



## CAMSON BIO TECHNOLOGIES LIMITED

September 23, 2019

To,  
The Manager,  
Listing Department,  
BSE Limited,  
Phiroze Jeejeeboy Towers,  
Dalal Street, Mumbai - 400001  
Scrip Code-538858

Dear Sir/Madam,

**Sub: Submission of Annual Report for FY 2018-19 as per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

In terms of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Notice of AGM and Annual Report for FY 2018-19 for the 25<sup>th</sup> Annual General Meeting of the Company to be held on 24<sup>th</sup> September, 2019.

We request you to take the same on your records.

Thanking you,

Yours faithfully,  
For Camson Bio Technologies Limited

  
Dhirendra Kumar  
(Managing Director)  
DIN: 00301372  
Encl.: As above





**CAMSON BIO TECHNOLOGIES LIMITED**

**Annual Report  
2018 -2019**



## **DISCLAIMER**

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions.

This report and other statements - written and oral - that we periodically make, contain forward-looking statements that set our anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



## ANNUAL REPORT 2018-19

### BOARD AND COMMITTEE

#### **The Board of Directors**

Dhirendra Kumar	Managing Director
Akbal Narayan Singh	Non-Executive Director
Manoj Srivastava	Independent Director
Vinod Kumar Lahoti	Independent Director
Anurudh Kumar Singh	Independent Director
Peter Joseph Kennedy	Non-Executive Director
Geok Lan Tay	Non-Executive Director
Veerendra Kumar Singh*	Non-Executive Director
(ceased to be a Director with effect from 28th September, 2019)	

#### **Board Committee**

##### **Audit Committee**

Vinod Kumar Lahoti	Chairman, Independent Director
Manoj Srivastava	Member, Independent Director
Anurudh Kumar Singh	Member, Independent Director

##### **Nomination and Remuneration Committee**

Anurudh Kumar Singh	Chairman, Non-Executive Director
Akbal Narayan Singh	Member, Independent Director
Vinod Kumar Lahoti	Member, Independent Director
(with effect from 13 <sup>th</sup> August, 2018)	

##### **Stakeholders' Relationship Committee**

Akbal Narayan Singh	Chairman, Non-Executive Director
Dhirendra Kumar	Member, Executive Director
Vinod Kumar Lahoti	Member, Independent Director
(with effect from 30th May, 2018)	



**Registered and Corporate Office**

C7, 7th Floor, Corporate Block, Golden Enclave, Old Airport Road, Bangalore -560017

CIN: L85110KA1993PLC014944

Phone: 080-40768900

Fax: 080-40768905

**E-mail – cs.camsonbiotechnologies@gmail.com**

**Auditors**

Messrs YCRJ & Associates

Chartered Accountants

No.236,3rd Floor,14 th Main

“F” Block,Sahakarnagar

Bangalore, Karnataka-560092.

**Registrar & Transfer Agents**

Integrated Registry Management Services Private Limited

No. 30, Ramana Residency, 4th Cross, Sampige Road

Malleswaram, Bangalore - 560003

Tel: +91-80-23460815-818 | Fax: +91-80-23460819.

**Bankers**

HDFC Bank

Corporation Bank

State Bank of India

IDBI Bank

Axis Bank

Bank of Baroda

IndusInd Bank

Punjab National Bank



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## MESSAGE FROM MANAGING DIRECTOR

Dear Shareholders,

I hope this letter finds you in good spirits.

Camson Bio Technologies Limited has always maintained an edge in Research and Development, globally by regularly and positively contributing towards 'Sustainable Agriculture'.

Our endeavor is to ensure that we constantly evolve in our space by creating new products which have commercial value while addressing our mission of "zero residue farming". Today, I am proud to say that after years of perseverance, we are getting recognition in our field, not only domestically but also internationally. The company has always been ahead of its time and competitors in product development and can today compete in performance with the best. This belief has also been reciprocated by our national distribution partners who foresee a great opportunity with us.

Our vision for the next five years is to have a global footprint, the foundation for which has already been laid today. Our commitment to sustainability and evolution remains true to our core values and we intend to play a leading role in the Sustainable Agriculture in the coming years. Our products and research are already providing a net positive contribution to the society and will be the driving factor behind our future ambitions.

Best Wishes,  
Dhirendra Kumar  
Managing Director



# Notice





**NOTICE is hereby given that the 25<sup>th</sup> Annual General Meeting of the Members of Camson Bio Technologies Limited will be held on Tuesday, 24<sup>th</sup> day of September, 2019 at 12.30 P.M. at Survey No. 132, Madhure Hobli, Madagondanahalli, Doddabalapur-561 203, Karnataka to transact the following business:**

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Standalone Audited Financial Statements of the Company for the financial year ended March 31, 2019, together with the Auditors' Report thereon and the Board's Report including Secretarial Audit Report and Corporate Governance Report.
2. To appoint a Director in place of Mr. Peter Joseph Kennedy, (holding DIN: 06377043), who retires by rotation and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

**3. Appointment of Mr. Virendra Kumar Singh (DIN: 07226146) as a Director:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Virendra Kumar Singh (holding DIN: 07226146), who was appointed as an Additional Director with effect from 12<sup>th</sup> August, 2019 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**4. Appointment of Mr. Virendra Kumar Singh (DIN: 07226146) as an Independent Director of the Company:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and qualifications of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force) read with Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations), Mr. Virendra Kumar Singh (holding DIN: 07226146) who was appointed as an Independent Director at the Board Meeting held on 12<sup>th</sup> August, 2019 approval of the members be and is hereby accorded for his appointment as an Independent Director of the Company to hold office for 5 (five) years from 12<sup>th</sup> August, 2019 up to 10<sup>th</sup> August, 2024 and whose office shall not be subject to retire by rotation.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**5. Appointment of Mr. Karan Singh (DIN: 00920982) as a Director of the Company:**

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

**RESOLVED THAT** pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Karan Singh (holding DIN: 00920982), who was appointed as an Additional Director with effect from 12<sup>th</sup> August, 2019 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting by the Board of Directors based on the recommendation of Nomination and Remuneration Committee and who holds office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

**Place: Bangalore**

**Date: 12<sup>th</sup> August 2019**

**By Order of the Board of Directors**

**Sd/-**

**Dhirendra Kumar  
Managing Director  
DIN: 00301372**



**NOTES**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.** A person can act as a proxy on behalf of Members not exceeding 50 and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Explanatory Statement as per Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at this AGM, is annexed.
3. The Register of Members and the Share Transfer books of the Company will remain closed from 17<sup>th</sup> September, 2019 to 24<sup>th</sup> September, 2019 (both days inclusive).
4. All correspondences relating to change of Address, Transfer and Demat of Shares may be addressed to our Registrar and Share Transfer Agent, Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4th Cross, Sampige Road, Malleswaram, Bangalore - 560 003, Phone : 080-23460815 to 818, Fax: 080-23460819, E-mail: irg@integratedindia.in.
5. Members are requested to quote the Folio Numbers or Demat Account Numbers and Depository Participant ID (DPID) in all correspondence to the Registrar and Share Transfer Agents of the Company.
6. Members holding Shares in physical form in identical orders of names in more than one folio are requested to send to the Company, or Integrated Registry Management Services Private Limited, the details of such folio together with the Shares Certificates for consolidating their holding in one folio. A consolidated Share Certificate will be returned to such Members after making requisite changes thereon.
7. In case of joint holders attending the Meeting, the Member whose name appears first in the order of names as per the Register of Members of the Company will be entitled to vote.
8. Members seeking any information with regard to the Financial Statements are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
9. Pursuant to SEBI notification no. MED/ DOP/ Circular/ 05/ 2009 dated May 20, 2009, it has become mandatory for the transferee(s) to furnish copy of PAN Card to the Company/ RTA to enable/ effect transfer of Shares in physical form.
10. The Equity Shares of the Company are available for trading in dematerialized form (electronic form) through depository participants. The Company has entered in to agreements with National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). ISIN Code No. is INE 845 E01012. All Shareholders holding Shares in physical form are requested to make use of this facility. Members are requested to open De-mat account with any of the depository participants to enable transactions in electronic mode.



11. In terms of Section 124 (5) read with Section 469 of the Companies Act, 2013, the Dividend declared for the year ended 31<sup>st</sup> March, 2012 and for all the preceding financial years which remain unclaimed for a period of seven years will be transferred to the Investor Education and Protection Fund established by the Central Government. Members are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which are unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

12. The notice of the Annual General Meeting along with the Annual Report for the financial year 2018-19 is being forwarded in electronic mode to those Members whose e-mail address are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail address, physical copies are being sent through the permitted mode.

13. To support the 'Green Initiative', the Members who have not registered their e-mail address are requested to register the same with Integrated Registry Management Services Private Limited / Depositories.

14. A Corporate Member intending to send its authorized representatives to attend the Meeting in terms of Section 113 of the Companies Act, 2013 is requested to send to the Company a certified copy of the Board Resolution authorizing such a representative to attend and vote on its behalf at the Meeting.

**Voting through electronic means:**

In compliance with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Sections 108 and 110 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility to the members to cast their votes electronically on all resolutions set forth in the Notice convening the 25<sup>th</sup> Annual General Meeting to be held on Tuesday, 24<sup>th</sup> September, 2019 at Survey No. 132, Madhure Hobli, Madagondanahalli, Doddabalapur-561 203 at 12.30 PM. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the e-voting facility. The instructions for E-voting are as under:

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 21<sup>st</sup> September, 2019 (9:00 A.M.) and ends on 23<sup>rd</sup> September, 2019 (5:00 P.M.). During this period Shareholders' of the Company, holding Shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e., 16<sup>th</sup> September, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The Shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,



Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/ mm/ yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on “ SUBMIT” tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘ Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK” , else to change your vote, click on “ CANCEL” and accordingly modify your vote.
- (xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image



verification code and click on Forgot Password & enter the details as prompted by the system.

- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call 1800225533.

**Other instructions:**

- (i) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (ii) The voting rights of shareholders shall be in proportion to their shares of the paid up equity Share Capital of the Company as on the cut-off date of September 17, 2019.
- (iii) The Board of Directors has appointed Mr. Vijayakrishna K T, Practicing Company Secretary, (Membership No. FCS 1788 and CP-980) as the Scrutinizer to scrutinize the e- voting process in a fair and transparent manner. Mr. Vijayakrishna K T has conveyed to the Company his willingness to act as such. The Scrutinizer shall within a period not exceeding Forty Eight (48) hours from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/ Designated Director of the Company.
- (iv) The Results shall be declared within Forty Eight hours (48) from the conclusion of the AGM. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL within Forty Eight hours (48) of passing of the Resolutions at the AGM of the Company and communicated to the Stock Exchanges, where the Equity Shares of the Company are listed.



- (v) Further, members may note the following:
- a. Remote e-voting shall not be allowed beyond the said date and time.
  - b. The Company is providing facility to vote on a poll to the members present at the Meeting.
  - c. The members who have cast their vote by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
  - d. A person whose name is recorded in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting in the General Meeting.
  - e. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal hours (10.00 A.M. to 12.00 noon) on all working days, up to and including the date of the Annual General Meeting of the Company.

**Place: Bangalore**

**Date: 12<sup>th</sup> August 2019**

**By Order of the Board of Directors**

**Sd/-**

**Dhirendra Kumar  
Managing Director**

**DIN: 00301372**



**EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT, 2013****Item No. 2**

**Annexure as per the requirements of Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Director seeking re-appointment:**

i.	Name of the Director	Mr. Peter Joseph Kennedy	
ii.	Date of Birth	August 22, 1965	
iii.	Qualification	He holds an MBA and BA from the Hagan School of Business, Iona College	
iv.	Experience	He was a highly ranked senior research analyst at Morgan Stanley for eight years in New York and London, most recently as Executive Director and head of the telecom and media research team where he led 11 IPOs. He has significant private market transaction experience, closing over 10 early stage investments at Fulcrum and several later stage telecom infrastructure transactions throughout Asia and Europe while at NYNEX.	
v.	Shareholding in Camson Bio Technologies Limited as on 31 <sup>st</sup> March, 2019	Nil	
vi.	Interest in Companies and nature of Interest: (This includes only Indian Companies)		
	<b>Sl. No.</b>	<b>Name of the Company/Firms</b>	<b>Nature of Interest</b>
	1.	Camson Seeds Limited	Non-Executive Director

**Item Nos. 3 and 4:**

In the interest of the Company, the Management felt that the Board needs to be strengthened by inducting Independent Director from diversified background.

The Board of Directors at its Meeting held on 12<sup>th</sup> August, 2019 appointed Mr. Virendra Kumar Singh as Additional Director pursuant to Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company. He shall hold office upto the date of the ensuing Annual General Meeting.

Pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and Listing Regulations, the Board at its Meeting held on 12<sup>th</sup> August, 2019 appointed Mr. Virendra Kumar Singh as the Independent Director of the Company to hold office for 5 (Five) consecutive years from 12<sup>th</sup> August, 2019 to 10<sup>th</sup> August, 2024.



Further, he has confirmed that he is not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013 and has given his consent to act as such.

The Company has also received declaration from Mr. Virendra Kumar Singh stating that he has met with the criteria of Independence as prescribed both under sub-section (6) of Section 149 of the Act and under SEBI (LODR) Regulations, 2015.

In the opinion of the Board, he fulfills the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and is independent of the Management.

Other than the Directors and their relatives whose appointment is proposed, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested in the proposed Resolutions as set out in Item 3 and 4 of this Notice.

The Board recommends the Ordinary Resolutions set out in Item Nos. 3 and 4 of the Notice for approval by the Shareholders.

As per the requirement of Listing Regulations on Corporate Governance for appointment of the Directors / re-appointment of the retiring Directors, a statement / brief profile containing details of the concerned Directors are given below:

**Brief Background of Mr. Virendra Kumar Singh is furnished as below:**

i.	Name of the Director	Mr. Virendra Kumar Singh
ii.	Date of Birth	23/05/1964
iii.	Qualification	Mr. Virendra Kumar Singh is a Master of Science in Agriculture_with specialization in Agricultural Economics, from G. B. Pant University of Agriculture & Technology, Pantnagar.
iv.	Experience	Mr. Virendra Kumar Singh is a Master of Science in Agriculture_with specialization in Agricultural Economics, from G. B. Pant University of Agriculture & Technology, Pantnagar.  He has a vast experience of over 30 years in managing the affairs of various related Companies in India An assertive manager with outstanding interpersonal, communication, negotiation and people management skills. Recognized for ability to incorporate innovative management techniques, systems, processes, and procedures to enhance business practices, increase productivity and boost business profitability.
v.	Shareholding in Camson Bio Technologies Limited as on 31 <sup>st</sup> March, 2019	NIL
vi.	Interest in Companies and nature of Interest: (This includes only Indian Companies)	
	<b>Sl. No.</b>	<b>Name of the Company/Firms</b>
	<b>Nature of Interest</b>	
	1.	Camson Seeds Limited
		Director

2.	Beesafe Farming Private Limited	Director
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**ITEM NO. 5:**

The Board of Directors at its Meeting held on 12<sup>th</sup> August, 2019 appointed Mr. Karan Singh, as an Additional Director pursuant to Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company. He holds office up to the date of the ensuing Annual General Meeting. Pursuant to the provisions of Sections 149, 152 and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and SEBI (LODR) Regulations, 2015, it is proposed to appoint Mr. Karan Singh as Non-Executive Director of the Company. Further, he has confirmed that he is not disqualified from being appointed as Director under Section 164 of the Companies Act, 2013 and has given his consent to act as the Director.

Other than the said Director whose appointment is proposed, none of the Directors, Key Managerial Personnel or their relatives is concerned or interested in the proposed Resolution as set out in Item No. 5 of this Notice.

The Board recommends an Ordinary Resolution set out in Item No. 5 of the Notice for approval by the Shareholders.

**Brief Background of Mr. Karan Singh is furnished as below:**

i.	Name of the Director	Mr. Karan Singh
ii.	Date of Birth	05/04/1986
iii.	Qualification	Mr. Karan Singh has a double MBA and is a Graduate in Business Management, Masters in Management, Specialised in Entrepreneurship and Business Excellence from the University of Warwick, U.K.
iv.	Experience	He is presently involved in the business of M/s. Camson Seeds Limited for over 4 years.  He has got a vast knowledge of legal, commercial as well as management experience.
v.	Shareholding in Camson Bio Technologies Limited as on 31 <sup>st</sup> March, 2019	8,50,000 shares
vi.	Interest in Companies and nature of Interest: (This includes only Indian Companies)	
	<b>Sl. No.</b>	<b>Name of the Company/Firms</b>
	1.	Camson Seeds Limited
	2.	Krivi Genetech Private Limited
	3.	Camson Agro Products Private Limited
		<b>Nature of Interest</b>
		Director
		Director
		Director

	4.	Camson Green Valley Products Private Limited	Director
	5.	Camson Gene Tech Private Limited	Director

**CAMSON BIO TECHNOLOGIES LIMITED**

CIN: L85110KA1993PLC014944

**Regd. Office:** C7, 7th Floor, Corporate Block, Golden Enclave, Old Airport Road,  
Bangalore 560017

Phone: 080-40768900, Fax: 080-40768905

**E-mail – cs.camsonbiotechnologies@gmail.com**

**ATTENDANCE SLIP**

**25<sup>th</sup> ANNUAL GENERAL MEETING**

Name of the Member/ Proxy: _____
Address: _____
Email-Id: _____
Folio No./ Client ID: _____ DP ID: _____
No(s). of Shares held: _____

I/ We hereby record my presence at the Twenty Fifth (25<sup>th</sup>) Annual General Meeting of the Company to be held on Tuesday, 24<sup>th</sup> September, 2019 at 12.30 P.M. at Survey Number 132, Madagondanahalli Village, Maddhure Hobli, Doddaballapur– 561 203, Karnataka.

**Signature of Member/Proxy**

**Note:**

1. Please bring this attendance slip to the Meeting and hand over at the entrance of the meeting hall duly filled & signed.
2. Members who hold shares in dematerialized form are requested to furnish their Client ID and DP ID for easy identification of attendance at the Meeting.
3. Proxies are requested to bring their identity proof for verification at the entrance of the Meeting.



**Form No. MGT-11**

**Proxy form**

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

CIN: L85110KA 1993PLC014944

Name of the company: Camson Bio Technologies Limited

Registered office: C7, 7th Floor, Corporate Block, Golden Enclave, Old Airport Road, Bangalore 560017

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

I/ We, being the member (s) of ..... shares of the above named Company, hereby appoint

1. Name: .....

Address:

E-mail Id:

Signature....., or failing him

2. Name: .....

Address:

E-mail Id:

Signature....., or failing him

3. Name: .....

Address:

E-mail Id:

Signature: .....

as my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on the Tuesday 24<sup>th</sup> day of September 2019 at 12.30 P.M. at Survey 132, Madhure Hobli, Madagondanahalli, Doddabalapur-561 203, Karnataka and at any adjournment thereof in respect of such Resolutions as are indicated below:



Sl. No.	Description of Resolution	For	Against
	<b>ORDINARY BUSINESS</b>		
1.	To receive, consider and adopt the standalone and consolidated Financial Statements of the Company for the financial year ended March 31, 2019, together with the Auditors' Report thereon and the Board's Report including Secretarial Audit Report.		
2.	To appoint a Director in place of Mr. Peter Joseph Kennedy, (holding DIN: 06377043), who retires by rotation and being eligible, offers himself for re-appointment.		
	<b>SPECIAL BUSINESS</b>		
3.	Appointment of Mr. Virendra Kumar Singh (DIN: 07226146) as a Director of the Company.		
4.	Appointment of Mr. Virendra Kumar Singh (DIN: 07226146) as an Independent Director of the Company.		
5.	Appointment of Mr. Karan Singh (DIN: 00920982) as a Director of the Company.		

Signed this..... day of..... 2019

Signature of shareholder

Signature of Proxy holder(s)

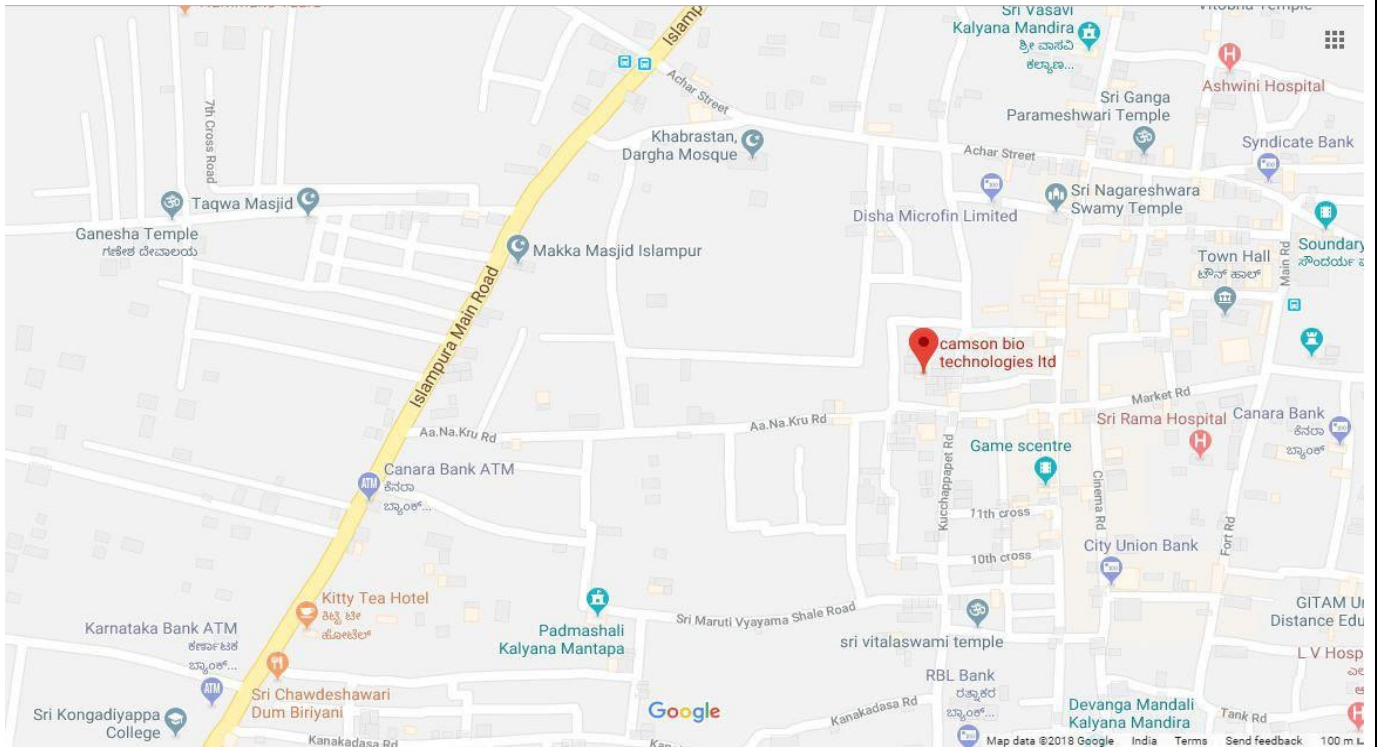
**Note:**

1. The proxy form duly signed across the Revenue Stamp must be deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.
2. A proxy need not be a member of the Company.
3. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/ she thinks appropriate.
4. For the resolution and notes please refer the accompanying Notice.
5. All alterations made in the form of proxy should be initialed.

AFFIX  
REVNUE  
STAMP



**ROUTE MAP**  
**VENUE OF 25<sup>th</sup> ANNUAL GENERAL MEETING**



**CAMSON BIO TECHNOLOGIES LIMITED**  
**Survey Number 132, Madagondanahalli Village,**  
**Maddhure Hobli, Doddaballapur- 561 203, Karnataka.**



**CAMSON**

## **BOARD'S REPORT**





## BOARD'S REPORT

Your Directors take immense pleasure in presenting their 25<sup>th</sup> Annual Report on the business and operations together with the Audited Financial Statements of the Company for the year ended 31<sup>st</sup> March, 2019.

### **Financial Results:**

(Amount in Lakhs)

Particulars	FY2019	FY2018
Net Sales	497.62	1931.04
Profit before depreciation & taxation	(1374.36)	(1840.71)
Less: Depreciation	697.31	719.01
Less: Provision for taxation	58.98	-
Add: Prior period adjustment (Taxation)	-	-
Profit after tax	(2189.63)	(1121.70)
Balance brought forward from last year	(9196.00)	(8074.29)
Transfer to General Reserve	-	-
Proposed Dividend and tax thereon	-	-
Balance carried forward	(11385.64)	(9196.00)

### **Financial and Operational Review:**

Financial Year 2019 was a challenging year for the bio-agri sector in India, marked by unfavorable weather conditions and subdued market demand and the Company registered an decrease in Net Sales by 74.23% compared to previous year.

For Financial Year 2019 Revenue witnessed decreased by 74.23% to Rs. 497.62 lakhs.

Your Company's 'Zero-Residue' biocides products continued to be the market leader in the fast growing organic agri space. Your Company continues to focus on technology and innovation with new product launches and innovative variants of existing products to make them more effective and efficient. This further enhances the Company's leading market position in the zero-residue biocides business.

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. A new set of distributors are being appointed to ensure requisite delivery volumes in a timely and cost efficient manner.

### **Dividend:**

In view of the losses incurred during the year, your Board has not recommended any dividend.

### **Share Capital:**

During the year under review, the Company has not issued any Equity Shares and therefore the Issued, Subscribed and Paid-up Equity Share Capital of your Company stands unchanged. As of 31<sup>st</sup> March, 2019, the outstanding, issued and paid-up equity shares stood at 29,999,840.

**General Reserves:**

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

**Term Loan and Working Capital:**

As of 31<sup>st</sup> March, 2019, the Company had total debt of Rs. 8625.07 Lakhs, Cash and Cash Equivalents were Rs. 6.36 Lakhs . The Total Debt is largely on account of borrowings, interest on borrowings, and other provisions created.

The Company continues to focus on judicious working capital management. Key working capital parameters were kept under strict check through continuous monitoring during the year. Camson also deploys a robust cash management system to ensure timely servicing of its liquidity obligations.

**Deposits:**

During the year under review, your Company neither invited nor accepted any deposits from the public and as such, no amount on account of principal or interest on public deposits was outstanding as on the date of the balance sheet within the meaning of Section 73 of the Companies Act, 2013, read with the Companies (Acceptance of Deposits) Rules, 2014.

**Loan from Director**

During the year under review, the Company has received loan from a Director to the extent of Rs. 67,21,655. The Company has received a declaration from the Director in writing to the effect that the amount is being given out of his own funds. The outstanding balance due to the Director as shown in the Notes to accounts is Rs. 6,61,81,848.

**Particulars of Loans, Guarantees or Investments:**

The loans or guarantees given by the Company covered under the provisions of Section 186 of the Companies Act, 2013 are annexed to this Report. The details of the investments made by Company are given in the notes to the financial statements and as below:

Sl.	ADVANCES	
	Subsidiary/Associate	Amount (in Rs)
1	Investment in Equity shares of Camson Agri-Ventures Private Limited	3,40,00,000/ -

**Guarantees and Security**

In 2015 a corporate guarantee of Rs. 130,000,000/ - (Rupees Thirteen Crores only) was given to Corporation Bank against the borrowing availed by Camson Agri-Ventures Private Limited, Associate Company. During the year, the Company has not given any Guarantee or Security.



### **Dematerialization:**

During the year, there was no change in the total number of outstanding Shares as on 31<sup>st</sup> March, 2019. During the year 23803551 Equity Shares of the Company consisting of 79.34% of the Shares are in dematerialized form as on 31<sup>st</sup> March, 2019.

### **Internal Control Systems and their Adequacy:**

Your Company 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.

### **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.

The Company ensures that the manufacturing operations are conducted in the manner whereby optimum utilization and maximum possible savings of energy is achieved. The nature of our manufacturing process is such that it does not have a significant ecological footprint and therefore, for the year, no specific investments were required to be made in further reducing the energy consumption. 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's products are manufactured using in-house know how and research facilities and no outside technology is being used for manufacturing activities. 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.



The in-house developed 'Proprietary Technology Platform' and research facilities are augmented with latest operating systems, a large library of microbes & microbial cultures and scientific testing tools. Your Company places significant emphasis on creating and managing the Intellectual Property in the areas of biocides inputs, water soluble natural fertilizers and hybrid seeds. Additionally, the Company continues to identify and develop new technology in order to meet the expected future requirements.

Your Company 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, the Company has not spent any amount towards foreign exchange.

The particulars are enclosed as **Annexure A** to the Board's Report.

#### **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.

#### **Key Managerial Personnel:**

During the year under review, the Key Managerial Personnel of the Company comprised of the following members:

<b>SLNo.</b>	<b>Name of the person Messrs</b>	<b>Designation</b>
1.	Dhirendra Kumar	Managing Director
2.	Goonj Rastogi	Company Secretary*
3.	Pooja Gupta	Company Secretary*
4.	Chandra Prakash Sharma	Chief Financial Officer*



\*3. Ms. Pooja Gupta was appointed as Company Secretary w.e.f 12<sup>th</sup> December, 2017 and subsequently resigned w.e.f 26<sup>th</sup> April, 2018.

\*4. Mr. Chandra Prakash Sharma has been appointed as a Chief Financial Officer with effect from 12<sup>th</sup> February, 2019.

\* Ms. Goonj Rastogi was appointed as the Company Secretary & Compliance Officer by the Board in its Meeting dated 12<sup>th</sup> February, 2019 and subsequently resigned w.e.f. 13<sup>th</sup> May, 2019.

### **Change in Directors 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.

Mr. Veerendra Kumar Singh, ceased to be a Non- Executive Director with effect from 28<sup>th</sup> September, 2018.

Mr. Declan Pearse Macfadden resigned from the office of Independent Director with effect from 25<sup>th</sup> June, 2019

The Board had appointed Ms. Goonj Rastogi w.e.f 12<sup>th</sup> February, 2019, however, she resigned from the post with effect from 13<sup>th</sup> May, 2019.

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

As per the provisions of Section 152 of the Act, Mr. Peter Joseph Kennedy, (having DIN: 06377043), who has been longest in office is eligible to retire by rotation. However, he offers himself for re-appointment.

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

Your Company has received declarations from Dr. Anurudh Kumar Singh, Mr. Manoj Srivastava, Mr. Vinod Kumar Lahoti and Mr. Declan Pearse Macfadden Independent Directors that they meet the criteria of independence as provided in subsection (6) of Section 149 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

Mr. Declan Pearse Macfadden and Mr. Vinod Kumar Lahoti resigned with effect from 25<sup>th</sup> June, 2018 and 18<sup>th</sup> June, 2019 respectively.



Your Directors place on record their sincere appreciation to the Directors who have resigned during the year for the valuable services rendered by them during their tenure as Directors in the Company.

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

The details of the Board Meetings and other Committee Meetings held during the financial Year 2018-19 are stated in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. The maximum interval between any two meetings did not exceed 120 days.

**E. Board Committees:**

The Company has setup the following Committees of the Board:

Audit Committee, Nomination and Remuneration Committee, Stakeholders' Relationship Committee and Corporate Social Responsibility 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 23 employees as of 31<sup>st</sup> March, 2019. Pursuant to Section 197(12) 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-E**.

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. Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the performance evaluation of the Board for FY 2018-19 will be carried out in FY 2019-20 as per the comprehensive and structured questionnaire framed by Nomination and Remuneration Committee. Your Board has initiated the process of performance evaluation of the Board which was done at the Meeting on 12<sup>th</sup> February, 2019 and requisite criteria have been established. The criteria provides for evaluation of the Board, the Committees of the Board and individual Directors, including the Chairman of the Board. A separate exercise was carried out to evaluate



the performance of individual Directors including the Chairman of the Board/ Committees', who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority Shareholders etc. Board evaluation plays an important role in further enhancing the governance standards of the Company and your Company keeps a closer view on the evaluation Policy and its framework.

The Board has received consistent ratings on its overall effectiveness and has been rated comparatively higher this year for composition of Directors and their skills, attributes and experience. The Board has also noted areas requiring more focus in the future.

**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:**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Act (to the extent notified) and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance.

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 2018-19, 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/ loss 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.

The particulars of every contract / arrangement entered into by the Company with the related parties, referred to Section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto has been disclosed in Form AOC 2 [Annexure C].

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

#### **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 laid down by the Board is known as 'Code of Business Conduct' which has been posted on the Company's website at [www.camsonbiotechnologies.com](http://www.camsonbiotechnologies.com).

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.

**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 interest 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.

**Statutory Auditors:**

Messrs YCRJ & Associates, Chartered Accountants were appointed as the Statutory Auditor of your Company at the 23<sup>rd</sup> Annual General Meeting held on 19<sup>th</sup> September for 5 years. As per the provision of Section 139 of the Companies Act, 2013, appointment of Auditor need to be ratified by Members at every Annual General Meeting.

In accordance with the Companies Amendment Act, 2017 enforced on 7<sup>th</sup> May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditor is not required to be ratified in every Annual General Meeting.

**Auditor's Report for the Year Ended FY 2019:**

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



Sl. No	Basis for Qualified Opinion	Explanation by the Board
1	The Company has not provided the confirmation of balances & status of account for certain Bank & NBFC accounts. The impact of the same, if any, on the financial statements could not be quantified as the requisite information & records are not made available for our verification.	In spite of various reminders, the bankers have failed to provide the balances.
2	The Company has reported Rs. 25.88 crore as inventory held by the company. Due to the nature of the inventory, we could not verify the quantity as well as value of the inventory as we could not satisfy ourself about the correctness of quantity of inventory held. Also we have not been provided with the basis for valuation of inventory held as on 31.03.2019. Further, during the year the Company has revalued the inventory, as a result there is a reduction of inventory to the extent of Rs. 12.65 crore the basis of such revaluation has not been provided to us. In view of the above we are unable to comment on the value of inventory reported.	The inventory is in the form of products and work in progress (i.e, in fermenters) which cannot be opened for the fear of contamination. The new stock material position has however been shown.
3	The Company has not provided for certain interest & other charges payable to the Bank & NBFC accounts due to non-receipt of statement & confirmation of balances. The impact of the same on financial statements could not be quantified as the requisite information & records are not made available for our verification. Further during the year the company has reversed interest on secured loans which was provisioned during the earlier period/ year amounting to Rs. 7.46 crore, resulting understatement of loss & liabilities.	In spite of repeated reminders to various banks & NBFC, we have not received any confirmation from them.
4	As on 31.03.2019 the Company has reported Biological Asset for an amount of Rs. 67.63 lakhs for which the basis of valuation and its recognition has not been produced for our verification. Hence we are unable to comment on value of the Biological asset reported.	The biological assets have been recognized three years back for the development of a new product.
5	The Company has recognized liability towards gratuity of Rs. 4.95 lakh, which is not as per actuarial valuation. Hence we are unable to comment on whether the gratuity liability has been accounted as per Ind AS 19 (Employee Benefits).	The gratuity and salary of staffs who have not submitted the No Objection Certificate and got clearance from the Company has been kept on hold as they have not fulfilled the policy of the company.
6	The Company has reported Rs. 2.31 crore under other income reversal of employees salary payable. However, we have not been provided with employee	The employee who have left the Company without proper handover has been cancelled as



	wise breakup of salary payable, aging of the liability and supporting documents for such write off. And there were no other satisfactory audit procedures that we could adopt to satisfy ourself that the reversal of liability is free from material misstatement.	per the Company policy.
7	The company has reported Rs. 79.07 lakhs under other income being reversal of trade payables. However, we have not been provided with vendor wise trade payable, aging of the liability & supporting documents for such write off. And there were no other satisfactory audit procedures that we could adopt to satisfy ourself that the reversal of liability is free from material misstatement.	Many vendors were found to submit substandard stocks which after checking and were found to be defective has been reversed.
8	As on 31.03.2019 the company has reported investment in equity shares of M/s. Camson Agri Ventures Private Limited (6500 shares of face value of Rs. 10 each & 33,93,500 shares at Rs. 17.60 each). However we have not been provided with the audited financial statements of M/s. Camson Agri Ventures Private Limited (Associate Company) for the FY 2018-19. Hence not able to comment on the impact on statement of profit & loss, if any, and on carrying value of investment due to profitability/performance of the Associate Company.	M/s. Camson Agri Ventures Private Limited has been forcefully taken over by undefinable elements of the society. A police complaint has been made and the matter is still continuing. Due to force majeure the auditors are unable to complete their tasks as all computers, stocks etc have been destroyed.
9	The Company has not provided the breakup for trade receivables reported in the financial statement. Further we have not been provided with confirmation of balances for trade receivables as at the end of the year. Hence, we cannot comment on the reliability of the trade	In spite of various reminders, the parties have failed to provide the balances.
10	The company has not provided the breakup for Trade payables reported in the financial statement. Further we have not been provided with confirmation of balance for trade payables as at the end of the year. Hence, we cannot comment on the reliability of the Trade Payable balance.	Various reminders were sent to the parties but have not received the confirmation of balances from them.

#### 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 C]. The Secretarial Audit Report contains

following qualifications, reservations or adverse remarks.



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

<b>Sl. No.</b>	<b>Qualifications made by Secretarial Auditor</b>	<b>Explanations by the Board</b>
<b>1</b>	Section 138 of the Companies Act, 2013 relating to appointment of Internal Auditor was not complied with.	The Company could not find a professional to conduct the audit during the Financial Year. Further the Company in its Meeting held on August 12, 2019 appointed M/s. Mishra & Associates, Chartered Accountants as Internal Auditor for the FY 2019-20.
<b>2</b>	Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Board was not complied with.	Due to the resignation of some Independent Directors from the Board of the Company Regulation 17(1) was not complied with. The Company at a later date has complied with the Regulation.
<b>3.</b>	The Company had not appointed Company Secretary for the period from 26.04.2018 to 12.02.2019.	The Company couldn't find a suitable candidate for the post. Furthermore, the Company has appointed Ms. Goonj Rastogi as a Company Secretary with effect from February 12, 2019.
<b>4.</b>	Transfer of Unclaimed Dividend and Transfer of Shares to IEPF as per the Rules thereunder was not done.	The Company is in the process of transferring the same to IEPF.
<b>5.</b>	Compliances under Secretarial Standards on Board and General Meetings i.e. SS - 1 and SS - 2 are not satisfactory and the Company needs to take proper steps to comply with the same.	The Company has taken utmost care to adhere with Secretarial Standards.
<b>6</b>	Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment at Work Place, Act, 2013 does not have the External Member.	The Company is in the process of finalizing and appointing an external member to Internal Complaints Committee.
<b>7</b>	The Company does not have a functional website.	The website of the Company is presently under construction.
<b>8</b>	Contributions to PF and ESI authorities were noted to be pending for entire financial year.	As the Company is going through a financial crisis therefore the contributions to the PF and ESI authorities were pending. The Company has started making contributions to the respective funds at present.



**CAMSON**

<b>9</b>	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.	The Company did not have any professional to comply with the same within due date. The Company had complied the same at a later date.
<b>10</b>	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.
<b>11</b>	There was delay in filing RBI Annual Return.	The Company did not have any professional to comply with the same within due date. The Company had complied the same at a later date.

**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 2017-18:

- No of complaints received: NIL
- No of complaints disposed off: NIL
- No of cases pending for more than 90 days: Nil

**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.

**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 extract of the Annual Return in form of MGT-9 is annexed herewith as **[Annexure D]**.

**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, together with the Certificate from a Practising Company Secretary regarding compliance with the requirements of Corporate Governance norms as stipulated in Regulation 34 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

**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 2018-19 to BSE Limited where the Company's Shares are listed.

**Transfer to Investor Education and Protection Fund (IEPF)**

Pursuant to the provisions of Sections 123 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the Unclaimed Dividend and Deposits, remain unclaimed and unpaid for a period of more than 7 years. The Company will be accordingly transferring an amount aggregating to unpaid dividend during the year to the Investor Education and Protection Fund within 30 days from the expiry of 7 years.

Shareholders may note that both the unclaimed dividend and the corresponding shares transferred to IEPF including all benefits accruing on those shares, if any, can be claimed back from the IEPF following the procedure prescribed in the rules. No claim shall lie in respect



thereof with the Company.

During the year 2018-19, unclaimed Dividend for financial year 2011-12 of Rs. 3,31,093 (Rupees Three Lakh Thirty One Thousand and Ninety Three only) was transferred to the Investor Education and Protection Fund (IEPF), as required under the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time). Pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules mentioned aforesaid, equity shares in respect of which dividend has not been claimed for the financial year 2011-12 will be transferred to the IEPF Authority in accordance with the aforesaid rules.

**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, 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.

**For and on behalf of the Board of Directors**

**Place: Bangalore**

**Date: 28<sup>th</sup> May, 2019**

**Dhirendra Kumar**  
**Managing Director**  
**DIN: 00301372**

**Akbal Narayan Singh**  
**Director**  
**DIN: 00296396**





## ANNEXURE A

### Energy Conservation, Technology Absorption and Foreign Exchange

[Particulars pursuant to the provisions of Section 134(3)(m) of the Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

#### **(A) Conservation of Energy:**

Though the Company does not have energy intensive operations, it continues to adopt energy conservation measures.

Energy conservation programs adopted by the Company are -

- (i) Continuous monitoring of energy consumption.
- (ii) Spreading awareness among the employees on the need to conserve energy.
- (iii) Optimizing plant and machinery system performance to reduce cost.
- (iv) Rain Water Harvesting

Further, the Company is implementing the provisions of ISO 9001: 2008 and OHSAS 18001:2007

#### **(B) Research and Development and Technology Absorption:**

The Company has continuously strived to develop unique products and has laid emphasis on ramping up its research and development activities.

The fresh initiatives, during the year, have been-

- (i) Company is constantly involved in large scale tree planting activities within its premises towards maintaining the ecological balance and prevention of soil erosion.
- (ii) The Company has also initiated activities towards harnessing of solar energy for its critical operations and is also exploring ways to garner wind energy in the future.

#### **(C) Foreign Exchange Earnings and Outgo:**

During the year, the Company has not spent any amount towards Foreign Exchange.

**For and on behalf of the Board of Directors**

**Place: Bangalore**

**Date: 28<sup>th</sup> May, 2019**

**Dhirendra Kumar**  
**Managing Director**  
**DIN: 00301372**

**Akbal Narayan Singh**  
**Director**  
**DIN: 00296396**





**ANNEXURE B**

**Form No. AOC-2**

(Pursuant to clause (h) of sub-Section (3) of Section 134 of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-Section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

**1. Details of contracts or arrangements or transactions not at arm's length basis: NA**

During the Financial Year 2018-19, all the related party transactions are entered in the ordinary course of business and at Arm's length basis.

**2. Details of material contract, arrangement or transaction at arm's length basis**

Name of related party	Nature of relationship	Salient Terms/Nature of the Contract	Amount in Rs
Mrs. Geeta Singh	Relative of KMP	Loan and advances given to the Company	22,32,812
Camson Seeds Limited	( Public Company in which a director is a director and holds along with relatives more than 2% of the paid up share capital)	Bio-seeds Sales	44,60,549
Mr. Karan Singh	Relative of KMP	Loan and advance given to the Company.	36,83,661

**For and on behalf of the Board of Directors**

Place: Bangalore  
Date: 28<sup>th</sup> May, 2019

**Dhirendra Kumar**  
Managing Director  
DIN: 00301372

**Akbal Narayan Singh**  
Director  
DIN: 00296396



ANNEXURE C

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED 31.03.2019

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

To  
The Members  
CAMSON BIO TECHNOLOGIES LIMITED

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Camson Bio Technologies Limited (CIN: L85110KA1993PLC014944) (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31.03.2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;



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- (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;
- i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
- j) Circulars/Guidelines issued there under;

(vi) The Industry specific laws applicable to the Company are as follows:

- a) Food Safety and Standards Act, 2006
- b) Export (Quality Control and Inspection) Act, 1963
- c) Agricultural and Processed Food Products Export Act, 1986
- d) Agricultural Produce (Grading and Marking) Act, 1937

(vii) The other general laws as may be applicable to the Company including the following:

**(1) Employer/Employee Related laws & Rules:**

- i. Industries (Development & Regulation) Act, 1951
- ii. [The Factories Act, 1948](#)
- iii. The Employment Exchanges (Compulsory notification of Vacancies) Act, 1959
- iv. The Apprentices Act, 1961
- v. [The Employees Provident Fund & Miscellaneous Provisions Act, 1952](#)
- vi. [The Employees State Insurance Act, 1948](#)
- vii. The Workmen's Compensation Act, 1923
- viii. The Maternity Benefits Act, 1961
- ix. The Payment of Gratuity Act, 1972
- x. The Payment of Bonus Act, 1965
- xi. The Industrial Disputes Act, 1947
- xii. The Trade Unions Act, 1926
- xiii. The Payment of Wages Act, 1936
- xiv. The Minimum Wages Act, 1948
- xv. The Child Labour (Regulation & Abolition) Act, 1970
- xvi. The Contract Labour (Regulation & Abolition) Act, 1970
- xvii. The Industrial Employment (Standing Orders) Act, 1946
- xviii. Equal Remuneration Act, 1976
- xix. Inter-State Migrant Workmen (Regulation of Employment and Conditions of Services) Act, 1979



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- xx. The Sexual Harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013
- xxi. Persons with Disabilities (Equal Opportunities, Protection of Rights and Full Participation) Act, 1996
- xxii. Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013
- xxiii. Dangerous Machines (Regulation) Act, 1983
- xxiv. Indian Boilers Act, 1923
- xxv. The Karnataka Shops & Establishments Act, 1961
- xxvi. The Industrial Establishments (National and Festival Holidays) Act, 1963
- xxvii. The Labour Welfare Fund Act, 1965
- xxviii. The Karnataka Daily Wage Employees Welfare Act, 2012
- xxix. For majority of Central Labour Laws the State has introduced Rules [names of each of the Rules is not included here

**(2) Environment Related Acts & Rules:**

- i. The Environment Protection Act, 1986
- ii. The Water (Prevention & Control of Pollution) Act, 1974
- iii. The Air (Prevention & Control of Pollution) Act, 1981
- iv. Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008.
- v. The Karnataka Ground Water (Regulation for Protection of Sources of Drinking Water) Act, 1999

**(3) Economic/Commercial Laws & Rules:**

- i. The Competition Act, 2002
- ii. The Indian Contract Act, 1872
- iii. The Sales of Goods Act, 1930
- iv. The Forward Contracts (Regulation) Act, 1952
- v. The Indian Stamp Act, 1899
- vi. The Transfer of Property Act, 1882

I have also examined compliances with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India on the Board and General Meetings i.e. SS - 1 and SS - 2.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above. Certain non material findings made during the course of the audit relating to Labour Laws were addressed suitably by the Management. Following observations have been brought before the shareholders which are treated as material in nature:

- a) *Section 138 of the Companies Act, 2013 relating to appointment of Internal Auditor is not complied with.*



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- b) *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.*
- c) *There was no Company Secretary for the Company for the period of 9 months i.e. from 26.04.2018 to 12.02.2019.*
- d) *Transfer of Unclaimed Dividend and Transfer of Shares to IEPF as per the Rules thereunder was not done.*
- e) *Compliances under Secretarial Standards on Board and General Meetings i.e. SS - 1 and SS – 2 are not satisfactory and the Company needs to take proper steps to comply with the same.*
- f) *Internal Complaints Committee (ICC) under the Prevention of Sexual Harassment at Work Place, Act, 2013 does not have the External Member.*
- g) *The Company does not have a functional website.*
- h) *Contributions to PF and ESI authorities were noted to be pending for entire financial year.*
- i) *Certain reports required to be filed under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are not filed within prescribed time.*
- j) *Certain returns/registers required to be filed/maintained under some of the general laws are not maintained/filed within prescribed time.*
- k) *There was delay in filing RBI Annual Return.*

Further, I report that with regard to financial and taxation matters, I have relied on the Audit Report, Limited Review Report and the Internal Audit Report provided by the Statutory/Internal Auditor as the case may be.

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes as per the practice followed. However, during the period under report, there was no such case instance.



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I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Bangalore

Date: 28.05.2019

(Vijayakrishna KT)

FCS No.: 1788

C P No.: 980

*Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.*



**'Annexure'**

My report of even date is to be read along with this letter:

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. I believe that the processes and practices, I have followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of Financial records and Books of Accounts of the Company including records under Income Tax Act, Central Excise Act, Customs Act, Goods and Service Tax Act.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. My examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Place: Bangalore

Date: 28.05.2019

(Vijayakrishna KT)

FCS No.: 1788

C P No.: 980



## ANNEXURE D

### **Form No. MGT-9 [EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March, 2019]**

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

#### **I. REGISTRATION AND OTHER DETAILS:**

- i) CIN: L85110KA1993PLC014944
- i) Registration Date: November 19, 1993
- ii) Name of the Company: Camson Bio Technologies Limited
- iii) Category / Sub-Category of the Company: Company Limited by Shares
- iv) Address of the Registered office and contact details: C7, 7th Floor, Corporate Block, Golden Enclave, Old Airport Road, Bangalore - 560017
- v) Whether listed company: YES
- vi) Name, Address and Contact details of Registrar and Transfer Agent: Integrated Registry Management Services Private Limited, No. 30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleshwaram , Bangalore – 560003

#### **II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S.NO	NAME & DESCRIPTION OF MAIN PRODUCTS	NIC CODE OF THE PRODUCT	% TO TOTAL TURNOVER OF THE COMPANY
1	AGRICULTURAL BIOTECH PRODUCTS	-	100%

#### **III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

Sl. No	Name & Address of The Company	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
1	Camson Agri Ventures Private Limited C 7, 7 <sup>th</sup> Floor, Corporate Block, Golden Enclave, Old Airport Road, Bangalore 560017	Associate Company	42.5	2(6)







<b>(1)</b> <b>Institutions</b>										
a) Mutual Funds	-	-	-	-	-	-	-	-	-	-
b) Banks/ FI	950	-	950	0.00	950	-	950	0.00		-
c) Cenntal govt	-	-	-	-	-	-	-	-	-	-
d) State Govt.	-	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-	-
g) FIIS	72075	5869840	5941915	19.81	-	5869840	5869840	19.57		-0.24
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL (B)(1):</b>	<b>73025</b>	<b>5869840</b>	<b>5942865</b>	<b>19.81</b>	<b>950</b>	<b>5869840</b>	<b>5870790</b>	<b>19.81</b>		<b>0.00</b>
<b>(2) Non Institutions</b>										
a) Bodies corporates										
i) Indian	3302427	16934	3319361	11.06	3044265	16934	3061199	10.20		-0.86
ii) Overseas	-	-	-	-	-	-	-	-	-	
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	4732111	314115	5046226	16.82	4619020	309515	4928535	16.43		-0.39
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	7577561	-	7577561	25.26	8126874	-	8126874	27.09		1.83
c) Others (specify)										
NRI	371408	-	371408	1.24	378688	-	378688	1.26		0.02
Clearing Member	247469	-	247469	0.82	138804	-	138804	0.46		-0.36
Trusts	2250	-	2250	0.01	2250	-	2250	0.01		0.00
Foreign Individuals	400	-	400	0.00	400	-	400	0.00		0.00
IEPF	153700	-	153700	0.51	153700	-	153700	0.51		-



<b>SUB TOTAL (B)(2):</b>	<b>16387326</b>	<b>331049</b>	<b>16718375</b>	<b>55.73</b>	<b>16464001</b>	<b>326449</b>	<b>16790450</b>	<b>55.97</b>		<b>0.24</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>16460351</b>	<b>6200889</b>	<b>22661240</b>	<b>75.54</b>	<b>16464951</b>	<b>6196289</b>	<b>22661240</b>	<b>75.54</b>		<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-		-
<b>Grand Total</b>	<b>23798951</b>	<b>6200889</b>	<b>29999840</b>	<b>100.00</b>	<b>23803551</b>	<b>6196289</b>	<b>29999840</b>	<b>100.00</b>		<b>0.00</b>

ii) Shareholding of Promoters

Sl No	Shareholders Name	Shareholding at the beginning of the year - 01.04.2018			Shareholding at the end of the year - 31.03.2019			% change in shareholding during the year
		No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	No of shares	% of total shares of the company	% of shares pledged encumbered to total shares	
1	DHIRENDRA KUMAR	1944680	6.48	99.97	1944680	6.48	99.97	0.00
2	AKBAL NARAYAN SINGH	118500	0.40	0.00	118500	0.40	0.00	0.00
	<b>Person Acting in Concert</b>							
3	ALKA SINGH	32710	0.11	0.00	32710	0.11	0.00	0.00
4	GEETA SINGH	792710	2.64	0.00	792710	2.64	0.00	0.00
5	KARAN SINGH	850000	2.83	0.00	850000	2.83	0.00	0.00
6	VEERENDRA KUMAR SINGH	110000	0.37	0.00	110000	0.37	0.00	0.00
7	REEYA SINGH	700000	2.33	0.00	700000	2.33	0.00	0.00
8	M/ S SHA SHTIKA HEALTH RESORT & SPA PRIVATE LIMITED	2790000	9.30	0.00	2790000	9.30	0.00	0.00
	<b>Total</b>	<b>7338600</b>	<b>24.46</b>	<b>99.97</b>	<b>7338600</b>	<b>99.97</b>	<b>0.00</b>	<b>0.00</b>



iii) *Change in Promoters' Shareholding (please specify, if there is no change) – NO CHANGE*

iv) *Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):*

SLNO	NAME OF THE SHARE HOLDER	SHAREHOLDING AT THE BEGINNING OF THE YEAR - 01.04.2018		CUMULATIVE SHAREHOLDING DURING THE YEAR - 31.03.2019	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	BIO HARVEST PTE. LTD.	5869840	19.57	5869840	19.57
2	SILVERCROSS MARKETING PVT LTD	975000	3.25	975000	3.25
3	HSQUARE GLOBETRADE LLP	0	0.00	540000	1.80
4	RAMA KRISHNA PILAKA	504000	1.68	504000	1.68
5	SUDHA K	500000	1.67	500000	1.67
6	KALPRAJ DAMJI DHARAMSHI	295000	0.98	500000	1.67
7	ATUL CHURIWAL	0	0.00	393000	1.31
8	Indian Syntans Investments Private Limited	307000	1.02	307000	1.02
9	KARAN G MEHTA	272165	0.91	272165	0.91
10	ARVIND BABURAO JOSHI	135000	0.45	270811	0.90

(v) *Shareholding of Directors and Key Managerial Personnel:*

Sl. No.	Name of the Director / KMP Messrs	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dhirendra Kumar	1944680	6.48	1944680	6.48
2	Akbal Narayan Singh	118500	0.39	118500	0.40
3	Veerendra Kumar Singh*	110000	0.36	110000	0.37
4	Anurudh Kumar Singh	200	0.00067	200	0.00067
5	Manoj Srivastava	0	0	0	0
6	Vinod Kumar Lahoti#	0	0	0	0
7	Declan Pearse Macfadden**	0	0	0	0
8	Peter Joseph Kennedy	0	0	0	0
10	Geok Lan Tay	0	0	0	0
11	Chandra Prakash Sharma	0	0	0	0
12	Goonj Rastogi##	0	0	0	0

\*Mr. Veerendra Kumar Singh ceased to be a Director with effect from 28<sup>th</sup> October, 2018.

\*\*Mr. Declan Pearse Macfadden ceased to be a Director with effect from 25<sup>th</sup> June, 2018.

#Mr. Vinod Kumar Lahoti ceased to be a Director with effect from 18<sup>th</sup> June, 2019.

## Ceased to be a Company Secretary with effect from 13<sup>th</sup> May, 2019.



## V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits *	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	281665613	20,52,87,216	-	486952829
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	281665613	20,52,87,216	-	486952829
<b>Change in Indebtedness during the financial year</b>				
Addition	83416000	7533000	-	90949000
Reduction	88569000	303000	-	88872000
<b>Net Change</b>	(5152000)	(7230000)	-	(12382000)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	276513613	198057216	-	474570829
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	276513613	198057216	-	474570829

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. *Remuneration to Managing Director and Whole-time Director for the FY 2018-19*

Sl. No.	Particulars of Remuneration	Mr. Dharendra Kumar (From 9 <sup>th</sup> August till date) in Rs
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/ s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	84,16,500
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission(as % of profit/ others,specify	Nil
5.	Others, please specify	Nil
6.	Total (A)	84,16,500

**NOTE:** The above Remuneration is within the ceiling limits of Companies Act, 2013



**B. Remuneration to other Directors: (Amount in Rs.)**

Particulars	Dr. A. K. Singh	Mr. Manoj Srivastava	Mr. Vinod Kumar Lahoti
Fee for attending Board/Committee Meeting*	80,000	10,000	80,000
Commission	Nil	Nil	Nil
<b>Total</b>	<b>80,000</b>	<b>10,000</b>	<b>80,000</b>

- The Sitting Fee component includes Service Tax and TDS

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MA  
(In Rs)**

Sl	Particulars of Remuneration	Key Managerial Personnel		
		CFO – Chandra Prakash Sharma#	Company Secretary – Goonj Rastogi*	Company Secretary- Pooja Gupta**
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/ s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	88,393	54,643	39,867
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission(as % of profit/ others, specify)	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
6.	<b>Total</b>	<b>88,393</b>	<b>54,643</b>	<b>39,867</b>

**#Mr. Chandra Prakash Sharma appointed as a Chief Financial Officer with effect from 12<sup>th</sup> February, 2019**

**\*Ms. Goonj Rastogi resigned from the post of Company Secretary and Compliance Officer with effect from 13<sup>th</sup> May, 2019.**

**\*\* Ms. Pooja Gupta resigned from the post of Company Secretary and Compliance Officer with effect from 26<sup>th</sup> April, 2018.**



**Note:** The details of Remuneration of Key Managerial personnel other than MD/ Manager/ WTD aforementioned includes only the details of KMP associated with the Company during the entire Financial Year 2018-19.

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

During the Financial year under review, there were no penalties / compounding of offences / punishment imposed on Directors / KMP under Companies Act,2013 / Foreign Exchange Management Act, 1999 / SEBI Regulations / Guidelines or under any Legislation.

For and on behalf of the Board of  
Directors

Place: Bangalore  
Date: 28<sup>th</sup> May, 2019

Dhirendra Kumar  
Managing Director  
DIN: 00301372

Akbal Narayan Singh  
Director  
DIN: 00296396



**ANNEXURE E**

**Details of Ratio of Remuneration of Director**

**[Section 197(12), r/w Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel), Rules, 2014]**

(i) The ratio of the remuneration of each Director to the median remuneration of the Employees of the Company for the Financial Year;	Executive Director-0.05 Non –Executive* (Median Remuneration of Employees- Rs. 3.84 Lakhs)
(ii) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year;	Chief financial Officer** Company Secretary***
(iii) The percentage increase/ (Decrease) in the median remuneration of employees in the Financial Year;	-
(iv) The number of permanent employees on the rolls of Company;	The company had a permanent headcount of 23 on the rolls as of 31 <sup>st</sup> March 2019.
(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	No.
(vi) Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, the remuneration paid is as per the remuneration policy of the Company.

**\*Non –Executive Director Independent Director were paid sitting fees (inclusive of Service tax and TDS)**

**\*\*Mr. Chandra Prakash Sharma appointed as a CFO with effect from 12<sup>th</sup> February, 2019.**

**\*\*\*Ms. Goonj Rastogi was appointed as Company Secretary w.e.f 12<sup>th</sup> February, 2019 and resigned w.e.f 13<sup>th</sup> May, 2019.**

For and on behalf of the Board of Directors

Place: Bangalore  
Date: 28<sup>th</sup> May, 2019

Dhirendra Kumar  
Managing Director  
DIN: 00301372

Akbal Narayan Singh  
Director  
DIN: 00296396





CAMSON

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# **CORPORATE GOVERNANCE REPORT**

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**CAMSON**

## **CORPORATE GOVERNANCE REPORT**

[In terms of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')]

### **Company's Philosophy on Code of Corporate Governance**

Camson believes that Corporate Governance is about commitment to values and ethical business conduct in all its activities and processes. Your Company has fulfilled all the existing guidelines under the Listing Regulations.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stakeholders' value. Your Company looks at Corporate Governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

### **BOARD OF DIRECTORS:**

#### **Composition, Category of Directors and their other Directorship**

The Board comprises of Executive and Non-Executive Directors, who are persons of vast and varied experience and with professional background and experience in Business, Industry, Finance and Law. The Board of Directors of the Company is headed by an Executive Director.

As at the financial year ended 31<sup>st</sup> March, 2019, the Board of Directors of the Company had an optimum combination of Executive and Non-Executive Directors and not less than fifty percent (50%) of the Board of Directors comprises Non-Executive Directors and is in conformity with the provisions of the Companies Act, 2013 and the Listing Regulations. The Company was not in compliance with Regulation 17 of the Listing Regulations for one quarter. At present the Company has complied with the Regulation 17 of the Listing Regulations.

The Company has obtained the requisite disclosures from the Directors in respect of their directorship in other companies and membership/ Chairmanship in committees of other companies. The Independent Directors have given declaration pursuant to the provisions of Section 149 of the Companies Act, 2013 that they meet the criteria of independence. The Board of Directors confirms that all the Independent Directors of the Company fulfill the conditions specified under the Listing Regulations and are Independent of the Management of the Company.

None of the Directors is a Director in more than eight (8) Listed Companies or ten (10) Public Limited Companies or acts as an Independent Director in more than seven (7) Listed Companies. Further, none of the Directors acts as members of more than 10 (ten) Committees or Chairman of more than 5 (five) Committees in public limited companies in which they are Directors.

The Board comprises of one (1) Executive Director and Six (6) Non-Executive Directors as on 31<sup>st</sup> March, 2019.



Sl. No.	Name of the Director	Category of Directorship	No. of Directorships in other Public and Private Limited Companies	No. of Committees (other than this Company) as Chairman Member
1	Mr. Dhirendra Kumar	Executive Director	3	0
2	Mr. Akbal Narayan Singh	Non-Executive and Non Independent	0	1
3	Dr. Anurudh Kumar Singh	Non-Executive and Independent	1	1
4	Mr. Veerendra Kumar Singh*	Non-Executive and Non Independent	1	1
5	Mr. Manoj Srivastava	Non-Executive and Independent	1	0
6	Mr. Vinod Kumar Lahoti*	Non-Executive and Independent	5	1
7	Mr. Declan Pearse Macfadden*	Non-Executive and Independent	N.A.	N.A.
8	Mr. Peter Joseph Keneddy	Non-Executive and Non Independent	1	0
9	Ms. Geok Lan Tay	Non-Executive and Non Independent	2	0

1. \*Mr. Veerendra Kumar Singh vacated the office of Non-Executive and Non-Independent Director of the Company with effect from 28<sup>th</sup> October, 2018.
2. \*Mr. Declan Pearse Macfadden resigned from the position of the Independent Director w.e.f from 25/06/2018.
3. Mr. Vinod Kumar Lahoti resigned from the position of Independent Director with effect from 18<sup>th</sup> June, 2019.

NOTE: The above details are in respect of their directorships only in Indian Companies and Committee memberships in only Audit Committee and Stakeholders' Relationship Committee.

### **Skills/ Expertise/ Competencies of the Board**

Considering the nature of business of the Company and the sector and economic environment in which it functions, the skills/ expertise/ competencies required by the Board of Directors include knowledge about research & development, accounts and finance and general business administration, at micro and macro level. The Board of Directors of the Company comprise of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board consists of a judicious mix of Bio-technocrats, Research Analyst, Entrepreneurs and seasoned businessmen with over 4 decades of experience.



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**Declaration under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirement) (Amendment) Regulations, 2018:**

All the Directors have confirmed that they are neither debarred nor disqualified from being appointed or continuing as Director by the Securities and Exchange Board of India /the Ministry of Corporate Affairs or any such statutory authority. The Company has obtained a Certificate from a Practising Company Secretary to this effect from Mr. Vijayakrishna K.T., Practising Company Secretary, Bangalore as mandated under Schedule V, Part C, Clause 10(i) of SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018.

**(b) Number of Board Meetings**

During the year ended 31<sup>st</sup> March, 2019, Four (4) Board Meetings were held on 30.05.2018, 13.08.2018, 14.11.2018 and 12.02.2019. The attendance record of the Directors is given hereunder:

Sl. No.	Name of the Director	Board Meetings Attended During the Year	Whether Attended Last AGM
1	Mr. Dharendra Kumar	4	Yes
2	Mr. Akbal Narayan Singh	4	Yes
3	Dr. Anurudh Kumar Singh	4	No
4	Mr. Veerendra Kumar Singh*	0	No
5	Mr. Peter Joseph Kennedy	1	No
6	Mr. Declan Pearse Macfadden*	0	No
7	Mr. Manoj Srivastava	1	No
8	Mr. Vinod Kumar Lahoti*	4	Yes
9	Ms. Geok Lan Tay	1	No

\*Mr. Veerendra Kumar Singh ceased to be a Director w.e.f. 28<sup>th</sup> September, 2018.

\* Mr. Declan Pearse Macfadden ceased to be a Director due to resignation w.e.f. 25<sup>th</sup> June, 2018.

\* Mr. Vinod Kumar Lahoti ceased to be a Director due to resignation w.e.f. 18<sup>th</sup> June, 2019.

**COMMITTEES OF THE BOARD**

With a view to have more focused attention on business and for better governance and accountability, the Board has constituted the following mandatory Committees viz. Audit Committee, Stakeholders' Relationship Committee, Nomination and Remuneration Committee and Corporate Social Responsibility Committee. The terms of reference of these Committees are determined by the Board and their relevance reviewed from time to time.

**(A) Audit Committee**

**(i) Terms of Reference:**



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The Audit Committee of the Company functions in accordance with the requirements of Section 177 of the Companies Act, 2013 and the Listing Regulations. The terms of reference of the Audit Committee as per guidelines set out under the Listing Regulation read with Section 177 of the Companies Act, 2013, is set out below:

The role of the Audit Committee shall include the following:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of statutory Auditors and Cost Auditors of the Company;
3. Approval of payment to Statutory Auditors and Cost Auditors and for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and Auditor's Report thereon before submission to the Board for approval, with particular reference to:
  - (a) Matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013.
  - (b) Changes, if any, in accounting policies and practices and reasons for the same.
  - (c) Major accounting entries involving estimates based on the exercise of judgment by management.
  - (d) Significant adjustments made in the financial statements arising out of audit findings.
  - (e) Compliance with listing and other legal requirements relating to financial statements.
  - (f) Disclosure of any related party transactions.
  - (g) Modified opinion (s) in the draft Audit Report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the Company with related parties;
  9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and Internal Auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal Auditors of any significant findings and follow up thereon;



15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
  16. Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
  17. To look into the reasons for substantial defaults in the payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors;
  18. To review the functioning of the Whistle Blower mechanism;
  19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
  20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. To grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis.

**(ii). Composition and Meetings:**

The Audit Committee pursuant to Section 177 should consist of minimum three Directors and two thirds of the members shall be Independent Directors. The Committee met four (4) times during the year under review on 30<sup>th</sup> May, 2018, 13<sup>th</sup> August, 2018, 14<sup>th</sup> November, 2018 and 12<sup>th</sup> February, 2019. Details of meetings attended by each member are furnished hereunder:

Sl. No	Name of the Member	No. of Meetings held during the year under review	Number of Meetings Attended
1	Dr. Anurudh Kumar Singh	4	4
2.	Mr. Manoj Srivastava*	4	1
5.	Mr. Vinod Kumar Lahoti*	4	4
2	Mr. Declan Pearse Macfadden*	4	0

\* Mr. Manoj Srivastava had been inducted to the Committee w.e.f. 13<sup>th</sup> August, 2018

\* Mr. Declan Pearse Macfadden ceased to be a member due to resignation w.e.f. 25<sup>th</sup> June, 2018.

\* Mr. Vinod Kumar Lahoti ceased to be a member due to resignation w.e.f. 18<sup>th</sup> June, 2019.

The Audit Committee was reconstituted by way of passing resolution by circulation on 8<sup>th</sup> August, 2019 with the following Directors:



1	Dr.Anurudh Kumar Singh	Chairman (Non-Executive and Independent)
2	Mr Manoj Srivastava	Member (Non-Executive and Independent)
3	Mr. Dhirendra Kumar*	Member (Executive Director)

- Mr. Dhirendra Kumar has been inducted to the Committee w.e.f. 8th August, 2019.

### **(B) Nomination and Remuneration Committee (NRC)**

The Committee has formulated criteria for the appointment of and to determine and recommend to the Board the persons to be appointed/ reappointed as Executive Director/ Non- Executive Director and criteria for making payments to Executive and Non-Executive Directors.

#### **Composition:**

The Committee comprises of 2 Independent Directors and 1 Non-Executive Director. The Committee met once during the year under review on 12<sup>th</sup> February, 2019. The details of the same are as under:

Sl. No	Name of the Member	No. of Meetings held during the year under review	Number of Meetings attended
1	Dr. Anurudh Kumar Singh	1	1
2	Mr. Akbal Narayan Singh	1	1
3	Mr. Declan Pearse Macfadden*	1	0
4	Vinod Kumar Lahoti*	1	1

\* Mr. Declan Pearse Macfadden ceased to be a member due to resignation w.e.f 25<sup>th</sup> June, 2018.

\* Mr. Vinod Kumar Lahoti was appointed as a Member of the Committee w.e.f. 13th August, 2018 and ceased to be a Member w.e.f. 18th June, 2019 due to resignation.

Pursuant to the provisions of Section 178 of the Act and the provisions of the Listing Regulations the terms of reference of the NRC include the following.

a. Assist the Board of Directors of the Company to:

- determine, review and propose compensation principles and Policy of the Company
- Assess and review compensation plans recommended by the management;
- Recommend the compensation packages of the Company's Executive Directors.

b. Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every Director's performance.





c. Approve and recommend matters relating to compensation by way of salary, perquisites, benefits, etc., to the Managing/ Whole Time/ Executive Directors of the Company.

d. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of Directors a Policy, relating to the remuneration for the Directors including Independent Directors, key managerial personnel and other employees.

The Policy shall, *inter alia*, cover termination payments to the Executive Committee members and other Senior Executives and oversight of the same by the Committee.

The Remuneration Policy shall set guidelines for the Executive Committee/ Managing Director to approve remuneration to the Managing Committee members and their direct reports and other executives.

e. Review and recommend to the Board of Directors for approval of any mandatory disclosures of the Management compensation.

f. Review and reassess the adequacy of the charter and perform annual self-evaluation of the performance of the Committee.

g. Carry out any other acts and deeds as may be delegated by the Board of Directors and deal with such other matters as may be prescribed under the Act, the SEBI (LODR) Regulations and other statutory enactments.

h. Provide guidance to the Human Resources Department to set up Policy and procedure for succession planning of Key Managerial Personnel and other senior management of the Company.

i. Approve any share incentive or other plans for the employees of the Company.

### **DETAILS OF REMUNERATION**

#### **(a). Executive Directors**

The details of remuneration for the year ended 31<sup>st</sup> March, 2019 are as follows:

<b>Sl. No.</b>	<b>Name Of The Director</b>	<b>Designation</b>	<b>Remuneration (in Rs)</b>
1	Mr. Dharendra Kumar	Managing Director	84,16,500

#### **(b). Non-Executive Directors**

The Company has paid sitting fee of Rs. 20,000/- per meeting to Non-Executive Independent Directors. The sitting fee paid (including conveyance) for the Financial Year 2018-19 is Rs.1,80,000/- (inclusive of Service tax and TDS).





Mr. Akbal Narayan Singh, Non-Executive Director holds 1,18,500 Equity Shares of the Company.

## **POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMU-NERATION**

The Nomination and Remuneration Committee has adopted a Policy which, *inter alia*, deals with the manner of selection of Board of Directors and their remuneration.

### **Criteria of selection of Non-Executive Directors**

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, banking, agriculture, law, governance and general management.

In case of appointment of Independent Directors, the Nomination and Remuneration Committee

shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The Nomination and Remuneration Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The Nomination and Remuneration Committee shall consider the following attributes / criteria, while recommending to the Board the candidature for appointment as Director:

- Qualification, expertise and experience of the Directors in their respective fields
- Personal, Professional or business standing
- Diversity of the Board

In case of re-appointment of Non-Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level in Board Meetings / Committee Meetings.

No securities/ convertible instruments were issued or allotted to any of the Non- Executive Directors during the financial year.

### **Criteria of making payments to Non-executive Directors**

The Policy adopted by Nomination and Remuneration Committee allows payments to Non-Executive Directors in such a way to attract motivate and retain Directors of quality and ability.



**Particulars of Equity Shares of the Company held by Directors as on 31<sup>st</sup> March, 2019:**

Sl. No.	Name of the Directors	Number of Shares held
1	Mr. Dhirendra Kumar	19,44,680
3	Mr. Akbal Narayan Singh	1,18,500

**(C). Stakeholders' Relationship Committee**

The Committee comprises of 2 Non-Executive Directors and 1 Executive Director. The Committee met once during the year under review on 30th May, 2018. The details of the same are as under:

Sl. No.	Name of the Member	No. of Meetings held during the year under review	Number of meetings attended
1	Mr. Akbal Narayan Singh	1	1
2	Mr. Dhirendra Kumar	1	1
3	Mr. Vinod Kumar Lahoti*	1	1

\* Mr. Vinod Kumar Lahoti ceased to be a member due to resignation w.e.f. 18<sup>th</sup> June, 2019.

The Committee constituted by the Company comprises at present the following Directors:

1	Mr. Anurudh Kumar Singh	Chairman, Independent Director
1	Mr. Dhirendra Kumar	Member, Executive Director
3	Mr. Akbal Narayan Singh	Member, Non-Executive Director-Non-Independent

During the financial year 2018-19, no complaints were received from Shareholders. The Company obtains Investor complaints status on Quarterly basis from Registrar and Share Transfer Agent. Details of such complaints are as follows:

Sl. No.	Complaints relating to	No. of Complaints received	No. of Complaints resolved
1	Non-receipt of refund order / allotment letter	Nil	Nil
2	Non-receipt of Dividend/ Interest on Shares/ Debentures/ Fixed Deposits/ maturity amount on debentures	Nil	Nil
3	Non-receipt of share certificates	Nil	Nil



4	Non-receipt of Annual Report/ Rights forms/ Bonus shares/ interest on delayed refund/ Dividend and Interest	Nil	Nil
5	Others	Nil	Nil
	<b>Total</b>	Nil	Nil

Keeping in view the provisions of Section 178 of the Act, and the provisions of the Listing Regulations the terms of reference of the Stakeholders' Relationship Committee are as follows:

1. To approve/ refuse/ reject registration of transfer/ transmission of Shares in a timely manner.
2. To authorize printing of Share Certificates post authorization from the Board of Directors of the Company;
3. To authorize to maintain, preserve and keep in its safe custody all books and documents relating to the issue of share certificates, including the blank forms of share certificates.
4. To monitor redressal of Stakeholder's complaints/ grievances including relating to non-receipt of allotment / refund, transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends etc.

#### **(D). FAMILIARIZATION PROGRAMME AND MEETING OF INDEPENDENT DIRECTORS**

The Company firmly believes in keeping the interest of its stakeholders at the forefront and thereby puts maximum effort to establish and maintain an effective Corporate Governance practice. The Company also believes that a Board, which is well informed and familiarized with the Company, can contribute significantly to effectively discharge its role of trusteeship in a manner that fulfils stakeholder's expectations.

Additionally, Directors are updated on a continuing basis on developments in the corporate and industry scenario including those pertaining to regulatory and economic environment, to enable them to take well informed and timely decisions.

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, its Committee's and the Directors individually. A structured questionnaire was prepared covering various aspects of the Board's functioning. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board/ Committee's, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority Shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Directors were satisfied with the evaluations results which reflected the overall engagement and effectiveness of the Board and its Committees.



## **MEETING OF INDEPENDENT DIRECTORS**

An exclusive meeting of Independent Directors was held on 18<sup>th</sup> February, 2019 and transacted *inter alia* the following business:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Managing Director of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at the said meeting.

The Performance evaluation of the Board for the financial year 2018-19 will be carried out in the financial year 2018-19 as per the Questionnaire framed by Nomination and Remuneration Committee.

A detailed questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, engagement with the Board, participation in Board / Committee Meetings etc.

### **(E). GENERAL MEETINGS**

**(a) The details of the last three Annual General Meetings (AGMs) held are furnished as under:**

<b>GENERAL SHAREHOLDER INFORMATION:</b>		
<b>1. Details of the last Three Annual General Meetings:</b>		
<b>Date</b>	<b>Venue</b>	<b>Time</b>
28.09.2018	Survey Number 132, Madagondanahalli Village, Maddhure Hobli, Doddaballapur- 561 203, Karnataka.	3.00 P.M
19.09.2017	Sree Nandana palace, No. 4034,100 Feet Road, HAL 2 <sup>nd</sup> Stage, Indiranagar, Bangalore-560038.	3.00 P.M
28.09.2016	Sree Nandhini Palace No 4034, 100 Feet Road, HAL 2 <sup>nd</sup> Stage, Indiranagar, Bangalore – 560 038	3.30 P.M
<b>Ensuing Annual General Meeting:</b>		
<b>25<sup>th</sup> Annual General Meeting: 24<sup>th</sup> September, 2019</b>		
<b>Venue:</b>	Survey Number 132, Madagondanahalli Village, Maddhure Hobli, Doddaballapur- 561 203, Karnataka.	12.30 P.M

#### **(b) Postal Ballot**

No Resolution was passed during the year attracting Postal Ballot and no resolution attracting Postal Ballot is recommended at this Meeting.

### **Extra Ordinary General Meeting**



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During the year, no Extra Ordinary General Meeting was held

## **(F). SHAREHOLDERS**

### **Means of Communication**

Quarterly / Half yearly / Annual financial results, of the Company, are published in one widely circulated English newspaper (Business Standard) and a Vernacular (Kannada) newspaper “ Vishwa Vaani”. The results are also promptly forwarded to Stock Exchange in which the shares of the Company are listed and traded. The Company has not made any presentations to the Institutional Investors or to the Analysts.

The Equity Shares of the Company are listed on BSE Limited.

The Annual Listing fee for the year has been paid to the concerned Stock Exchange.

The Company has also paid the Annual Custodial fee for the financial year 2018-19 to both the Depositories viz National Securities Depository Limited (NSDL) and Central Depositories Services (India) Limited (CDSL). The ISIN numbers allotted to the Company are as under:

<b><u>DEPOSITORY</u></b>	<b><u>ISIN NO.</u></b>	<b><u>Corporate Identification Number (CIN)</u></b>
NSDL and CDSL	INE 845 E01012	L85110KA 1993PLC014944

**Registrar and Share Transfer Agent:** Integrated Registry Management Services Private Limited

**Date of Book Closure** : 17<sup>th</sup> September, 2019 to 24<sup>th</sup> September, 2019 (both days)

**Financial year** : April 1<sup>st</sup> 2018 to March 31<sup>st</sup> 2019

**Scrip Code** : 538858

**Scrip Id** : CAMSONBIO

**Group / Index** : XT

**Dividend payment date** : N.A

### **Whistle Blower Policy**

In accordance with the requirements of Sections 177(9) and (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of Board and its Powers) Rules, 2014 and the provisions of the Listing Regulations, the Company has also established an effective vigil mechanism and has adopted Whistle Blower Policy. During the year under review no individual / employee has denied access to the Audit Committee.

### **Related Party Transactions**

The Company has formulated a Policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions. Prior approvals of all Related Party Transactions (RPTs) are obtained from the Audit Committee.

The Company follows the following Policy in disclosing the Related Party Transactions to the Audit Committee:

- A statement in summary form of transactions with related parties at arm's length price in the normal course of business.
- All material individual transactions with related parties, which are not in the normal course of business and which are not on an arm's length basis.



- All material financial and commercial transactions relating to senior management where they have personal interest that may have a potential conflict with the interest of the Company at large.

### **Disclosures**

The Related Party Transactions entered into by the Company during the financial year ended 31<sup>st</sup> March, 2019, have been disclosed in the Notes to Accounts.

During the financial year ended 31<sup>st</sup> March, 2019, the Company has complied with the statutory requirements comprised in the SEBI LODR Regulations, / Guidelines / Rules of the Stock Exchanges / SEBI/ other statutory authorities. The Composition of the Board of Directors of the company was not in compliance with Regulation 17 of Listing Regulations and other than this there have been no other instances of material non- compliance by the Company during such financial year.

### **Code of Conduct**

The Company has adopted a Policy of “Code of Conduct” for its Senior Management and Directors.

The Code serves as a guide to the employees of the Company to make good, informed decisions and act on them. Requisite annual affirmations of compliance with respective codes have been made by the Directors and Senior Management of the Company for the financial year 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019.

The Company has complied with all mandatory requirements of SEBI LODR Regulations, and has also adopted the non-mandatory requirements of the above mentioned regulations to the extent shown in the subsequent sections of this Corporate Governance Report.

### **Accounting Treatment**

The financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments, which are measured at fair values, the provisions of the Act (to the extent notified) and guidelines issued by SEBI. The Ind AS are prescribed under Section 133 of the Companies Act, 2013 (‘the Act’), read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. Effective April 1, 2016, the Company has adopted all the Ind AS standards and the adoption was carried out in accordance with applicable transition guidance.

### **Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015**

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s Shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.



The Company has complied with SEBI (Prevention of Insider Trading) Regulations, 2015. The Company has adopted a revised Code of Fair disclosure as required under the said Regulations on 10th April, 2019.

### **SHARE TRANSFER SYSTEM:**

The Company receives the application for the transfer, transmission and transposition at its Registered Office at Bangalore or at the office of the Company's Registrar & Share Transfer Agent (RTA), Integrated Registry Management Services Private Limited, Bangalore. As the Company's Shares are currently traded in dematerialized form, the transfers are processed and approved in the electronic form by NSDL/ CDSL through its Depository Participants. The RTA, whenever required, process the physical transfers and the duly transferred certificates are sent to the respective transferees.

Regular Audits are carried out at the office of the RTA, by an Independent Practising Company Secretary. The requisite certificate/ reports, pursuant thereto, are filed with the Stock Exchange.

Shareholders should address their communications to the RTA at their office or at the office of the Company.

### **Discretionary Requirements**

Pursuant to Regulation 27(1) and Part E of Schedule II of the Listing Regulations, your Company also complied following discretionary requirement.

### **Chairman of the Board**

The Company does not have a regular Chairman. In every Meeting of the Board, a Chairman is elected with the consent of the Board Members.

### **Means of Communication**

Quarterly/ half yearly/ annual financial results are forwarded to the Stock Exchange. The Company's quarterly results are published in English and Kannada Newspapers. Hence, the same are not sent to the shareholders.

### **Audit qualifications**

There are certain qualifications in the Audit Report of the Statutory Auditors for the year ended 31<sup>st</sup> March, 2019, and the Board's Report contains response to these qualifications. The Company is making all efforts to move towards unqualified financial statements and unmodified audit opinion.

### **Reporting of Internal Auditor**

The Internal Auditor reports directly to the Audit Committee.





### **Compliances:**

During the financial year ended 31<sup>st</sup> March, 2019, the Company has complied with the statutory requirements comprised in the SEBI LODR Regulations, / Guidelines / Rules of the Stock Exchanges/ SEBI/other statutory authorities, excluding uploading of some documents to the company website due to having some issues. There have been instances of non-compliance by the Company on a matter related to Corporate Governance as the Composition of the Board was not in compliance with Listing Regulations.

### **Investor Education and Protection Fund:**

Pursuant to the applicable Section of the Companies Act 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, all unpaid and unclaimed dividends are required to be transferred by the Company to the IEPF established by the Central Government, after the completion of seven years. Further according to the rules, the shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the demat account created by the IEPF Authority. Accordingly the Company has transferred unclaimed and unpaid shares. Further, the corresponding shares will be transferred as per the requirements of the IEPF rules.

### **Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on equity**

There are no outstanding GDRs / ADRs / Warrants or any Convertible instruments as on 31<sup>st</sup> March, 2019.

### **Auditors' Certification on Corporate Governance**

Compliance certificate from the Auditors regarding compliance of conditions of Corporate Governance is attached to the Board' s Report and is a part of this Annual Report.

### **Compliance Officer and Address for correspondence:**

Mr. Dharendra Kumar, Compliance Officer (appointed by the Board at its Meeting held on 28.05.2019)

Address: C7, 7th Floor, corporate Block, Golden Enclave  
Old Airport Road, Bangalore-560 017.

### **Certificate from Company Secretary in Practice certifying the eligibility of the Directors**

Certificate from Mr. Vijayakrishna K T, Company Secretary in Practice, having ICSI Membership No. F1788, C.P. No. 980, certifying 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 Securities and Exchange Board of India, Ministry of Corporate Affairs and/ or any such statutory authority, is enclosed as Annexure to this Report on Corporate Governance.





**Total Fees for all services paid to the Statutory Auditors of the Company by the Company Rs. 4,00,000/-**

**Details of compliance with mandatory requirements:**

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Composition of the Board of Directors of the Company was not in compliance with Regulation 17 of Listing Regulations. At present the Company has complied with Regulation 17 of the Listing Regulations.

Regulations 46(2)(b) to 46(2)(i) pertaining to disseminating information on website have been complied with. At present the website of the Company is under construction.

Pursuant to the requirements of 'Criteria of Independence' as laid down under Section 149 (6) of the Companies Act, 2013 and SEBI Regulations, 2015, all of the Independent Directors have given declarations that they meet such criteria of Independence.

In order to maintain transparency, your Company maintains an arm's length while dealing with its Independent Directors. No transaction was entered with Independent directors in the year which could have any material pecuniary relationship with them. Apart from sitting fee, no other remuneration was given to any of the Independent Directors.

This Corporate Governance Report of the Company for the financial year 2018-19 is in compliance with the requirements of Listing Regulations.

**Adoption of the Non-Mandatory Requirements:**

- i. Nomination and Remuneration Committee has duly been constituted.
- ii. The Company consistently trains its Board members, on an on-going basis, in the business model of the Company as well as the risk profile of the business parameters of the Company, their responsibilities as Directors, and the best ways to discharge them.
- iii. The Company has a procedure of bringing to the notice of management, any matter/ s regarding concerns about unethical behaviour, actual or suspected fraud or violation of Company's code of conduct or ethics Policy.
  - Independent Directors of the Company have the option and freedom to meet Company Management regularly. They are provided with all information sought by them to perform their duty effectively and efficiently.
  - Audit Committee has duly been constituted, and its scope and functions has already detailed elsewhere in this report.
  - Matters referred to Audit Committee, as detailed elsewhere in the report include, inter alia, recommendation to Board, on appointment of Statutory and Internal Auditors.
  - Reconciliation of Share Capital Audit Report is conducted every financial quarter and placed before the Audit Committee and the Board for review.



### **Plant Locations**

The Company's Research and Development facilities are located at the below mentioned address which is also the Registered Office of the Company:

(a) Sy No. 132, Madhurehobli  
Madagondanahalli  
Nelamangala Road  
Dodballapur – 561 203, Karnataka.

(b) Plot No 6A & B  
Phase – IV, Industrial Area  
Gwalthai District Bilaspur  
Himachal Pradesh – 174 201

### **Address for Correspondence**

#### **Corporate Office:**

C 7, 7<sup>th</sup> Floor, Corporate Block  
Golden Enclave, Old Airport Road  
Bangalore – 560 017

#### **Registrar & Share Transfer Agent Address for Correspondence**

Integrated Registry Management Services Private Limited No.30,  
Ramana Residency, 4<sup>th</sup> Cross  
Sampige Road, Malleshwaram  
Bangalore – 560 003



The Monthly High / Low closing prices of shares of the Company from 1<sup>st</sup> April, 2018 to 31<sup>st</sup> March, 2019 are given below:

Month	Open Price	High Price	Low Price	Close Price	No. of	No. of	Total Turnover(Rs.)	* Spread (Rs.)	
					Shares	Trades		H - L	C - O
Apr-18	15.25	16.85	14.35	15.20	224192	541	3489211	2.50	-0.05
May-18	14.75	15.50	10.80	11.40	231715	528	2917821	4.70	-3.35
Jun-18	10.83	10.90	8.49	9.75	237990	450	2319497	2.41	-1.08
Jul-18	9.30	10.06	6.58	7.40	233367	297	1758417	3.48	-1.90
Aug-18	7.50	9.90	6.76	7.55	139976	455	1171663	3.14	0.05
Sep-18	7.50	7.72	5.66	5.66	133950	320	818497	2.06	-1.84
Oct-18	5.38	5.45	4.75	4.95	51851	147	265644	0.70	-0.43
Nov-18	5.01	5.67	5.01	5.31	47511	161	257223	0.66	0.30
Dec-18	5.21	9.56	4.94	9.3	107526	284	758154	4.62	4.09
Jan-19	9.60	9.60	5.13	5.38	101980	364	690759	4.47	-4.22
Feb-19	5.12	6.25	4.70	5.49	335822	277	1760497	1.55	0.37
Mar-19	5.51	8.46	5.23	6.92	333330	317	2297498	3.23	1.41

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019 (PHYSICAL)**

Category	No. of Shareholders	%		No. of Shares held	%	
		(Percentage)	(Percentage)		(Percentage)	(Percentage)
Up to 500	1066	92.70		182415	2.94	
501	41	3.57		30600	0.49	
1001	20	1.74		30000	0.48	
2001	14	1.22		35100	0.57	
3001	1	0.09		3200	0.05	
4001	3	0.26		15000	0.24	
5001	4	0.35		30134	0.49	
10001 and Above	1	0.09		5869840	94.73	
<b>TOTAL</b>	<b>1150</b>	<b>100.00</b>		<b>6196289</b>	<b>100.00</b>	



**CAMSON**

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019 (ELECTRONIC)**

Category		Shareholders	% (Percentage)	No. of Shares held	% (Percentage)
Up to 500		6181	74.17	1043715	4.38
501	1000	925	11.10	777256	3.27
1001	2000	489	5.87	752097	3.16
2001	3000	208	2.50	541346	2.27
3001	4000	119	1.43	431519	1.81
4001	5000	90	1.08	419758	1.76
5001	10000	137	1.64	973837	4.09
10001 and Above		184	2.21	18864023	79.25
<b>TOTAL</b>		<b>8333</b>	<b>100.00</b>	<b>23803551</b>	<b>100.00</b>

**DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2019 (PHYSICAL & ELECTRONIC)**

Category		No. of Shareholders	% (Percentage)	No. of Shares held	% (Percentage)
Up to 500		7247	76.42	1226130	4.09
501	1000	966	10.19	807856	2.69
1001	2000	509	5.37	782097	2.61
2001	3000	222	2.34	576446	1.92
3001	4000	120	1.27	434719	1.45
4001	5000	93	0.98	434758	1.45
5001	10000	141	1.49	1003971	3.35
10001 and Above		185	1.95	24733863	82.45
<b>TOTAL</b>		<b>9483</b>	<b>100.00</b>	<b>29999840</b>	<b>100.00</b>

**SHAREHOLDING PATTERN AS ON 31.03.2019**

Category	Total No. of Shares	% of Shareholding
Promoters/ Persons acting in concert	7338600	24.46
Banks, FIs, Insurance Cos, etc	950	0.00
Private Corporate Bodies	3061199	10.20
Mutual Funds	0	0.00
NRIs/ OCBs/ Foreign Nationals/ FIIs	6248528	20.83
Indian Public	13055809	43.52
Others(Clearing Members/ Trust/ IEPF)	294754	0.98
<b>Total</b>	<b>29999840</b>	<b>100.00</b>



**CAMSON**

The Company's Equity Shares are compulsorily traded in the electronic form as on 31<sup>st</sup> March, 2019, about 79.34% (23803551 Shares) of the equity shares have been dematerialized as with the balance 20.65% (6196289 Shares) were in Physical form. The Shareholders can hold the shares in demat form either through NSDL or CDSL.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report exhibiting an overview of the Industry, Company's business, its Financials and other allied issues, is provided separately as a part of this report.



## CEO Certificate and CFO Certificate

**To  
The Board of Directors  
Camson Bio Technologies Limited**

I, Dharendra Kumar, Managing Director of Camson Bio Technologies Limited, (Company) hereby certify that-

- (1) We have reviewed financial statements and the cash flow statement for the year March 31, 2018 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (2) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violating the company's code of conduct.
- (3) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (4) We have indicated to the auditors and the Audit Committee:
  - (i). significant changes in internal control over financial reporting during the year;
  - (ii). significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii). instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**Place: Bangalore  
Date: 28<sup>th</sup> May, 2019**

**Dharendra Kumar  
Managing Director  
DIN: 00301372**

**Chandra Prakash Sharma  
Chief Financial Officer**



## **DECLARATION REGARDING AFFIRMATION OF CODE OF CONDUCT**

In terms of the requirement of Regulation 26(3) read with Schedule V Para D of the SEBI (Listing Obligations and Disclosure Requirements), 2015. All the members of the Board and the senior management personnel had affirmed compliance with the code for the year ending 31<sup>st</sup> March, 2019.

**Place: Bangalore**  
**Date: 28<sup>th</sup> May, 2019**

**Dhirendra Kumar**  
**Managing Director**  
**(DIN: 00301372)**



## **CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

***(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)***

To

The Members  
Camson Bio Technologies Limited  
C 7, 7th Floor, Corporate Block Golden Enclave,  
Old Airport Road  
Bangalore 560 017

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of CAMSON BIO TECHNOLOGIES LIMITED having CIN L85110KA1993PLC014944 and having Registered Office at C 7, 7th Floor, Corporate Block Golden Enclave, Old Airport Road Bangalore 560 017 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on 31<sup>st</sup> March, 2019, has been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority:





<b>Sr. No.</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of appointment in Company</b>
1	Akbal Narayan Singh	<u>00296396</u>	19/11/1993
2	Dhirendra Kumar	<u>00301372</u>	26/10/2016
3	Manoj Srivastava	<u>00513960</u>	29/05/2017
4	Anurudh Kumar Singh	<u>02539344</u>	28/11/2008
5	Geok Lan Tay	<u>07727496</u>	29/05/2017
6	Peter Joseph Kennedy	<u>06377043</u>	02/09/2016

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the Management of the Company. My responsibility is to express an opinion on these based on my verification. This Certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place: Bangalore

Date: 28.05.2019

C P No.: 980

Vijayakrishna K T

FCS No.: 1788



**CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE AS REQUIRED UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

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To  
The Members  
Camson Bio Technologies Limited  
Bangalore

I have examined all the relevant records of Camson Bio Technologies Limited ('the Company') for the purpose of certifying the compliances of the conditions of Corporate Governance by the Company for the year ended 31<sup>st</sup> March, 2018 as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

The compliance of the conditions of Corporate Governance is the responsibility of the Management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations except for *non-compliance with Regulation 17 (1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to composition of Board and the Company does not have a functional website.*

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

Place: Bangalore  
Date: 28<sup>th</sup> May, 2019

Vijayakrishna K T  
Practising Company Secretary  
FCS 1788  
CP 980



## MANAGEMENT DISCUSSION AND ANALYSIS



## MANAGEMENT DISCUSSION AND ANALYSIS

### **Socio Economic Environment and the Indian Agriculture Story**

India is known for its agricultural economy as its half the population is dependent on this trade economy.

India is the largest producer, consumer and exporter of spices and spice products. India's fruit production has grown faster than vegetables, making it the second largest fruit producer in the world. India's horticulture output, is around 314.67 million tonnes (MT) in 2018-19 after the first advance estimate. It ranks third in farm and agriculture outputs. Agricultural export constitutes 10 per cent of the country's exports and is the fourth-largest exported principal commodity. The agro industry in India is divided into several sub segments such as canned, dairy, processed, frozen food to fisheries, meat, poultry, and food grains.

### **Market Size**

India's GDP is expected to grow at 6.81 per cent in FY 2018-19, led by growth in private consumption with Agri and allied sectors Maintaining 15.87% share of the total GDP.

### **Government Initiatives**

Given the importance of the agriculture sector, the Government of India, in its Budget 2018–19, planned several steps for the sustainable development of agriculture-

- Total allocation for rural, agricultural and allied sectors for FY 2017-18 has been increased by 24 per cent year-on-year to Rs 1,87,223 crore (US\$ 28.1 billion). A dedicated micro-irrigation fund will be set up by National Bank for Agriculture and Rural Development (NABARD) with a corpus of Rs 5,000 crores (US\$ 750 million). The government plans to set up a dairy processing fund of Rs 8,000 crores (US\$ 1.2 billion) over three years with initial corpus of Rs 2,000 crores (US\$ 300 million).
- PKVY (Pradhan Mantri Krishi Vikas Yojana) would be receiving 10 crore rupees more than last year. On Pradhan Mantri Krishi Sinchai Yojana, there is a meagre increase of 600 crores. Fisheries budget increased from 400 crores to 633 crore rupees.
- The crop insurance scheme has been allotted Rs 13,000 crore compared to Rs 10,698 crore in the revised estimates of 2017-18
- Increasing the volume of institutional credit for agriculture sector from Rs 8.5 lakh crore in 2014-15 to Rs 10 lakh crore in 2017-18, to Rs 11 lakh crore for the year 2018-19.
- Ground water irrigation scheme under Prime Minister Krishi Sinchai Yojna- Har Khet ko Pani will be taken up in 96 deprived irrigation districts where less than 30% of the land holdings gets assured irrigation presently. Allocated Rs 2600 crore for this purpose.



Some of the recent major government initiatives in the sector are as follows:

- The NITI Aayog has proposed various reforms in India's agriculture sector, including liberal contract farming, direct purchase from farmers by private players, direct sale by farmers to consumers, and single trader license, among other measures, in order to double rural income in the next five years. The Ministry of Agriculture, Government of India, has been conducting various consultations and seeking suggestions from numerous stakeholders in the agriculture sector, in order to devise a strategy to double the income of farmers by 2022.
- The Maharashtra State Agriculture Marketing Board (MSAMB) has operationalised 31 farmer-to-consumer markets in the state, and plans to open 100 more such markets in the future, which would facilitate better financial remunerations for the farmers by allowing them to directly sell their produce in open markets.
- The Ministry of Labour and Employment plans to amend the Minimum Wages Act to raise the daily minimum wage of unskilled agricultural labour in C-class towns to Rs 350 (US\$ 5.2) in the central sphere, from the current wage of Rs 160 (US\$ 2.4) per day.
- The Central Government plans to open at least one Krishi Vigyan Kendra in all districts of the Country, which will provide advanced agriculture technical assistance to the farmers near their farms itself.
- The Government of Karnataka plans to invest around Rs 1 trillion (US\$ 15.1 billion) for developing irrigation projects across the state to mitigate the impact of deficient rainfall and resulting drought on agriculture in recent years.
- The Government of India and the Government of Israel have expressed their commitment to further strengthen bilateral relations in the field of agriculture and allied sectors, as well as enhance cooperation at the government-to-government and business-to-business levels between the two countries, in a bid to further enhance the relationship.
- According to the Agriculture Ministry, 50,000 hectares of area is available for coconut cultivation in Bihar, the Coconut Development Board plans to equip the farmers thus making India the world leader in production, productivity, processing for value addition and export of coconut.

Government has taken initiative for sustainable growth. "Paramparagat Krishi Vikas Yojana" is an elaborated component of Soil Health Management (SHM) of major project National Mission of Sustainable Agriculture (NMSA). Under PKVY Organic farming is promoted through adoption of organic village by cluster approach and PGS certification.

The Scheme envisages:

- Promotion of commercial organic production through certified organic farming.



- The produce will be pesticide residue free and will contribute to improve the health of consumer.
- It will raise farmer's income and create potential market for traders.
- It will motivate the farmers for natural resource mobilization for input production.

### **Programme implementation**

- Groups of farmers would be motivated to take up organic farming under Paramparagat Krishi Vikas Yojana (PKVY).
- Fifty or more farmers will form a cluster having 50 acre land to take up the organic farming under the scheme. In this way during three years 10,000 clusters will be formed covering 5.0 lakh acre area under organic farming.
- There will be no liability on the farmers for expenditure on certification.
- Every farmer will be provided Rs. 20,000 per acre in three years for seed to harvesting of crops and to transport produce to the market.
- Organic farming will be promoted by using traditional resources and the organic products will be linked with the market.
- It will increase domestic production and certification of organic produce by involving farmers

### **Road Ahead**

India is expected to achieve the ambitious goal of doubling farm income by 2022. The agriculture sector in India is expected to generate better momentum in the next few years due to increased investments in agricultural infrastructure such as irrigation facilities, warehousing and cold storage. Furthermore, the growing use of genetically modified crops will likely improve the yield for Indian farmers. India is expected to be self-sufficient in pulses in the coming few years due to concerted efforts of scientists to get early-maturing varieties of pulses and the increase in minimum support price.

The government of India targets to increase the average income of a farmer household at current prices to Rs 219,724 (US\$ 3,420.21) by 2022-23 from Rs 96,703 (US\$ 1,505.27) in 2015-16.

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry will offer several benefits

### **The Indian Biotechnology Market**

The Indian biotech industry holds about 2 per cent share of the global biotech industry. India has emerged as a leading destination for clinical trials, contract research and manufacturing activities owing to the growth in the bio-services sector. With the country offering numerous comparative advantages in terms of R&D facilities, knowledge, skills, and cost effectiveness, the biotechnology industry in India has immense potential to emerge as a global key player.



India currently has a marginal share in the global market for industrial enzymes. Hence, there is an opportunity in focused R&D and knowledge-based innovation in the field of industrial enzymes, which can innovatively replace polluting chemical processes into eco-friendly processes that also deliver environmental sustainability. Another interesting field of study is the area of bio-markers and companion diagnostics, which will enable to optimise the benefits of biotech drugs.

### **Company Overview**

Camson Bio Technologies Limited (“ Camson” ) is India's first integrated IPR driven agricultural biotechnology Company. Founded in 1993, the Company is headquartered in Bangalore, with primary focus on biotech R&D. The Company is a pioneer of Zero residue<sup>TM</sup> farming products, which uses secondary metabolites (biological origin) of microbes to kill / inhibit pathogens, without the hazardous chemicals.

The Company’s strength in the biocides is backed by robust operational efficiency and strong R&D. It places Camson at a very strong position to capitalize on the growth in the industry. To further enhance the Company’s technology platform, Camson is also strengthening the R&D team by adding more research scientists with significant knowledge in the field.

### **Performance Review**

#### ***Financial Performance: Standalone basis***

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

### **Liquidity**

As of March 31, 2019, the total debt of Rs. 8625.07 Lakhs, Cash and Cash Equivalents were Rs. 6.36 Lakhs, resulting in a Net Debt of Rs. 8618.71 Lakhs.

### **Business Outlook**

After the cleanup, the promoter management is confident of good show by the company in future. Your Company has taken stringent action against defaulting dealers, staff & other involved in unethical working.

A new set of nation best distributors are appointed. Company Brand is once again gaining popularity and market share

### **Opportunities, Risks, Concerns and Threats**



### ***Opportunities***

*Economic Growth:* The Indian economy is entering into an exciting phase of growth. It is anticipated that implementation of structural reforms and government initiatives will result in robust investment activity in the agri biotech space. Furthermore, the recent macro-economic indicators confirm the strengthening demand. This will result in further improvement in agriculture sector and fuel consumer demand in the organic space.

*Ban on Chemical Fertilizers:* The state of Kerala and Sikkim had recently proposed to make the state switch over to organic farming by 2016. To implement this move, 100 government offices across states are being established to ensure procurement of organic and bio farming products for farmers. Given the importance of organic farming and need for developing a sustainable alternative for the traditional agriculture methods, other state government may also follow the suit. This opens up significant opportunities for Camson given already strong market position in the agri biotech space. Any such initiatives by the government to promote agri biotech products will be beneficial for the Company's growth. Agri biotech products have the capability to make a meaningful difference in terms yields, and quantity of produce and ensure availability of chemical free, safe products.

### ***Risks & Concerns***

High dependency on monsoon, low irrigation coverage and vagaries of climate are the major risk factors for agriculture. While awareness among farmers about the advantages of crop protection chemicals is gradually increasing, the industry needs to pay special attention to this area. The growth rate of agriculture continues to remain low which also reflects in low growth of the industry.

Over the years, China has emerged as a major producer and supplier of raw materials and intermediates for the industry. Its internal dynamics, its large-scale production capacities, foreign trade policies, its currency policies, its other domestic and pricing policies have direct bearing on the global industry. Several China-origin agrochemicals are being registered for imports in India which is bound to increase competition pressure on the Indian manufacturers. In India, some regulatory changes are in the offing which may impose restrictions on import of agrochemicals which are indigenously manufactured and may give boost to local manufacturing. The size of the Indian agrochemicals plants is small in comparison to Chinese plants, blunting competitive edge of the Indian players.

Growing popularity of organic food coupled with increasing use of bio-pesticides and other biological products also pose challenge to synthetic agrochemicals. This, however, also presents an opportunity to the industry for making forays into the new, growing segment of biological products. Increasing share of new generation/ patented molecules also poses risk to the industry which is largely old and conventional generics in nature.

Africa and South America account for a significant share in the Company's exports. These markets, however, carry higher credit, economic and political risks. The Company addresses these risks by following appropriate credit policies and by taking credit insurance.





### ***Threats***

The Company faces continuing and unavoidable threat from unfavorable weather conditions particularly the rainfall variability. Agriculture business is highly dependent on weather especially in India where only about 45% of the net sown areas have access to irrigation. Droughts, natural calamities or excess rainfall can have negative impact on the crop production which can in turn impact the product sales and can greatly impact farmer sentiment and hinders the market demand and sales for the crop protection products. Additionally, the type of crop that can be grown is affected by changes in temperatures and the length of growing season. Weather variability and climate change, modifies the soil condition and water availability for the agriculture. Though these natural factors can never be completely eliminated they can be kept under check through pro-active and prompt responses.

### **Quality Certification: Control Union**

Control Union (CU) is an international organization, offering certification for companies operating in agri, food and allied sectors including agriculture, food, feed, forest products, textiles and bio-energy. The certification is internationally accepted by various authorities and widely recognized.

Your Company holds the certification by the Control Union in the area of Organic Cultivation. Camson is one of the very few companies operating in India to receive such certification, which is a matter of honor and pride for your Company. This certification continues to strengthen our presence in the organic space, globally.

Camson Bio Technologies has obtained certification under OHSAS 18001: 2007 from Occupational Health and Safety Management Systems

### **Internal Control Systems & Adequacy**

Camson lays significant emphasis on ensuring best-in-class standards for internal control systems and is committed to the principle of prudent growth. The Company has adequate systems for internal control, which are commensurate with its size and operational complexities in place. The same are discussed in detail, in the Directors Report.

### **Human Resources Development**

Human Resource Development stands at heart of Camson's corporate strategy and your Company acknowledges that human resource is critical for the overall growth and success of the organization. The Human Resource Department of the Company is highly focused on enhancing stakeholder value by ensuring a right fit between the HR policies and the overall strategic direction of the Company. The Company, being involved in the agriculture business needs to interact and work with farmers located in the country's villages. This requires special skills that need to be upgraded on yearly basis with inputs on the latest technology advances combined with a strong commercial orientation. We have laid down HR policies and several best practices such as an incentive policy and stock options to encourage the employee fraternity. Your Company has



recruited experienced industry professionals to meet the current and future needs of the organization. There has been a constant endeavor to facilitate the overall development of the employees, with the intention to create leaders for tomorrow. Your Company is an equal opportunity employer which seeks to recruit and appoint the best talent for a job without any discrimination and a special focus is given on enhancing the workforce diversity.

As of 31<sup>st</sup> March, 2019, the Company had a total employee count of 23. As part of our Human Resource Development, we regularly organize in-house and external training programs for our employees. Your Company also follows a transparent appraisal system for our employees. There were no financial or commercial transactions that resulted in a conflict of interest between senior management and the Company. During the fiscal year under review, there has been no loss of production at any of the Company's R&D/ manufacturing facility due to industrial unrest.

### **Cautionary Statement**

Statements in this Management Discussion and Analysis contains “ forward looking statements” including, but without limitation, statements relating to the implementation of strategic initiatives, and other statements relating to Camson' s future business developments and economic performance. While these forward looking statements indicate our assessment and future expectations concerning the development of our business, a number of risks, uncertainties and other unknown factors could cause actual developments and results to differ materially from our expectations. These factors include, but are not limited to, general market, macro-economic, governmental and regulatory trends, movements in currency exchange and interest rates, competitive pressures, technological developments, changes in the financial conditions of third parties dealing with us, legislative developments, and other key factors that could affect our business and financial performance. Camson undertakes no obligation to publicly revise any forward looking statements to reflect future / likely events or circumstances.

**Place: Bangalore**

**For and on behalf of the Board of Directors**

**Date: 28<sup>h</sup> May, 2019**

**Dhirendra Kumar  
Managing Director  
DIN: 00301372**



# **'Auditor's Report and Financials'**

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF CAMSON BIO TECHNOLOGIES LIMITED

#### Qualified Opinion

We have audited the accompanying Standalone Ind AS financial statements of **Camson Bio Technologies Limited** ("the company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2019, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as " Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, Except for the effects of matter prescribed in "*Basis for Qualified Opinion Paragraph*" below, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 as amended, ("Ind AS)" and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2019, and its **Loss** including Other Comprehensive Income , the changes in equity and its cash flows for the year ended on that date.

#### *Basis for Qualified Opinion*

- (a) Attention is invited to Note- 5 to the Standalone Ind AS Financial Statements, wherein the Company has reported Biological Asset for an amount of Rs.67.63 lakhs as on 31.03.2019 for which the basis of valuation and its recognition has not been produced for our verification. Hence we are unable to comment on value of the Biological asset reported.*
- (b) Attention is invited to Note- 6 to the Standalone Ind AS Financial Statements, wherein the company has reported investment in equity shares of M/s Camson Agri Ventures Private Limited Rs.3.40 Crores (6500 shares of face value of Rs.10 each & 33,93,500 shares at Rs.17.60 each) as*

on 31.03.2019. However we have not been provided with the Audited Financial statements of M/s Camson Agri Ventures Private Limited (Associate Company) for the FY 2018-19. Hence we are unable to comment on the impact on statement of profit and loss, if any, and on the carrying value of investment due to profitability/performance of the Associate company.

- (c) Attention is invited to Note- 9 to the Standalone Ind AS Financial Statements, wherein the company has reported Rs.25.88 Crore as inventory held by the company as on 31.03.2019. Due to the nature of inventory, we could not verify the quantity as well as value of the inventory and we could not satisfy ourself about the correctness of quantity of inventory held. Also we have not been provided with the basis for valuation of the inventory. Further, during the year the company has revalued the inventory, as a result there is a reduction of inventory to the extent of Rs.12.65 Crore, the basis of such revaluation has not been provided to us. In view of the above we are unable to comment on the value of inventory reported.
- (d) Attention is invited to Note- 10 to the Standalone Ind AS Financial Statements, wherein the Company has not provided the breakup for trade receivables reported in the Standalone Ind AS financial statements as on 31.03.2019. Further, we have not been provided with confirmation of balances for trade receivables as on that date. Hence, we cannot comment on the reliability of the Trade Receivables balances.
- (e) Attention is invited to Note-11 to the Standalone Ind AS Financial Statements, wherein the Company has not provided the confirmation of balances and status of account for certain Bank and NBFC accounts as on 31.03.2019. The impact of the same, if any, on the Standalone Ind AS financial statements could not be quantified as the requisite information and records are not made available for our verification.
- (f) Attention is invited to Note- 16 & 19 to the Standalone Ind AS Financial Statements, wherein the Company has not provided for interest and other charges payable during the year to certain Banks and NBFC accounts due to non-receipt of statement and confirmation of balances. The impact of the same on the Standalone Ind AS financial statements could not be quantified as the requisite information and records are not made available for our verification. Further during the year the company has reversed interest on secured loans which was provisioned during earlier period/year amounting to Rs.7.46 crore, resulting in understatement of loss and liabilities.
- (g) Attention is invited to Note- 17 to the Standalone Ind AS Financial Statements, wherein the company has recognised liability towards gratuity of Rs.4.95 lakhs during the year, which is not as per actuarial valuation.

*Hence we are unable to comment on whether the gratuity liability has been accounted as per Ind AS 19 (Employee Benefits).*

- (h) Attention is invited to Note- 20 to the Standalone Ind AS Financial Statements, wherein the company has not provided the breakup for Trade payables reported in the Standalone Ind AS financial statements as on 31.03.2019. Further, we have not been provided with confirmation of balances for trade payables as on that date. Hence, we cannot comment on the reliability of the Trade Payable balance.*
- (i) Attention is invited to Note- 25 to the Standalone Ind AS Financial Statements, wherein the company has reported Rs.2.31 Crores under miscellaneous income being reversal of employees' salary payable. However, we have not been provided with employeewise breakup of salary payable, ageing of the liability and supporting documents for such write off. And there were no other satisfactory audit procedures that we could adopt to satisfy ourself that the reversal of liability is free from material misstatement.*
- (j) Attention is invited to Note- 25 to the Standalone Ind AS Financial Statements, wherein the company has reported Rs.79.07 lakh under miscellaneous income being reversal of Trade Payables. However, we have not been provided with Vendor wise trade payable, ageing of the liability and supporting documents for such write off. And there were no other satisfactory audit procedures that we could adopt to satisfy ourself that the reversal of liability is free from material misstatement.*

We conducted our audit of the Standalone Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the Ethical requirements that are relevant to our audit of the Standalone Ind AS financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide the basis for our opinion on the Standalone Ind AS financial statements

**Emphasis of Matters:**

- i. We draw attention to Note 38 of the Standalone Ind AS financial statements, wherein during the FY 2015-16, the Company had received communication from certain shareholders to conduct forensic audit on the financial matters of the Company. The Company had earlier replied to the said shareholders requesting specific facts and scope/areas for the forensic audit. However, as per the representation received from the Board of Directors / Management of the Company, there is no pursuance from the complainants and due to no substantial framework was provided for the forensic audit to be conducted, the Company's Board of Directors have decided to drop the proposal of such forensic audit. In view of these matters described in the aforesaid Note, we are unable to comment on the applicability of the audit and consequential impact thereof in the event of materialization of such forensic audit.
- ii. We draw attention to Note 20 of the Standalone Ind AS financial statements, wherein the Company is yet to receive confirmation of balances from majority of the vendors for trade payables and also their status under MSMED Act, 2006.
- iii. As detailed in **Annexure B** to this report (With respect to the adequacy of the internal financial controls over financial reporting), there is no adequate internal audit system in place in the company during the year in commensurate with its size and nature of operation.

Our opinion is not qualified in respect of the above matters.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the Standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of Standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1.	<i>Revenue Recognition</i> Revenue from the sale of goods (hereinafter	Principal Audit Procedures

	<p>referred to as “Revenue”) is recognised when the Company performs its obligation to its customers and the amount of revenue can be measured reliably and recovery of the consideration is probable. The timing of such recognition in case of sale of goods is when the control over the same is transferred to the customer, which is mainly upon delivery.</p> <p>The timing of revenue recognition is relevant to the reported performance of the Company. The management considers revenue as a key measure for evaluation of performance.</p>	<p>Our audit approach was a combination of test of internal controls and substantive procedures including:</p> <ul style="list-style-type: none"> <li>• Assessing the appropriateness of the Company’s revenue recognition accounting policies in line with Ind AS 115 (“Revenue from Contracts with Customers”) and testing thereof.</li> <li>• Evaluating the design and implementation of Company’s controls in respect of revenue recognition.</li> <li>• Testing the effectiveness of such controls over revenue cut off at year-end.</li> <li>• Testing the supporting documentation for sales transactions recorded during the period closer to the year end and subsequent to the year end, including examination of credit notes issued after the year end to determine whether revenue was recognised in the correct period.</li> </ul>
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**Information Other than the Standalone Ind AS Financial Statements and Auditor’s Report Thereon**

The Company’s Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the annual return, but does not include the Standalone Ind AS financial statements and our auditor’s report thereon.

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



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

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

### **Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Management is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material

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

- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
  
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss Including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2019, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
  - (g) In our opinion, the managerial remuneration for the year ended March 31, 2019 has been paid and provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act ; and
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial

- position in its Standalone Ind AS financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For YCRJ & Associates  
Chartered Accountants  
Firm Registration No. 006927S**

**Place: Bangalore  
Date: 28.05.2019**

**Yashavanth Khanderi  
Partner  
Membership No. 029066**

**“Annexure A” to the Independent Auditors Report**

*(referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirements’ of our report of even date to the Standalone Ind AS financial statements of the Company for the year ended, 31<sup>st</sup> March 2019.)*

As per the books and records produced before us and as per the information and explanations given to us and based on such audit checks that we considered necessary and appropriate, we confirm that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) A major portion of fixed assets have been physically verified by the management in accordance with the programme of verification, which in our opinion, provides for physical verification of all fixed assets at reasonable interval having regard to the size of the company and nature of its assets.
- (c) According to the information and explanations given to us and records examined by us and based on the examination of the lease and license agreement, registered sale deed provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings except for Immovable properties mentioned below are held in the name of the Company as at the balance sheet date.

In respect of immovable properties of land and buildings that have been taken on lease and disclosed as fixed asset in the Standalone Ind AS financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

- (ii) We have not been provided with Inventory verification report and details of basis of valuation of the inventories held by the companies. Hence, we are unable to comment on clause (ii) of paragraph 3 of the order.
- (iii) According to the information and explanation given to us, the Company has granted loans to companies or other parties covered in the register maintained under section 189 of the Companies Act, 2013. In respect of which:
  - (a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company’s interest.
  - (b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations

- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act, However, we have not been provided with detailed breakup for advances received from customers and their aging, hence we are unable to comment on whether the company has accepted the deposits as per the Companies (Acceptance of Deposits) Rules, 2014 (as amended).
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) According to the Information and Explanations given to us, in respect of statutory dues
- (a) The Company has been not been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, GST, Income tax, Sales Tax, Wealth tax, Service tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues with the appropriate authorities.
- (b) There are undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income tax, Sales Tax (GST), Service Tax, Customs Duty, Excise Duty, Value Added Tax, cess and other material statutory dues in arrears as at March 31, 2019 for a period of more than six months from the date they became payable and below are the details of the same:

<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.In lakhs)</b>	<b>Period to which the Amount Relates</b>	<b>Forum where dispute is pending</b>
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Employee Provident Act, 1952	PF	58.79	June 2016 to August 2018	NA
Employee State Insurance	ESI	1.16	June 2017 to August 2018	NA
Income Tax Act, 1951	Sec 194C	3.08	September 2016 to August 2018	NA
	Sec 194I	4.24	August 2016 to September 2018	NA
	Sec 194J	8.36	August 2016 to September 2018	NA
	Sec 194B	114.01	June 2016 to August 2018	NA
	Sec 194A	3.87	April 2018 to August 2018	NA
Commercial Taxes Department, Karnataka	PT Payable	0.80	Till August 2018	NA

- (c) There are no dues of Income-tax, Sales Tax, Service Tax, Customs Duty, Excise Duty, and Value Added Tax as on March 31, 2019 on account of disputes. Except below mentioned:



<b>Name of Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.In lakhs)</b>	<b>Period to which the Amount Relates</b>	<b>Forum where dispute is pending</b>
Income Tax Act 1961	Assessment u/s 143 (3)	217.27	AY 2012-13	AO
Income Tax Act 1961	Assessment u/s 144	317.63	AY 2010-11	AO
Income Tax Act 1961	Assessment u/s 271 (1)(b)	0.10	AY 2010-11	AO
Income Tax Act 1961	Assessment u/s 143	10.74	AY 2009-10	AO
Income Tax Act 1961	Assessment u/s 143 (3)	45.30	AY 2013-14	AO
Income Tax Act 1961	Assessment u/s 143 (3)	855.34	AY 2015-16	DCIT
Income Tax Act 1961	Assessment u/s 271 (1)(C )	791.19	AY 2015-16	AO

- (viii) We have not been provided with details/confirmations/bank statements for the loan accounts of the company. Hence, we are unable to provide details required in clause (viii) of paragraph 3 of the order
- (ix) According to the information and explanations given by the management, the Company has not raised any money by way of initial public offer or further public offer or debt instruments. Further, term loans were applied for the purpose for which

the loans were obtained.

- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the Standalone Ind AS financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no material fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

We draw attention to Note 38 of the Standalone Ind AS financial Statement, during the FY 2015-16, the Company had received communication from certain shareholders to conduct forensic audit on the financial matters of the Company. The Company had earlier replied to the said shareholders requesting specific facts and scope/areas for the forensic audit. However, as per the representation received from the Board of Directors / Management of the Company, there is no pursuance from the complianants and due to the involvement of substantial cost for conducting the forensic audit, the Company's Board of Directors have decided to drop the proposal of such forensic audit.

In view of the matters described in the aforesaid Note, we are unable to comment whether any fraud by the Company or on the Company by its officers or employees may have occurred

- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Standalone Ind AS financial

statements as required by the applicable accounting standards.

- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
  
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
  
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For YCRJ & Associates  
Chartered Accountants  
Firm Registration No. 006927S

Place: Bangalore  
Date: 28.05.2019

Yashavanth Khanderi  
Partner  
Membership No. 029066

**Annexure - B to the Independent Auditor's Report of even date on the Standalone Ind AS financial statements of Camson Biotechnologies Limited**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **Camson Bio Technologies Limited** as of 31<sup>st</sup> March 2019 in conjunction with our audit of the Standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting

was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls Over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the Standalone Ind AS financial statements.

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

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

### **Qualified Opinion**

According to information and explanation given to us, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 2019

- a) There is no adequate internal audit system in place in the company in commensurate with its size and nature of operation. Hence, we are unable to comment on the existence of effective risk assessment process in the company which could potentially result in the lack of control over overall operations of the company.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim Standalone Ind AS financial statements will not be prevented or detected on a timely basis.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. and except for the effects/possible effects of the material weakness described above on the achievement of the objectives of the

control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2019

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 Standalone Ind AS financial statements of the Company, and the material weakness do not affect our opinion on the Standalone Ind AS financial statements of the Company.

**For YCRJ & Associates  
Chartered Accountants  
Firm Registration No. 006927S**

**Place: Bangalore  
Date: 28.05.2019**

**Yashavanth Khanderi  
Partner  
Membership No. 029066**

**CAMSON BIO TECHNOLOGIES LIMITED**

Balance Sheet as at 31st March , 2019, prepared in compliance with the Indian Accounting Standards

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No.	As at 31ST MARCH 2019	As at 31st March,2018
<b>A</b>	<b>ASSETS</b>			
<b>1</b>	<b>Non-current assets</b>			
	a)Property, plant and equipment	3	767,025,717	813,290,575
	Capital work-in-progress			
	Goodwill			
	b) Other Intangible assets	4	46,305,186	69,713,615
	c) Biological Assets other than bearer plants	5	6,763,180	6,763,180
	d) Financial Assets			
	i) Investments	6	34,000,000	34,000,000
	ii) Other Financial assets	7	1,579,985	1,579,985
	e) Deferred tax assets (Net)		11,814,595	11,814,595
	f) Other non-current assets	8	3,976,497	9,453,236
			871,465,160	946,615,186
<b>2</b>	<b>Current assets</b>			
	a) Inventories	9	258,791,577	403,539,805
	b) Financial Assets			
	i) Trade receivables	10	65,725,159	51,128,119
	ii) Cash and cash equivalents	11	635,760	906,388
	III) Other Bank Balance			
	iv) Loans	12	1,019,922	1,298,655
	Current tax assets (Net)	12-A	8,850	2,539,637
	c) Other current assets	13	23,407,062	9,408,873
			349,588,329	468,821,477
	<b>TOTAL ASSETS</b>		<b>1,221,053,489</b>	<b>1,415,436,664</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>			
<b>1</b>	<b>Equity</b>			
	a) Equity Share capital	14	299,998,400	299,998,400
	b) Other Equity	15	147,471,204	366,623,903
			447,469,604	666,622,303
<b>2</b>	<b>Liabilities</b>			
<b>a</b>	<b>Non-current liabilities</b>			
	a) Financial Liabilities			
	i) Borrowings	16	113,758,963	98,129,307
	b) Provisions	17	4,090,521	3,595,189
	c) Other non current liabilities	18	16,015,638	15,735,638
			133,865,122	117,460,134
<b>b</b>	<b>Current liabilities</b>			
	a) Financial Liabilities			
	i) Borrowings	19	384,408,285	388,823,522
	ii) Trade payables	20		
	Dues to MSME		1,023,289	1,098,158
	Dues to Other than MSME		75,175,761	81,724,650
	iii) Other financial liabilities	21	9,423,477	9,581,149
	Provisions	23	58,929,360	51,415,488
	Current tax liabilities (Net)			
	Other current liabilities	22	110,758,593	98,711,260
			639,718,764	631,354,227
	<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,221,053,490</b>	<b>1,415,436,664</b>

See accompanying notes forming part of financials statements

As per Our report attached of even date

YCRJ & ASSOCIATES

Chartered Accountant

Firms Registration No. 00069275

Yeshwanth Khanderi

M NO 029066

For and on behalf of the Board of Directors

Dhirendra Kumar

Managing Director

DIN - 00301372

Akbal Narayan Singh

Director

DIN - 00296396

Place : Bengaluru

Date :28-MAY 2019

Place : Bengaluru

Date :28-MAY 2019



## CAMSON BIO TECHNOLOGIES LIMITED

## Statement of Profit and Loss for the year ended as on March 31, 2019

(All amounts expressed in Indian Rupees )

Sl. No	Particulars	Note No	year ended 31ST MARCH 2019	year ended 31st March,2018
1	Revenue from operations	24	49,762,134	193,104,787
2	Other income	25	32,002,044	12,973,106
3	<b>Total revenue (1+2)</b>		<b>81,764,178</b>	<b>206,077,893</b>
4	<b>EXPENSES</b>			
	a) Cost of materials consumed	26	118,431,969	133,294,567
	b) Changes in Inventories of finished goods, Work-in-progress and stock-in-trade	27	33,318,741	(56,310,901)
	c) Employee benefit expenses	28	29,561,210	50,484,104
	d) Finance costs	29	11,427,946	53,586,472
	e) Depreciation and amortization expense	3 & 4	69,731,287	71,901,768
	f) Other expenses	30	32,358,256	65,292,787
	<b>Total expenses</b>		<b>294,829,409</b>	<b>318,248,798</b>
5	<b>Profit/(Loss) before tax (3-4)</b>		<b>(213,065,232)</b>	<b>(112,170,904)</b>
6	<b>Tax Expense/ (benefit)</b>			
	a) Current tax expenses			
	b) Current tax relating to prior years (net)			
	c) Deferred tax charge/(credit)			
	d) MAT Entitlement		5,897,582	
	<b>Net tax expenses/(benefit)</b>		<b>5,897,582</b>	<b>-</b>
7	<b>Profit/(Loss) for the period (5-6)</b>		<b>(218,962,814)</b>	<b>(112,170,904)</b>
	Minority Interest			
	Share of Profit/(Loss) from Investment in Associated			
	Net Profit after Taxes, Minority interest			
8	<b>Other Comprehensive Income</b>			
	Items that will be subsequently not re-classified to Profit & Loss Statement			
	(a) Re-measurement of Defined Benefit Obligations/Assets		-	1,702,876
9	<b>Total Comprehensive Income for the period (9+10)</b> (Comprising Profit/(Loss) and Other Comprehensive Income for the period)		<b>(218,962,814)</b>	<b>(110,468,028)</b>
	Earning per Equity Share of Rs.10 each			
	Basic		(7.30)	(3.68)
	Diluted		(7.30)	(3.68)

## See accompanying notes forming part of financials statements

As per Our report attached of even date

YCRJ &amp; ASSOCIATES

Chartered Accountant

Firms Registration No. 00069275

Yeshwanth Khanderi

M NO 029066

For and on behalf of the Board of Directors

Dhirendra Kumar

Managing Director

DIN - 00301372

Akbal Narayan Singh

Director

DIN - 00296396

28th MAY, 2019

Place: BANGALORE

28th MAY, 2019

Place: BANGALORE

CAMSON BIO TECHNOLOGIES LIMITED

Statement of Changes in Equity for the period ended 31 March 2019

(All amounts expressed in Indian Rupees )

A. Equity Share Capital

Particulars	Balance as at April 01, 2018	Changes in Equity Share Capital During the period	Balance as at March 31,2019
No. of Equity Shares Having face value Rs.10/-	29,999,840	-	29,999,840

Particulars	Balance as at April 01, 2018	Changes in Equity Share Capital During the period	Balance as at March 31,2019
Amount of Equity Shares Capital	299,998,400	-	299,998,400

General Reserve is created out of the profits generated. The same can be utilised in accordance with the provisions of the Act to distribute among the share Holders by way of issue of bonus shares etc. after setting off accumulated loss

See accompanying notes forming part of financials statements

B. Other Equity

Particulars	Reserves & Surplus		General Reserve	Retained Earnings	Items of Other Comprehensive Income			Total
	Capital Reserve	Securities Premium account			Biogeocical Assets	Equity Instruments through Other Comprehensive Income	Other items of Other Comprehensive Income (specify nature)	
Balance at April 1, 2018	-	-	-	600,000	-	-	-	600,000
<b>Changes in equity for the year ended March 31, 2019</b>								
Transfer to General Reserve	-	-	-	-	-	-	-	-
Equity instruments through other comprehensive income	-	-	-	-	-	-	-	-
Changes in accounting policy / prior period errors	-	-	-	-	-	-	-	-
Ind AS adjustment	-	-	-	-	-	-	-	-
Deletion during the years	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	-	-	-
<b>Balance as of March 31, 2019</b>	-	-	-	<b>600,000</b>	-	-	-	<b>600,000</b>

As per Our report attached If even date  
**YCRJ & ASSOCIATES**  
 Chartered Accountant  
 Firms Registration No. 00069275  
**Yeshwanth Khanderi**  
**M NO 029066**

For and on behalf of the Board of Directors

**Dhirendra Kumar**  
 Managing Director  
**DIN - 00301372**

**Akbal Narayan Singh**  
 Director  
**DIN - 00296396**

Place : Bengaluru  
 Date :28-MAY 2019

Place : Bengaluru  
 Date :28-MAY 2019

**CAMSON BIO TECHNOLOGIES LIMITED**  
Cash flow for the year ended 31 March, 2019

(All amounts expressed in Indian Rupees )

Particulars		As at 31 March, 2019		As at 31 March, 2018	
		Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operating activities</b>					
Profit / (Loss) before taxation			(218,962,814)		(110,468,028)
Adjustments for:					
Depreciation and amortisation		69,731,287		71,901,768	
Interest income on deposits		-		-	
Loss on sales of fixed assets		-		-	
Capital Reserve Adjustment		(189,885)		-	
Interest expenses on borrowings		11,427,946		53,586,472	
Provision for doubtful debts		369,381		1,893,046	
Write back of Provision		(32,002,044)		(11,456,426)	
			49,336,685		115,924,861
<b>Operating Profit/(Loss) before working capital changes</b>			<b>(169,626,128)</b>		<b>5,456,832</b>
<b>Changes in working capital:</b>					
<b>Adjustment for increase/ (decrease) in operating liabilities</b>					
Trade payables and Other Liabilities		37,547,946		34,003,948	
Provisions		8,009,204		(14,158,613)	
<b>Adjustment for (increase)/ decrease in operating assets</b>					
Trade receivables		(14,966,421)		(15,864,633)	
Inventories		144,748,228		(284,374,456)	
Loans and advances and current assets		(11,188,668)		126,950	
Other non-current assets		5,476,739		293,074,261	
			169,627,028		12,807,457
<b>Cash generated from operations</b>			<b>899</b>		<b>18,264,289</b>
Taxes paid		-	-		-
<b>Net cash from/(used in) operating activities</b>	<b>A</b>		<b>899</b>		<b>18,264,289</b>
<b>B. Cash flow from investing activities:</b>					
Purchase of tangible/intangible assets including capital work in progress		(58,001)		(4,121,456)	
Sale proceeds of tangible assets		-		-	
Investment in Subsidiary Company		-		-	
Interest received on deposits		-		11,456,426	
<b>Net cash from/(used in) investing activities</b>	<b>B</b>		<b>(58,001)</b>		<b>7,334,970</b>
<b>C. Cash flow from financing activities</b>					
Proceeds on issue of equity shares		-		-	
Interest and financial charges		(11,427,946)		(53,586,472)	
Proceeds from secured loan		11,214,419		28,270,519	
Repayment of borrowings					
<b>Net cash from/(used in) financing activities</b>	<b>C</b>		<b>(213,527)</b>		<b>(25,315,953)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(A+B+C)</b>		<b>(270,628)</b>		<b>283,306</b>
Cash and Cash equivalents at the beginning of the year			906,388		623,083
Cash and Cash equivalents at the end of the year (Refer note.: 18)			635,760		906,388
<b>See accompanying notes forming part of financials statements</b>					
As per Our report attached of even date		For and on behalf of the Board of Directors			
YCRJ & ASSOCIATES					
Chartered Accountant					
Firms Registration No. 00069275					
Yeshwanth Khanderi					
M NO 029066		Dhirendra Kumar	Akbal Narayan Singh		
		Managing Director	Director		
		DIN - 00301372	DIN - 00296396		
Place : Bengaluru		Place : Bengaluru			
Date :28-MAY 2019		Date :28-MAY 2019			

## Camson Bio Technologies Limited

Notes forming part of standalone Financial Statements for the period ended March 31,2019

### 1. CORPOATE INFORMATION

Camson Bio Technologies Limited ('the Company') is in the field of bio technology focused on manufacture of effective, safe and environmentally friendly natural pest management products for the agricultural markets

### 2. SIGNIFICANT ACCOUNTING POLICIES :

#### 2.1 Basis of preparation of financial statements

##### a. Statement of Compliance

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Standalone Financial Statements up to and for the year ended 31st March, 2017 were prepared in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

##### b. Functional and Presentation Currency

The Standalone Financial Statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest rupee, unless otherwise indicated.

##### c. Basis of Measurement

The Standalone Financial Statements have been prepared on the historical cost basis.

#### 2.2 Use of estimates:

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. 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 notes to the financial statements.

#### 2.3 Classification of Assets and Liabilities

Schedule III to the Act, requires assets and liabilities to be classified as either Current or Non-current.

##### a. An asset shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is expected to be realised within twelve months after the reporting date; or
- (iv) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

##### b. All assets other than current assets shall be classified as non-current.

##### c. A liability shall be classified as current when it satisfies any of the following criteria:

- (i) it is expected to be settled in the Company's normal operating cycle;
- (ii) it is held primarily for the purpose of being traded;
- (iii) it is due to be settled within twelve months after the reporting date; or
- (iv) the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

##### d. All liabilities other than current liabilities shall be classified as non-current.

#### 2.4 Operating Cycle

An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has ascertained the operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

#### 2.5 Disclosures pursuant to Ind AS 115- " Revenue from Contracts with Customers"

The company considers the terms of the contract and customary business practices to determine the transaction price. The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts (GST, VAT, Service tax, etc) collected on behalf of third parties (government).

Revenue is recognized only when the control over the promised goods or services is transferred to the buyer.

These Financial Statements of the Company for the period ended 31st March 2019 have been prepared in accordance with Ind AS 115 (Revenue from Contracts with Customers) which has been notified by the Ministry of Corporate Affairs (MCA) vide notification dated 28th March 2018. For the purposes of transition to Ind AS 115, the Company has followed the cumulative effect method, with April 1, 2018 as the transition date .

The transition to Ind AS 115 has resulted in changes in the presentation of the financial statements, disclosures in the notes thereto and accounting policies and principles. The accounting policies set out in Notes in relation to IndAS 115 have been applied in preparing the Financial Statements for the period ended 31st March 2019 and the comparative information has not been restated since adjustments have been made in accordance with the cumulative effect method effecting the opening reserves as on April 1, 2018.

The Company recognises revenue at a point-in-time based on the acceptance of the product sold to the Customer. The company had also been following the same methodology for revenue recognition in the erstwhile Ind AS-18 regime. Hence, there is no effect on the other equity presented in the Balance Sheet. There is no Contract Asset as on date, hence all amounts has been classified as Receivables.

## 2.6 Other income

Interest income is accounted on accrual taking into account the amount outstanding and the rate applicable.

## 2.7 Property, Plant and Equipment

- a. An item of Property, Plant and Equipment that qualifies for recognition as an asset is initially measured at its cost and then carried at the cost less accumulated depreciation and accumulated impairment, if any.

The cost of an item of Property, Plant and Equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. The initial estimate of the costs of dismantling and removing the item and restoring the site on which it is located is included in the cost of an item of property, plant and equipment.

The cost of a self-constructed item of Property, Plant and Equipment comprises the cost of materials and direct labor, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

Tangible Property, Plant and Equipment under construction are disclosed as Capital Work-in-progress.

- b. **Subsequent Expenditure**

Subsequent costs are included in the carrying amount of asset 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 expenses 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 assets are recognised in the Statement of Profit and Loss

- c. **Depreciation**

The depreciable amount of an item of Property, Plant and Equipment is allocated on a systematic basis over its useful life. The Company provides depreciation on the diminishing balance method. The Company believes that diminishing balance method reflects the pattern in which the asset's future economic benefits are expected to be consumed by the Company. Based on internal technical evaluation, the management believes useful lives of the assets are appropriate. The depreciation method is reviewed at least at each financial year-end and, if there has been a significant change in the expected pattern of consumption of the future economic benefits embodied in the asset, the method is changed to reflect the changed pattern. Such a change is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors.

Each part of an item of Property, Plant and Equipment with a cost that is significant in relation to the total cost of the item is depreciated separately.

The depreciation charge for each period is generally recognised in the Standalone Statement of Profit and Loss unless it is included in the carrying amount of another asset.

The residual value and the useful life of an asset is reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) is accounted for as a change in an accounting estimate in accordance with Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The estimated useful lives are as follows:

Class of Assets	Useful Life
Nangal Land Lease Hold	1140 months
Aligarh Land Lease Hold	360 months
Building	360 months
Computers	36 months
Office equipment	60 months
Plant & Machinery	180 months
Motor vehicles	120 months

- d. **Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a diminishing balance method, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

Amortization methods and useful lives are reviewed periodically including at each financial year end.

- e. **Transition to Ind AS**

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant & equipment recognised as at April 1, 2016 measured as per IGAAP as the deemed cost of property, plant & equipment and intangible assets.

## 2.8 Financial instruments

### 2.8.1 Initial recognition

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognized at fair value on initial recognition, except for trade receivables which are initially measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, that are not at fair value through profit or loss, are added to the fair value on initial recognition. Regular way purchase and sale of financial assets are accounted for at trade date.

### 2.8.2 Subsequent measurement

- a. **Non-derivative financial instruments**

- (i) **Financial assets carried at amortised cost**

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

- (ii) **Financial assets at fair value through other comprehensive income**

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. The Company has made an irrevocable election for its investments which are classified as equity instruments to present the subsequent changes in fair value in other comprehensive income based on its business model. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

**(iii) Financial assets at fair value through profit or loss**

A financial asset which is not classified in any of the above categories are subsequently fair valued through profit or loss.

**(iv) Financial Liabilities**

Financial liabilities are subsequently carried at amortized cost using the effective interest method. 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.

**b. Share Capital**

**Ordinary Shares**

Ordinary shares are classified as equity.

**2.8.3 Derecognition of financial instruments**

The company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**2.9 Fair value of financial instruments**

In determining the fair value of its financial instruments, the Company uses a variety of methods and assumptions that are based on market conditions and risks existing at each reporting date. The methods used to determine fair value include discounted cash flow analysis, available quoted market prices and dealer quotes. All methods of assessing fair value result in general approximation of value, and such value may never actually be realized.

**2.10 Impairment**

**a. Financial assets**

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair valued through profit or loss. Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime ECL. For all other financial assets, expected credit losses are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

**b. Non-financial assets**

**(i) Intangible assets and property, plant and equipment**

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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 CGU to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

**2.11 Cash and Cash Equivalents**

Cash and cash equivalents include cash in hand, demand deposits with bank and other short-term (three months or less from the date of acquisition), highly liquid investments that are readily convertible into cash and which are subject to an insignificant risk of changes in value.

**2.12 Inventories:**

**a.** Inventories comprises of Raw Material, Packing Materials and Finished Goods.

**b.** Cost of inventories comprises of cost of purchase, cost of conversion and other cost incurred in bringing the inventories to their present location and condition.

**c.** The method of valuation of various categories of inventories is as follows:

**i)** Stock in trade is valued at lower of cost and net realizable value. Materials and other items held for use in the production of inventories are written down below cost if the resulting finished products are not expected to be sold at or above cost.

**ii)** Raw materials and packing materials are valued at weighted average cost basis.

**iii)** Finished Goods are valued at lower of cost and net realizable value. Cost includes direct materials and labour expenses and apportionment of manufacturing overheads based on normal operating capacity.

**iv)** Work-in-Progress are valued at cost plus production overheads.

### 2.13 Borrowing Costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets are treated as direct cost and are considered as part of cost of such assets. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use or sale. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Capitalisation of borrowing costs is suspended during the extended period in which active development is interrupted. Capitalisation of borrowing costs is ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

### 2.14 Disclosure pursuant to Ind AS 12 - "Income taxes"

#### a. Current Tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

#### b. Minimum Alternative Tax (MAT):

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

- c. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognized for all timing differences. Deferred tax assets are recognized for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. However, if there are unabsorbed depreciation and carry forward of losses and items relating to capital losses, deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that there will be sufficient future taxable income available to realize the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their reliability.

Current and deferred tax relating to items directly recognized in reserves is recognized in reserves and not in the Statement of Profit and Loss.

### 2.15 Earning per Share

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

### 2.16 Provisions, Contingent Liabilities and Contingent Assets:

(i) Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle that obligation and a reliable estimate can be, made of the amount of obligation. When the Company expects some of or all the provisions to be reimbursed only when the reimbursements are virtually certain. The expense relating to a provision is presented in the statement of profit and loss net off any reimbursement.

If the effect of the time value of the money is material, provision 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 provision due to passage of time is recognized as a finance cost.

(ii) Contingent liabilities are disclosed separately by way of note to financial statements after careful evaluation by the management of the facts and legal aspects of the matter involved in case of

(a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.

(b) a possible obligation, unless the probability of outflow of resources is remote.

(iii) Contingent Assets are neither recognised, nor disclosed.

### 2.17 Foreign currency transactions and translations

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currency are restated at the exchange rate prevalent on the Balance Sheet date and gain/ loss on such restatement is charged to the Statement of Profit and Loss.

### 2.18 Government grants, subsidies and export incentives

Government grants /subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidies will be received. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge [or is treated as deferred income which is recognised in the Statement of Profit and Loss]

Other Government grants and subsidies are recognised as income over the periods necessary to match them with the cost for which they are intended to compensate, on systematic basis.

## 2.19 Employee Benefits:

Employee benefits include provident fund, employee state insurance scheme, and gratuity fund and compensated absences.

### Defined contribution plans:

Contribution to provident fund and employee state insurance scheme by the entities in the Group are considered as defined contribution plans and are charged as an expense based on the amount of contribution required to be made and when services are rendered by the employees.

### Defined benefit plans:

For defined benefit plans in the form of gratuity fund(unfunded) the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Company statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Company Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

### Short Term Employee Benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- a. in case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b. in case of non-accumulating compensated absences, when the absences occur.

### Long term Employee Benefits:

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

## 2.20 Disclosures pursuant to Ind AS - 17 " Leases" :

Assets acquired on lease where a significant portion of the risks and rewards of the ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the Statement of Profit and Loss on straight line basis on the lease term as incurred. Obligations on long-term operating leases:

Particulars	As at March 31, 2019	As at March 31, 2018
Lease rentals recognized during the year	3,412,200	2,047,320

## 2.21 Research And Development:

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalized. The amount capitalized comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Fixed assets utilized for research and development are capitalized and depreciated in accordance with the policies stated for Fixed Assets.



CAMSON BIO TECHNOLOGIES LIMITED

Notes forming part of standalone Financial Statements for the period ended March 31, 2019

3. TANGIBLE ASSETS

Particulars	Gross Block						Impairment Loss			Depreciation				Net Block		
	As at April 1, 2018	Adjustment	Additions	Disposals	Transferred on account of demerger	As at March 31, 2019	As at April 1, 2018	Impairment Loss	As at March 31, 2019	As at April 1, 2018	Charged for the Period	Eliminated on disposal of assets	Transferred on account of demerger	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Land - Freehold	14,791,159	-	-	-	-	14,791,159	-	-	-	-	-	-	-	-	14,791,159	14,791,159
Land - Leasehold	416,675,676	-	-	-	-	416,675,676	-	-	-	13,654,299	4,209,070	-	-	17,863,369	398,812,307	403,021,377
Land Development cost	22,242,169	-	-	-	-	22,242,169	-	-	-	22,242,169	-	-	-	22,242,169	-	-
Building	167,782,327	-	-	-	-	167,782,327	-	-	-	65,960,413	4,954,588	-	-	70,915,001	96,867,326	101,821,914
Green House	8,951,987	-	-	-	-	8,951,987	-	-	-	8,951,987	-	-	-	8,951,987	-	-
Plant and Machinery	454,543,323	-	58,001	-	-	454,601,324	-	-	-	181,397,962	31,779,595	-	-	213,177,557	241,423,767	273,145,362
Office Equipment	15,927,061	-	-	-	-	15,927,061	-	-	-	16,531,387	406,177	-	-	16,937,564	(1,010,503)	(604,326)
Computer	4,261,105	-	-	-	-	4,261,105	-	-	-	4,187,281	73,824	-	-	4,261,105	-	73,824
Furniture & Fixtures	38,280,186	-	-	-	-	38,280,186	-	-	-	23,824,543	3,500,782	-	-	27,325,325	10,954,861	14,455,643
Vehicles	17,611,848	-	-	-	-	17,611,848	-	-	-	11,026,226	1,398,822	-	-	12,425,048	5,186,800	6,585,622
<b>TOTAL</b>	<b>1,161,066,841</b>	<b>-</b>	<b>58,001</b>	<b>-</b>	<b>-</b>	<b>1,161,124,842</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>347,776,267</b>	<b>46,322,858</b>	<b>-</b>	<b>-</b>	<b>394,099,125</b>	<b>767,025,717</b>	<b>813,290,575</b>
<b>Previous Year Total</b>	<b>1,156,945,385</b>	<b>-</b>	<b>4,121,456</b>	<b>-</b>	<b>-</b>	<b>1,161,066,841</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>299,308,619</b>	<b>48,467,648</b>	<b>-</b>	<b>-</b>	<b>347,776,267</b>	<b>813,290,575</b>	<b>857,636,767</b>

4. OTHER INTANGIBLE ASSETS

Office Equipment	Gross Block						-			Amortization				Net Block		
	As at April 1, 2018	Adjustment	Additions	Disposals	Transferred on account of demerger	As at March 31, 2019	As at April 1, 2018	Impairment Loss	As at March 31, 2019	As at April 1, 2018	Charged for the Period	Eliminated on disposal of assets	Transferred on account of demerger	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	1,323,121	-	-	-	-	1,323,121	-	-	-	1,109,287	92,786	-	-	1,202,073	121,048	213,834
Product Development Cost	320,617,067	-	-	-	-	320,617,067	112,128,206	-	112,128,206	138,989,080	23,315,643	-	-	162,304,723	46,184,138	69,499,781
<b>TOTAL</b>	<b>321,940,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321,940,188</b>	<b>112,128,206</b>	<b>-</b>	<b>112,128,206</b>	<b>140,098,367</b>	<b>23,408,429</b>	<b>-</b>	<b>-</b>	<b>163,506,796</b>	<b>46,305,186</b>	<b>69,713,615</b>
<b>Previous Year Total</b>	<b>321,940,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>321,940,188</b>	<b>112,128,206</b>	<b>-</b>	<b>112,128,206</b>	<b>116,664,247</b>	<b>23,434,120</b>	<b>-</b>	<b>-</b>	<b>140,098,367</b>	<b>69,713,615</b>	<b>93,147,735</b>
<b>Grand Total (A+B)</b>	<b>1,483,007,029</b>	<b>-</b>	<b>58,001</b>	<b>-</b>	<b>-</b>	<b>1,483,065,030</b>	<b>112,128,206</b>	<b>-</b>	<b>112,128,206</b>	<b>487,874,634</b>	<b>69,731,287</b>	<b>-</b>	<b>-</b>	<b>557,605,921</b>	<b>813,330,903</b>	<b>883,004,190</b>
<b>Previous Year (A+B)</b>	<b>1,478,885,573</b>	<b>-</b>	<b>4,121,456</b>	<b>-</b>	<b>-</b>	<b>1,483,007,029</b>	<b>112,128,206</b>	<b>-</b>	<b>112,128,206</b>	<b>415,972,866</b>	<b>71,901,768</b>	<b>-</b>	<b>-</b>	<b>487,874,634</b>	<b>883,004,190</b>	<b>950,784,502</b>

5 Biological Assets other than bearer plants			
	(f) Others	As at	As at
		31ST MARCH 2019	31st March,2018
	<b>Live Microbes used in the production process</b>		
	Carrying amount at the beginning of the year	6,763,180	6,763,180
	Add: Additions during the year	-	-
	Less: during the year	-	-
	Carrying amount at the end of the year	6,763,180	6,763,180
	<b>Total</b>	<b>6,763,180</b>	<b>6,763,180</b>

6 Investments			
	Particulars	As at	As at
		31ST MARCH 2019	31st March,2018
	<b>a) Trade Investment (unquoted) fully paid</b>		
	Investment in Equity shares of Camson Agri-Ventures Private Limited		
	Investment in 6500 shares of face value of Rs.10 each & 33,93,500 shares at Rs.17.60 each in associate Company.	34,000,000	34,000,000
	Less: Provision for Diminution in Value of Investments in associate Company ( 33,93,500 shares at Rs.7.60/ per share)	-	-
	<b>Sub Total</b>	<b>34,000,000</b>	<b>34,000,000</b>
	<b>Total</b>	<b>34,000,000</b>	<b>34,000,000</b>

During the year the company has not participated in the issuance of shares of Camson Agri Ventures Private Limited resulting in dilution of interest from Subsidiary to Associate.

7-A Other Financial Assets			
	Provision for VAT Payable	As at	As at
		31ST MARCH 2019	31st March,2018
	Deposit with BESCOM	16000	16,000
	Deposit with Electercity - Aligrah	170422	170,422
	Deposit - BSNL - TELEPHONE	6100	6,100
	KEB DEPOSIT	150941	150,941
	SECURITY DEPOSIT HP ELECTERCITY BOARD - NAGAL	130000	130,000
	TELEPHONE DEPOSIT	82376	82,376
	TELEPHONE DEPOSIT	1000	1,000
	TENDER DEPOSIT	1023146	1,023,146
	<b>Sub Total</b>	<b>1,579,985</b>	<b>1,579,985</b>
	<b>Total</b>	<b>1,579,985</b>	<b>1,579,985</b>

During the year the company has not participated in the issuance of shares of Camson Agri Ventures Private Limited resulting in dilution of interest from Subsidiary to Associate.

8 Other non-current assets			
	Particulars	As at	As at
		31ST MARCH 2019	31st March,2018
	(a) Advances other than Capital Advances		
	(i) Security Deposits	3,046,613	3,271,913
	(ii) Advances to related Parties		
	- Advance to Camson Seeds Limited	197,834	283,741
	(c) Others		
	- MAT credit entitlement	-	5,897,582
	- Capital Advance	732,050	
	<b>Total</b>	<b>3,976,497</b>	<b>9,453,236</b>

9 Inventories			
	Particulars	As at	As at
		31ST MARCH 2019	31st March,2018
	(a) Raw materials	167,620,006	277,779,799
	(b) Work in progress		
	(c) Finished goods	78,741,585	112,060,326
	Goods in transit		
	Goods lying with third party	-	843,660
	Less: Provision	-	(843,660)
	(d) Others		
	Packing materials	12,429,986	13,699,680
	<b>Total</b>	<b>258,791,577</b>	<b>403,539,805</b>

During the year, as a prudent practice the Company evaluated its stock viability stored in different climatic zones in C&F godowns and retail outlets of the dealers from season to season. As Standard practice the stocks tend to degenerate with passage of time wherein the live microbes tend to die.

As an accounting principle the Company in its good corporate management has decided to re-evaluate the stock of Rs. 31.62 Crore and confident of retaining stocks worth Rs. 18.97 crore of the total value.

**10 Trade receivables**

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
Trade receivables outstanding for a period exceeding six months from the date they are due for payment		
- Unsecured, considered good		
- Doubtful	88,922,693	88,922,693
Less: provision for doubtful debts	88,922,693	88,922,693
<b>Sub Total</b>	-	-
Others - unsecured, considered good	65,725,159	51,128,119
<b>Total</b>	<b>65,725,159</b>	<b>51,128,119</b>

**11 Cash and cash equivalents**

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
(a) Balance with banks		
(i) In current accounts	633,032	904,453
(b) Cash on hand	2,728	1,935
<b>Total</b>	<b>635,760</b>	<b>906,388</b>
Balance that qualify as cash and cash equivalents under AS-3	635,760	906,388

**12 Loans**

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
<b>Unsecured, considered good</b>		
Loans to employees	1,019,922	1,298,655
<b>Total</b>	<b>1,019,922</b>	<b>1,298,655</b>

**12-A Loans**

Total	As at	As at
	31ST MARCH 2019	31st March,2018
<b>Unsecured, considered good</b>		
TDS on Interest - Received	8,850	-
<b>Total</b>	<b>8,850</b>	<b>-</b>

**13 Other current assets**

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
Advances other than capital advances		
(a) Advances to related parties ( Refer note 35 )	54,575	54,575
(b) Others		
(i) Prepaid expenses	67,500	36,667
(ii) Security Deposits	400,560	400,560
(iii) Balance with government authorities		
- VAT credit receivable	525,671	525,671
- Tax deducted at source		
- Income Tax Refund	2,692,560	152,923
- Other Balance with Government Authorities	2,030	
- Advance to suppliers and parties	11,461,047	115,000
Unpaid dividend accounts	1,252,210	1,252,210
Balance held in margin money	450,000	450,000
- Interest accrued	1,008,692	929,051
- Receivables on sale of fixed assets	5,492,216	5,492,216
<b>Total</b>	<b>23,407,062</b>	<b>9,408,873</b>

## 14 Share capital

Particulars	31ST MARCH 2019		As at 31 March, 2018	
	Number of Shares	Amount	Number Of Shares	Amount
<b>(a) Authorised</b> Equity shares of Rs.10 each with voting rights	35,000,000	350,000,000	35,000,000	350,000,000
<b>(b) Issued</b> Equity shares of Rs.10 each with voting rights	29,999,840	299,998,400	29,999,840	299,998,400
<b>(c) Subscribed and fully paid</b> Equity shares of Rs.10 each with voting rights	29,999,840	299,998,400	29,999,840	299,998,400
<b>Total</b>	<b>29,999,840</b>	<b>299,998,400</b>	<b>29,999,840</b>	<b>299,998,400</b>

## (i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Particulars	31ST MARCH 2019		As at 31 March, 2018	
	Number of Shares	Amount	Number Of Shares	Amount
<b>Equity shares with voting rights</b>				
At the beginning of the year	29,999,840	299,998,400	29,999,840	299,998,400
Add: Issued during the year	-	-	-	-
At the end of the year	29,999,840	299,998,400	29,999,840	299,998,400
<b>(ii) Terms / rights attached to equity shares</b> The Company has one class of Equity shares having par value of Rs. 10 per share. Each holder of an equity share is entitled to one vote per share.				
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of shares held by the equity share holders.				

## (iii) Details of shares held by each shareholder holding more than 5% shares:

Name of the shareholder	31ST MARCH 2019		As at 31 March, 2018	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
<b>Equity shares with voting rights</b>				
Dhirendra Kumar	1,944,680	6.48	1,944,680	6.48
Shashitika Health Resort & SPA Private Ltd	2,790,000	9.30	2,790,000	9.30
Bio Harvest Pte. Ltd.	5,869,840	19.57	5,869,840	19.57

## (iv) Shares reserved for issue under option

As at March 31, 2017 4,99,946 shares ( As at March 31, 2016 9,99,893 shares) were reserved for issuance towards Employees Stock Options available for grant to their eligible employees on its EGM dated February 12, 2015.

## 15 Other Equity

Particulars	As at	As at
	31ST MARCH 2019	31st March, 2018
<b>Capital reserve</b>		
Opening balance	21,121,135	21,121,135
Less: Deletion during the year	(189,885)	-
<b>Closing balance</b>	20,931,250	21,121,135
<b>Securities premium account</b>		
Opening balance	1,256,637,599	1,256,637,599
Add: Premium on shares issued	-	-
<b>Closing balance</b>	1,256,637,599	1,256,637,599
<b>General reserve</b>		
Opening balance	-	-
Add: Transferred from surplus in consolidated statement of Profit and Loss	-	-
Less: On account of de-merger	-	-
<b>Closing balance</b>	-	-
<b>Capital reserve</b>		
Opening balance	6,763,180	6,763,180
Add: Biological Asset - Live Microbes used in production recognised	-	-
Less: Deductions	-	-
<b>Closing balance</b>	6,763,180	6,763,180
<b>Share option outstanding account</b>		
Opening balance	-	-
Add: Gross compensation for option granted for previous year now recognised	499,946	499,946
Less: Deferred Employee Stock compensation account	499,946	499,946
<b>Closing balance</b>	-	-
<b>Retained Earnings</b>		
Opening balance	(919,600,887)	(807,429,983)
Add/(Less): (Loss)/Profit for the year	(218,962,814)	(112,170,904)
Less: On account of de-merger	-	-
Less: Ind AS Adjustment for trade receivables	-	-
Less: Ind AS Adjustment for Investments	-	-
Less: Profit of Camson Seeds Limited (Demerged Company) for the FY 2014-15	-	-
<b>Closing balance</b>	(1,138,563,701)	(919,600,887)
<b>Other Comprehensive Income</b>		
	1,702,876	1,702,876
<b>Total</b>	<b>147,471,204</b>	<b>366,623,903</b>

16 Borrowings			
	Particulars	As at	
		31ST MARCH 2019	31st March,2018
(a) Term Loans			
From banks: - Secured			
i) From HDFC bank- vehicle loan ( Refer note i )		-	394,698
(b) Loans from related parties: Unsecured (refer note 36)		113,158,963	97,134,609
(c) Other loans: Unsecured		600,000	600,000
	<b>Total</b>	<b>113,758,963</b>	<b>98,129,307</b>

**Camson Bio Technologies Limited**

Notes forming part of standalone Financial Statements for the period ended March 31,2019

**Notes: (f) Details of terms of repayment for the other long-term borrowings and security provided in respect of the secured other long-term borrowings**

	Particulars	31ST MARCH 2019		As at 31 March, 2018	
		Secured	Unsecured	Secured	Unsecured
<b>Term loans from banks:</b>					
a	HDFC Bank Limited ( Hyundai Santa fe vehicle loan) (Secured against hypothecation of vehicles, with interest rate of 10.25 % repayable over 60 monthly instalments commencing from 07.08.2014 monthly EMI of Rs.59,988/-)	113,073	-	850,241	
	<b>Sub total of vehicle loan taken from HDFC Bank Limited</b>	<b>113,073</b>	<b>-</b>	<b>850,241</b>	
b	HDFC Bank Limited ( 1st floor, golden enclave ,Bangalore ) (Secured against hypothecation of Building, with interest rate of 11.25 % repayable over 60 monthly instalments commencing from 26.08.2015 monthly EMI of Rs.6,11,000/-)	-	-	-	
<b>b) Loans from other parties:</b>					
	Particulars	31ST MARCH 2019		As at 31 March, 2018	
		Secured	Unsecured	Secured	Unsecured
<b>i) From Related Parties ( Refer note 33</b>					
	Mr. Dharendra Kumar Unsecured loan with interest rate of 10% repayable in 3 years term	-	66,100,290		59,394,635
	Mrs. Geeta Singh Unsecured loan with interest rate of 10% repayable in 3 years term	-	43,375,012		37,739,974
	Mr. Karan Singh Unsecured loan with interest rate of 10% repayable in 3 years term		3,683,661		
	<b>Total</b>	<b>-</b>	<b>113,158,963</b>	<b>-</b>	<b>97,134,609</b>
<b>ii) From others</b>					
	Shastika Health Resort & Spa Pvt Ltd Unsecured loan interest free loan		600,000		600,000
	<b>Total</b>	<b>-</b>	<b>600,000</b>	<b>-</b>	<b>600,000</b>

17 Provisions			
	Particulars	As at	
		31ST MARCH 2019	31st March,2018
	<b>Provision for employee benefits:</b>		
	(i) Provision for compensated absences	2,046,811	2,046,811
	(ii) Provision for gratuity	2,043,710	1,548,378
	<b>Total</b>	<b>4,090,521</b>	<b>3,595,189</b>

18 Other non current liabilities			
	Particulars	As at	
		31ST MARCH 2019	31st March,2018
	Trade deposits	16,015,638	15,735,638
	<b>Total</b>	<b>16,015,638</b>	<b>15,735,638</b>

19 Short term borrowings

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
<b>a) Loans repayable on demand</b>		
<b>From banks (Secured):</b>		
(i) Cash credit facilities (Refer note i )	157,632,448	172,398,532
(ii) Other loan (Refer note i)	50,823,535	55,028,357
<b>From banks (Unsecured):</b>		
i) WDCL loan ( Refer note ii )	79,980,809	64,990,342
ii) Farmer loan	43,162,265	43,162,265
<b>From other parties (Secured):</b>		
Agri Loan - Star Agri Finance Limited ( Refer note i )	17,496,524	17,931,322
<b>From other parties (Unsecured):</b>		
Indusind Bank ( Corporate Credit Card)	10,141,461	10,141,461
HDFC Bill Discounts	25,171,242	25,171,242
<b>Total</b>	<b>384,408,285</b>	<b>388,823,522</b>

Note :

The Company has sent various reminder for confirmation of balance for various account to HDFC Bank but received no response, hence not provided for the Interest on various loans from certain Banks & NBFC for the year ended 31.03.2019 & the company has also reversed the interest on secured loans of Rs. 7.46 crore, which was provisioned during earlier period/ years as the management has initiated action against the bank for various error & omissions.

Notes: (i) Details of security for secured short-term borrowings:

Particulars	Nature of security	As at	As at
		31ST MARCH 2019	31st March,2018
<b>Loan repayable on demand from banks: HDFC Bank Limited</b>			
Cash credit i	<b>Primary security:</b> (1) Hypothecation by way of first and exclusive charges on all present and future current assets inclusive of stock and books debts. <b>Collateral Security :</b> (1) Industrial Land and building, plot no 6A and B,Goalthai, Dist. Ballarpur, State: Himachal Pradesh. (2) Building. No. C-7, 7th floor, Golden enclave, old airport road, Bangalore -560017. (3) Land Sy.No. 82/1,87, 82/1,92/1,89,82/2A,83/3 , Madagondanahalli, Doddaballapur Tq. Bangalore	157,632,448	172,398,532
Other loan		50,823,535	55,028,357
<b>Loan repayable on demand from other parties:</b>			
Agri Loan - Star Agri Finance Limited	(1) Land Sy.No. 92/1, 92/4, 82/1,93/3, of Smt. Geeta Singh situated at Madagondanahalli, Doddaballapur Tq. Bangalore (2) Land Sy.No. 82, 83/3 of Mr. Karan Singh situated at Madagondanahalli, Doddaballapur Tq. Bangalore ( refer note no. 28.3 )	17,496,524	17,931,322
<b>Total</b>		<b>225,952,508</b>	<b>245,358,212</b>

Notes: (ii) Details of short-term borrowings guaranteed by some of the directors

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
<b>WDCL loan from HDF Bank Limited</b>	79,980,809	64,990,342
Secured by pledge and lodgement of promoter shares.( Mr. Dhirender Kumar)		

Notes: (iii) The Company has defaulted in repayment of loan and interest in respect of the following

Particulars	As at	As at
	31ST MARCH 2019	31st March,2018
<b>Loans repayable on demand from banks</b>		
<b>Farmer Loan from HDFC Bank Limited</b>		
Principal	-	43,162,265
Interest	-	2,501,730
<b>Agri Loan - Star Agri Finance Limited</b>		
Principal	17,496,524	17,931,322
Interest	-	-
<b>Indusind Bank - (Corporate Credit Card)</b>		
Principal	5,704,367	5,704,367
Interest	4,437,094	4,437,094

<b>20 Trade payables</b>			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>Trade payable</b>		
	Due to others	75,175,761	82,822,808
	Dues to MSME	1,023,289	-
	<b>Total</b>	<b>76,199,050</b>	<b>82,822,808</b>

<b>21 Other financial liabilities</b>			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	(a) Current maturities of long term debts	113,073	455,543
	(b) Interest accrued but not due on borrowings	9,927	9,927
	(c) Interest accrued and due on borrowings	8,048,267	7,863,469
	(d) Unclaimed dividend	1,252,210	1,252,210
	<b>Total</b>	<b>9,423,477</b>	<b>9,581,149</b>

**Camson Bio Technologies Limited**  
Notes forming part of standalone Financial Statements for the period ended March 31,2019

<b>22 Other current liabilities</b>			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	(a) Statutory remittance	23,695,103	16,440,551
	(b) Advances from customers	17,392,868	20,910,433
	(c) Payables on purchase of fixed assets	1,295,347	1,294,811
	(d) Payable to employees	36,835,074	51,689,275
	(e) Payable to directors	100,000	100,000
	(f) Others		
	- Audit Fees	383,300	383,300
	- Advance received from customer towards sale of fixed assets		
	- Amount due to A N Singh ( Refer note 36 )	2,018,698	1,700,844
	- Amount due to Camson Seeds Limited ( Refer note 36 )	29,045,052	6,198,895
	- Amount due to Camson Agri- Ventures Private Limited ( Refer note 36 )	(6,849)	(6,849)
	<b>Total</b>	<b>110,758,593</b>	<b>98,711,260</b>

<b>23 Provisions</b>			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>a) Provision for employee benefits:</b>		
	Provision for Gratuity (Refer note 35(b))	4,537,924	4,537,924
	<b>b) Provision for Others:</b>		
	Provision for taxation (Net of advance tax)	26,073,054	26,287,054
	Provision for Interest on Income Tax	17,132,385	13,641,810
	Provision for Interest & Penalties	3,493,172	3,021,750
	Provision for VAT Payable	149,076	149,076
	Provision for Interest on MSME	696,274	516,665
	Provision towards FSO expenses	438,500	438,500
	Provision for Other Expenses	1,575,714	
	Provision for C & F Expenses	2,010,552	
	Provision towards Cash Discount	2,822,709	2,822,709
	<b>Total</b>	<b>58,929,360</b>	<b>51,415,488</b>

24 Revenue from operations			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>Sale of products</b>	49,762,134	193,104,787
	<b>Sales of products</b>		
	Agri Biotech products	49,762,134	193,104,787
	<b>Total</b>	<b>49,762,134</b>	<b>193,104,787</b>

25 Other income			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>(a) Interest income</b>		
	Interest on Overdue Balance	-	534,022
	Interest on loan-Demerger Loan	-	11,990,448
	<b>(b) Other Non operating Income</b>		
	Miscellaneous income	32,002,044	271,636
	Profit on sales of Property, Plant and Equipment	-	177,000
	<b>Total</b>	<b>32,002,044</b>	<b>12,973,106</b>

Note : The Company has sent various reminder for confirmation of balance for various account to HDFC Bank but received no response, hence not provided for the Interest on various loans from certain Banks & NBFC for the year ended 31.03.2019 & the company has also reversed the interest on secured loans of Rs. 7.46 crore, which was provisioned during earlier period/ years as the management has initiated action against the bank for various error & omissions.

26 Cost of cultivation/ materials consumed			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>Raw material consumed( including packing material)</b>		
	Opening stock	291,479,478	63,461,031
	<b>Add: Purchases/cultivation</b>	<b>7,002,483</b>	<b>361,358,122</b>
		298,481,961	424,819,153
	<b>Less: Closing stock</b>	<b>180,049,992</b>	<b>291,524,586</b>
	Raw materials consumed	<b>118,431,969</b>	<b>133,294,567</b>
	<b>Total</b>	<b>118,431,969</b>	<b>133,294,567</b>

27 Changes in inventories of finished goods, work-in-progress and stock-in-trade			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>Inventories at the end of the year :</b>		
	Finished goods	78,741,585	112,903,986
	Goods in transit-finished goods		
	Work in progress		
		78,741,585	112,903,986
	<b>Inventories at the beginning of the year:</b>		
	Finished goods	112,060,326	56,593,085
	Goods in transit-finished goods		
	Foundation seeds		
	Work in progress		
		112,060,326	56,593,085
	<b>Changes in inventories of finished goods, work-in-progress and stock-in-trade</b>	<b>33,318,741</b>	<b>(56,310,901)</b>

Notes forming part of standalone Financial Statements for the period ended March 31,2019

28 Employee benefit expenses			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	Salaries and wages	19,416,352	37,734,648
	Director Remuneration	8,416,500	8,416,500
	Contribution to provident & other funds (Refer note 33(a))	516,226	2,216,572
	Gratuity expenses	495,332	1,987,422
	Staff welfare expenses	716,800	128,962
	<b>Total</b>	<b>29,561,210</b>	<b>50,484,104</b>

29 Financial costs			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	<b>a) Interest expenses on</b>		
	i) Borrowings	7,249,342	46,315,430
	ii) Others		
	- Interest on Income tax	3,490,575	4,621,861
	- Interest on MSME Creditors	179,609	190,489
	<b>b) Other borrowing cost</b>	<b>508,420</b>	<b>2,458,692</b>
	<b>Total</b>	<b>11,427,946</b>	<b>53,586,472</b>

30 Other expenses			
	Particulars	As at 31ST MARCH 2019	As at 31st March,2018
	Geo-climatic trial expense	-	977,028
	Labour charges	465,588	680,123
	Power, fuel & water	2,287,780	2,748,499
	Rent & hire charges	5,000,804	4,087,921
	Repairs and maintenance:		
	Building	196,021	302,008
	Plant & machinery	212,473	280,809
	Others	182,791	828,852
	Insurance	-	37,867
	Rates and taxes	56,470	394,616
	Communication expenses	213,060	392,337
	Travelling and conveyance	484,270	2,638,511
	Postage and courier charges	98,108	51,486
	Printing and stationery	65,793	394,417
	Freight and forwarding and selling expenses	3,048,482	9,007,067
	Rebate and discounts	2,971,210	8,871,894
	Business promotion	14,074,524	25,436,836
	Legal and professional fees	1,025,842	2,755,316
	Auditors' remuneration	280,000	286,500
	Director's sitting fee	140,000	166,000
	Bad and doubtful debts written off	369,381	1,893,046
	Miscellaneous expenses	1,185,661	3,061,655
	<b>Total</b>	<b>32,358,256</b>	<b>65,292,787</b>
	<b>Payment to the auditors comprise (excluding service tax )</b>		
	<b>To statutory Auditors</b>		
	For Audit	400,000	400,000
	<b>Total</b>	<b>400,000</b>	<b>400,000</b>





*If undelivered please return to*

**CAMSON BIO TECHNOLOGIES LIMITED**  
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