetry was appointed as a Chief Financial Officer w.e.f. November 12, 2019 and subsequently resigned on March 18, 2020.

Mr. Brajesh Kishore Tripathi, who was appointed as the Chief Executive Officer of the Company on July 29, 2017, subsequently resigned as Chief Executive Officer with effect from August 6, 2019.

#### **B. Re-appointment**

As the Board of the Company has been restructured and new Board members have been appointed during the financial year therefore none of the Directors are eligible to retire by rotation.

#### **C. Independent Directors**

Mr. Sunil Yashpal Kohli was appointed as an Additional Director and Independent Director of the Company on March 19, 2020 at the Meeting of Board of Directors and the same is subjected to the approval of the Shareholders in the Annual General Meeting to be held on September 28, 2020.

Your Company has received declarations from Mr. Sunil Yashpal Kohli, Dr. Anurudh Kumar Singh, Mr. Manoj Srivastava, Mr. Virendra Kumar Singh, Mr. Rohit Satish Sareen and Mr. Arundeo Prasad Singh, Independent Directors of the Company that they meet the criteria of independence as provided in subsection (6) of Section 149 of the Companies Act, 2013 and the Listing Regulations.

On October 22, 2019, MCA had released the Companies (Accounts) Amendment Rules, 2019, the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 and the Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019. These rules have come into force on December 1, 2019 and your Company has complied with these requirements.





SEBI (LODR)(Amendment) Regulations, 2018 has changed the evaluation criteria of Independent Directors from April 1, 2019. As per the amendment, evaluation of Independent Directors by the entire Board shall include:

- (a) Performance of Directors and
- (b) Fulfilment of independence criteria as specified in LODR Regulations, 2015 and their independence from the management.

The terms and conditions for appointment of Independent Directors is available on the website at

<http://www.camsonseedslimited.in/fininacialpdf/Terms%20&%20Conditions%20of%20Appointment%20of%20Independent%20Directors.pdf>

**Notes:**

1. Dr. Anurudh Kumar Singh, Independent Director of the Company resigned w.e.f. October 31, 2019.
2. Mr. Manoj Srivastava, Independent Director of the Company resigned w.e.f. March 19, 2020.
3. Mr. Virendra Kumar Singh, Independent Director of the Company resigned w.e.f. the closing hours of February 12, 2020.
4. Mr. Arundeo Prasad Singh, Independent Director of the Company resigned w.e.f. July 22, 2019.

**D. Number of Meetings of the Board:**

The details of the Board Meetings and other Committee Meetings held during the Financial Year 2019-20 are stated in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Ministry of Corporate Affairs, Government of India vide its circular dated March 24, 2020 has increased the maximum time gap between two meetings to 180 days until September 30, 2020 in view of the Covid-19 pandemic. The previous meeting of the Board of Directors of the Company was held on March 19, 2020 and the next meeting of the Board was held on July 28, 2020, which was within the extended time gap of 180 days. The Agenda of the Meetings were circulated to Directors in advance. Minutes of the Meetings of the Board of Directors were circulated amongst the Directors for their perusal.

**E. Board Committees:**

The Company has setup the following Committees of the Board.

Audit Committee, Nomination and Remuneration Committee and Stakeholder's Relationship Committee.

The composition of each of the above Committees, and their respective roles and responsibilities are detailed in the Corporate Governance Report.



#### **F. Details of remuneration to Directors:**

The Company had 17 employees as of March 31, 2020. Pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5 (1) (2) (3) of the Companies (Appointment and Remuneration) Rules, 2014, details/disclosures of Ratio of Remuneration to each Director to the median employee's remuneration is annexed to this report as "**Annexure C**".

There are no employees posted and working in a country outside India, not being Directors or relatives, drawing more than One Crore Two Lakhs rupees per financial year or Eight Lakhs Fifty Thousand rupees per month as the case may be. Therefore statement/disclosure pursuant to Sub Rule 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to be circulated to the members and is not attached to the Annual Report.

As stated in the Corporate Governance Report, sitting fees are paid to Non-Executive Directors for attending Board/Committee Meetings. They are also entitled to reimbursement of actual travel expenses, boarding and lodging, conveyance and incidental expenses incurred in attending such Meetings, in accordance with the travel policy for Directors.

#### **G. Performance Evaluation and Criteria:**

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out the performance evaluation of its own performance and that of its Committees as well as evaluation of performance of the Directors individually. The performance evaluation of the Independent Directors was also carried out by the entire Board (excluding the director being evaluated).

The performance evaluation of the Board, its Chairman and the Non-Independent Directors were carried out by the Independent Directors. The Nomination & Remuneration Committee also carried out evaluation of every director's performance. The evaluation for the year 2019-20 was carried out through structured questionnaires (based on various aspects of the Board's functioning, composition, its Committees, culture, governance, execution and performance of statutory duties and obligations). The questionnaire covers all aspects prescribed by SEBI vide its circular no. SEBI/HO/CFD/CMD/ CIR/P/2017/004 dated January 5, 2017. The Directors expressed their satisfaction with the evaluation process and results thereof.

#### **Remuneration Policy:**

The Remuneration Policy of your Company is aimed to attract, retain, reward and motivate talented individuals critical for achieving the long term strategic goals of the Company. your Company's Policy is designed to reflect the performance and is aligned to the long term interest of the Stakeholders. The Board has, on the recommendation of the Nomination and Remuneration Committee framed a Policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### **Particulars of Employees:**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect to the employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered Office of





the Company during business hours on working days of the Company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the Managing Director in advance.

**Directors' Responsibility Statement:**

Pursuant to Section 134 (5) of the Act, in relation to financial statements (together with the notes to such financial statements) for the financial year 2019-20, the Board of Directors report that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) 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 the Company at the end of the financial year and of the profit of the Company for that period;
- (iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Directors have prepared the financial statements on a going concern basis;
- (v) the Directors have laid down internal financial controls to be followed by the Company commensurate with the size and nature of its business and the complexity of its operations and that such internal financial controls are adequate and are operating effectively; and
- (vi) the Company has a system of getting reports of compliance periodically from the units and is also in the process of implementing more comprehensive systems to ensure compliance with the provisions of all applicable laws.

**Related Party Transactions:**

All transactions entered with Related Parties for the year under review were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

All the related party transactions were placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee was obtained on a yearly basis for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their noting/approval on quarterly basis.

The particulars of every contract /arrangement entered into by the Company during the year with the Related Parties, referred to in Section 188 of the Companies Act, 2013 disclosed in AOC-2 marked as "**Annexure B**".

None of the Directors has any material pecuniary relationship or transactions *vis-a-vis* the Company.

The 'Related Party Transaction Policy is available on website of the Company at



<http://www.camsonseedslimited.in/finnacialpdf/Related%20Party%20Transaction%20policy.pdf>

**Code of Conduct:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company. The Company believes in 'Zero Tolerance' against bribery, corruption and unethical dealings / behavior of any form and the Board has laid down the directives to counter such acts.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with the stakeholders. The Code provides guidance through examples on the expected behavior from an employee in a given situation and the reporting structure. All the Directors on the Board and the Senior Management Personnel have confirmed compliances with the Code.

The Code of Conduct is available on the website of the Company at <http://www.camsonseedslimited.in/finnacialpdf/Code%20of%20Conduct%20of%20Directors%20and%20Senior%20Management.pdf>

**Vigil Mechanism or Whistle Blower Policy:**

Pursuant to the requirement of Section 177(9) and (10) of the Companies Act, 2013, your Company has adopted a Vigil Mechanism, to deal with instances of fraud and mismanagement and which allows employees of the Company to raise their concerns relating to fraud, malpractice or any other activity or event which is against the interests of the Company or the Society as a whole. In line with our corporate values, the Company is committed to the highest standards of Corporate Governance and stakeholder's responsibility. Your Company believes in achieving its business goals solely through means that are ethical, transparent and accountable, and this principle forms the basis of our strong Vigil Mechanism.

The Whistle Blower Policy is available on the website of the Company at <http://www.camsonseedslimited.in/finnacialpdf/Whistle%20Blower%20policy.pdf> .

**Accounting Treatment:**

**INDIAN ACCOUNTING STANDARDS (IND AS):** The Ministry of Corporate Affairs vide its notification dated February 16, 2015 has notified the Companies (Indian Accounting Standards) Rules, 2015.

The Company has adopted Indian Accounting Standards ("Ind AS") from April 1, 2017 with transition date of April 1, 2016 and accordingly these financial statements have been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued there under and other accounting principles generally accepted in India, as applicable.



**Auditors' Report for the Financial Year Ended 2020:**

The Statutory Auditor in his Auditor's Report have mentioned following qualification, reservation or adverse remarks:

**Explanation of the Board on the Qualified Opinion of Statutory Auditors:**

Sl. No.	Qualifications made by the Statutory Auditor	Explanations by the Board
1	The Inventory held by the company is carried at Rs.26.77 Crore which represents 63% of the company's total assets. During the year, the company has devalued/written off the inventory to the extent of Rs.40.29 crore for which we have not been provided with details and basis for such devaluation/written off. Due to the nature of inventory, we could not verify the quantity as well as value of the inventory held by the company as on 31.03.2020 and we could not satisfy ourselves about the correctness of quantity, quality and realisable value of inventory.	Owing to working capital constraints, labour shortage, various businesses closed due to the Co-VID -19 pandemic, the Company was unable to store the seeds in ideal storage conditions & seeds having a shelf life loses its germination potential which compelled the management to write off/ devalue the inventory.
2	Out of the trade receivables worth Rs.131.76 lakh, we have not been provided with balance confirmation for trade receivables worth Rs.86.60 lakh and no provision has been made towards expected credit loss.	Despite repeated reminders the balance confirmations could not be obtained from the parties till date and we are expecting few confirmations within next few weeks.
3	During the year, the company has reported Rs.406.87 lakhs under other income, being reversal of Employee benefits payable to ex-employees to the extent of Rs.169.93 Lakh, reversal of provision for scheme expenses made during earlier years amounting to Rs.127.32 Lakh, reversal of provision for inventory amounting to Rs.22.18 lakh, reversal of Gratuity provision amounting to Rs. 5.15 Lakh, reversal of Leave	The break-up of other income is as follows:  (i). Rs. 169.93 lacs – The ex-employees have not exited the Company as per the applicable policies laid down & also breached the confidentiality agreements therefore the reversal.



	<p>encashment provision amounting to Rs.11.59 lakh, reversal of provision for interest on unsecured loan amounting to Rs.11.64 Lakh, reversal of travelling expenses amounting to Rs.9.37 Lakh, reversal of trade payables amounting to Rs.49.69 lakh. However, we have not been provided with valid basis and relevant supporting documents for these accounting treatments.</p>	<p>(ii) Reversal of scheme provisions of Rs. 127.32 lacs – The dealers have not achieved scheme slab/ returned the materials. Hence the reversal.</p> <p>(iii) Reversal of provision for inventory of Rs. 22.18 lacs – Long pending third party dispute has resulted in the inventory losing its shelf life.</p> <p>(iv) Reversal of Gratuity &amp; LTA provision – The mentioned amounts are related to ex-employees who do not qualify for the same benefits of Rs. 5.15 lacs &amp; Rs. 11.59 lacs respectively.</p> <p>(v) Provision for interest of Rs. 11.64 lacs on unsecured loans – The interest portion of Rs. 11.64 lacs has been waived off by the promoters who have extended the loan to the Company.</p> <p>(vi) Travelling Expenses of Rs. 9.37 lacs – Expenses related to the ex-employees who have not exited as per the applicable policies of the Co. &amp; are in violation of the confidentiality agreements.</p> <p>(vii) Reversal of Trade Payables of Rs. 49.69 lacs – This is due to rejection of supplied inventory from the farmers.</p>
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4	During the year, the company has reversed statutory dues payable to the extent of Rs.100.33 lakhs. As per the explanation provided to us, these amount are the withholding taxes pertaining to the provision for expenses reversed.	The Statutory amounts reversed pertains to the provisions for expenses which has been reversed earlier.
5	During the year, the company has reclassified free hold land at kotabagh having book value of Rs.74.89 lakh from Tangible assets to current assets (Other current assets). We have not been provided with the relevant documents, valid basis for such reclassification. Hence, we are unable to comment on the correctness of reclassification and recoverability of such current asset.	This asset was wrongly reflecting in the books of the company from the time of demerger. The Company does not have any documents to validate the presence of this asset in the books.
6	The company has not complied with Ind AS 116 – Leases, which is effective from April 1, 2019. We were not provided with the relevant details to assess the impact of non-compliance on the annual financial results.	The details will be made available at the earliest.

**Statutory Auditors:**

Messrs. YCRJ & Associates, Chartered Accountants, Bengaluru (ICAI Firm Registration No. 0069275) were appointed as the Statutory Auditors of the Company to hold office for a period of five (5) years from the conclusion of the 9<sup>th</sup> Annual General Meeting.

As per the Companies (Amendment) Act, 2017 and rules made thereunder, with effect from May 7, 2018, the Central Government notified the omission of the requirement related to ratification of appointment of auditors by members at every Annual General Meeting. Accordingly the resolution for ratification has not been placed before the members.

**Secretarial Audit:**

Pursuant to provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed Mr. Vijayakrishna K.T, Practising Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith **[Annexure D]**. The Secretarial Audit Report contains following qualifications, reservations or adverse remarks.



**Explanations by the Board on the comments of Secretarial Auditor:**

Sl. No.	Qualifications made by the Secretarial Auditor	Explanations by the Board
1	Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Board is not complied with for the period from April 1, 2019 to May 27, 2019. However, BSE Limited has issued public notice vide Notice no. 20190408-35 dated April 8, 2019 confirming that the Listed entity has complied with Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.	BSE Limited has issued public notice vide Notice no. 20190408-35 dated April 8, 2019 confirming that the Company has complied with Regulation 17(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2	Constitution of Nomination and Remuneration Committee was not complied with for the period from 1 <sup>st</sup> April, 2019 to November 11, 2019	There was an Executive Director serving as a Member in the Committee. He ceased to be a member w.e.f. November 12, 2019. As on date the Company is complied with this provision.
3	Notice of Annual General Meeting was not sent by giving clear 21 days notice to the Shareholders.	Due to inevitable circumstances the Company couldn't send the Report on time.
4	The Company's Chief Financial Officer exited on March 18, 2020 and the Company is yet to identify suitable candidate to the office of Chief Financial Officer.	The Company is yet to identify suitable candidate to the office of Chief Financial Officer. As per the provisions of the Companies Act, 2013, the Company has a time limit up to six months from the date of resignation of KMP to fill the vacancy.
5	Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment at Work Place, Act, 2013 does not have the External Member.	The Company is yet to identify an External Member.
6	The Company's website was under construction as on March 31, 2020 and the Company has confirmed that it is functional as on the date of this report.	As on date the Company has a fully functional website and the same is available at <a href="http://www.camsonseedslimited.in/">http://www.camsonseedslimited.in/</a>





7	Contributions to PF and ESI authorities were noted to be pending during the year; however, the Company has claimed that these were not applicable to the Company from October, 2019.	The Company is clearing the pending dues on monthly basis to the PF & ESI department.
8	Certain reports required to be filed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were not filed within prescribed time.	There were two such instances but the same were filed at a later date.
9	Certain returns required to be filed with the Registrar of Companies are not filed within prescribed time.	Due to the Co-vid 19 pandemic and the Country wide lockdown the Company couldn't file the forms with the ROC timely. The same has been filed within the time limit/ extension granted by the Ministry of Corporate Affairs.
10	Certain returns/registers required to be filed/ maintained under some of the general laws are not maintained/filed within prescribed time.	The Company at present has complied with all the compliances as required.

**Secretarial Standards:**

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) i.e., SS-1(Meetings of the Board of Directors) and SS-2 (General Meetings) while calling, convening and conducting the Meetings.

**Investor Education and Protection Fund:**

The Company has not declared any Dividend till date therefore the same is not applicable.

**Business Risk Management:**

Pursuant to Section 134 (3) (n) of the Companies Act, 2013 and SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015, the Company has Business Risk Management policy, aimed at identification, assessment, monitoring and mitigation of risk and also capturing lessons learnt for future reference. The Company has in place active mechanism to periodically review the risk assessment and minimization procedures and inform the Board Members, in case any risk is foreseen.

At present the Company has not identified any element of risk which may threaten the existence of the Company.



**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

The following is a summary of sexual harassment complaints received and disposed off during FY 2019-20:

- o No of complaints received: Nil
- o No of complaints disposed off: Nil
- o No of cases pending for more than 90 days: Nil
- o No of workshops or awareness programs: 1

**Significant and Material Orders Passed by the Regulators or Courts**

There are no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**Corporate Governance and Management Discussion & Analysis Reports:**

The Corporate Governance and Management Discussion and Analysis Report, capturing your Company's performance, industry trends and other material changes with respect to your Companies, which form an integral part of this Report, are set out as separate Annexures.

As required under the Listing Regulations, certificates from Mr. Vijayakrishna KT, Practising Company Secretary, regarding compliance with conditions of Corporate Governance as well as a confirmation [as required by Schedule V Part C (10)(i)] that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority are annexed as "**Annexure F**".

Report on Corporate Governance is annexed as "**Annexure E**". As required by SEBI (LODR)(Amendment) Regulations, 2018, 'Annual Secretarial Compliance Report' issued by Mr. Vijayakrishna KT, Practising Company Secretary for the financial year ended 31st March, 2020 has been filed with BSE on July 28, 2020, within the extended due date of July 31, 2020.

Further, in compliance with the Listing Regulations, your Board has adhered to the Corporate Governance Code. All the requisite Committees are functioning in line with the guidelines.



The Management Discussion and Analysis Report is annexed as “**Annexure G**”.

**Industrial Relations:**

Industrial relations have been cordial and constructive, which have helped your Company to achieve production targets.

**Listing With Stock Exchanges:**

Your Company confirms that it has paid the Annual Listing Fees for the financial year **2019-20** to BSE Limited where the Company’s Shares are listed.

**Acknowledgements:**

Your Directors wish to extend their sincerest appreciation to the investors, bankers, customers, suppliers, executives, staff and workers at all levels for their continuous co-operation and assistance. Your Directors express their sincere gratitude to all the Regulatory Authorities such as the SEBI, Stock Exchanges and other Central & State Government authorities and agencies, Depositories, Registrars for their guidance and support. We also take this opportunity to thank the Indian farming community who believed in our company and appreciated our products.

Your Directors place on record their sincere appreciation for the continued support from shareholders, customers, suppliers, banks and financial institutions and other business associates.

A particular note of thanks to all employees of your Company, without whose contribution, your Company could not have achieved the year’s performance.

**By Order of the Board of Directors  
For Camson Seeds Limited**

**Place: Bangalore  
Date: July 28, 2020**

**Sd/-  
Anil Kshetry  
Managing Director  
DIN : 08706216**

**Sd/-  
Sunil Yashpal Kohli  
Director  
DIN : 02007446**